



Registrar

# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-90/FPCDL-2007/7411-7413

May 17, 2017

**Subject: Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Foundation Power Company (Daharki) Ltd. (Case No. NEPRA/TRF-90/FPCDL-2007)**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule of tariff (Annex-I) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from 1<sup>st</sup> May 2017 to 30<sup>th</sup> April 2018 in respect of Foundation Power Company (Daharki) Ltd. in Case No. NEPRA/TRF-90/FPCDL-2007.

2. The decision is being intimated to the Federal Government for notification in the official Gazette pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. The Schedule attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

  
( Syed Safeer Hussain )

Secretary,  
Ministry of Water & Power,  
Government of Pakistan  
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5%  
WITHHOLDING TAX ON DIVIDENDS FOR FOUNDATION POWER COMPANY DAHARKI  
LIMITED.**

Pursuant to the decision of the Authority in the matter of Tariff Adjustment at Commercial Operation Date (COD) dated November 28, 2013 notified vide S.R.O No. 681(I)/2014 dated July 21, 2014 and in the matter of Motion for Leave for Review dated March 6, 2015 against the Decision of the Authority at COD, withholding tax on dividend is a pass through item and the power purchaser shall make payment on account of withholding tax at the time of actual payment of dividend as hourly payment spread over a period of 12 months. In accordance with the decision referred above, the Authority approved following component for withholding tax on dividend for immediate application:

Period	7.5% Withholding tax on Dividend (Rs./kW/Hour)
1 <sup>st</sup> May 2017 to 30 <sup>th</sup> April, 2018	0.0213

The schedule attached as Annex-I is to be notified in the official gazette in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

**AUTHORITY**

Himayat Ullah Khan  
Member

Maj (R) Haroon Rashid  
Member

Syed Masood-ul-Hassan Naqvi  
Member

Saif Ullah Chattha  
Vice Chairman

Brig (R) Tariq Saddozai  
Chairman



17.05.17

FOUNDATION POWER COMPANY DAHARKI LIMITED  
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Withholding Tax Paid		Tax Amount Admissible	
		(Rs)	(Rs)	Equivalent (USD)*	(Rs)	Equivalent (USD)*
IT-20170509-0394-1063373	9-May-17	448,925,677	33,669,426	321,580	33,669,426	321,580

\*NBP TT & OD Selling Rate of USD as on May 9, 2017 is Rs. 104.7

**Calculation of Hourly Rate:**

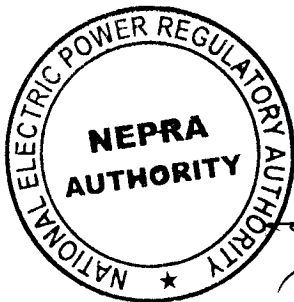
Withholding tax on dividend	Rs.	33,669,426
Capacity	kW	180,097
Hours in a year	No.	8,760
Tariff component of withholding tax on dividend (1st May, 2017 to 30th April, 2018)	Rs./kW/Hour	0.0213

**Carry Forward of Unclaimed Dividend Tax:**

	USD
Balance Carried Forward from 6th Agreement Year (NEPRA/TRF-90/FPCDL-2007/17028-17030 December 27, 2016)	1,316,124

**Maximum Limit available:**

Less :	
Claimed during 6th Agreement Year (16-05-2016 to 15-05-2017)	(321,580)
Balance Carried Forward	<u><u>994,544</u></u>



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