



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-90/FPCDL-2007/42044-42046
December 1, 2021

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)

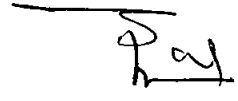
Dear Sir,

Please find enclosed herewith the decision of the Authority along with Annex-I (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period **December 1, 2021 to November 30, 2022** 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 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

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

Enclosure: As above


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(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
'A' Block, Pak Secretariat,
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.**

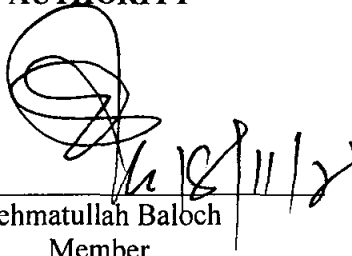
Pursuant to the decision of the Authority in the matter of Tariff Adjustment at Commercial Operation Date (COD) dated November 28, 2013 notified vide S.R.O No. 681(I)/2014 dated July 21, 2014 and in the matter of Motion for Leave for Review dated March 6, 2015 against the Decision of the Authority at COD notified vide S.R.O. No. 354(10)/2015 dated April 21, 2015, 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(s) referred above, the Authority approved following component for withholding tax on dividend for immediate application:

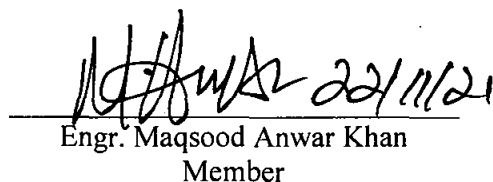
Period	7.5% Withholding tax on Dividend (Rs./kW/Hour)
December 1, 2021 to November 30, 2022	0.0344

The schedule attached as **Annex-I** is to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

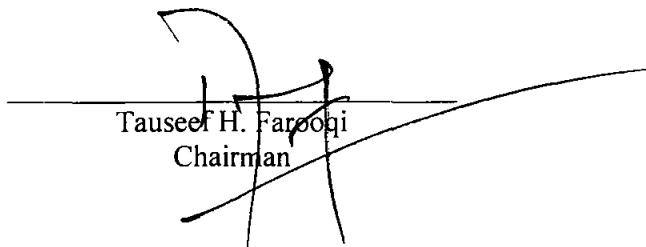
CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

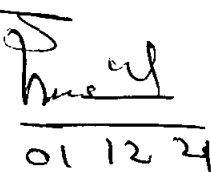

Rehmatullah Baloch
Member


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman




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FOUNDATION POWER COMPANY DAHARKI LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING 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-20211026-0101-1531660	26-Oct-21	722,846,429	54,213,482	310,057	54,213,482	310,057

*NBP TT & OD Selling Rate of USD as on October 26, 2021 is Rs. 174.85

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	54,213,482
Capacity	kW	180,097
Hours in a year	No.	8,760
Tariff component of withholding tax on dividend (December 1, 2021 to November 30, 2022)	Rs./kW/Hour	0.0344

Carry Forward of Unclaimed Dividend Tax:

Balance Carried Forward from 10 th Agreement Year (NEPRA/R/ADG(Trf)/TRF-90/FPCDL-2007/29358-29360 dated June 16, 2021)	USD	1,247,153
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Add:

Limit For 11 th Agreement Year (May 16, 2021 to May 15, 2022) $((53,017,000 \times 0.15) + (0.0770 \times 180097 \times 8760 / 83.3)) \times 0.075$	705,816
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Maximum Limit Available:

1,952,969

Less :

Claimed during 11th Agreement Year (Final Dividend for the year ended June 30, 2021)

(310,057)

Balance Carried Forward

1,642,912

