



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

Registrar

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No. NEPRA/TRF-124 /OPCL-2009/2115-2117
February 20, 2015

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Orient Power Company (Pvt.) Ltd. (Case No. NEPRA/TRF-124/OPCL-2009(2))**

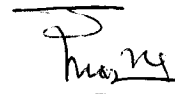
Dear Sir,

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 01.03.2015 to 29.02.2016 in respect of Orient Power Company (Pvt.) Ltd. in Case No. NEPRA/TRF-124/OPCL-2009(2).

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through 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. Please note that the schedule attached to the decision as Annex-I is required 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 ORIENT POWER COMPANY Pvt. LIMITED**

Pursuant to the decision of the Authority dated 12th January 2012 in the matter of motion for leave for review against the decision of the Authority dated 24th May 2010 at commercial operation date in the case of Orient Power Company Pvt. Limited (OPCL), 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-March-2015 to 29-February-2016	0.0168

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

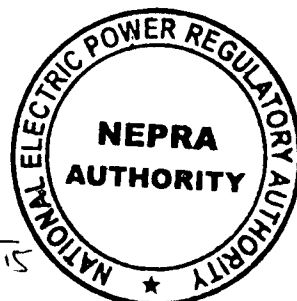
(Khawaja Muhammad Naeem)
Member

(Maj (R) Haroon Rashid)
Member

(Himiyat Ullah Khan)
Member

(Habibullah Khilji)
Vice Chairman

Brig (R) Tariq Sadozai
Chairman



20.02.15

ORIENT POWER PVT. LIMITED
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount	
			Rs.	Equivalent USD*
IT-20150108-0044-1039413	8-Jan-15	74,816,540	5,611,241	55,778
IT-20150108-0044-1039415	8-Jan-15	101,004,003	7,575,300	75,301
IT-20150108-0044-1039416	8-Jan-15	178,275,794	13,370,685	132,909
IT-20150108-0044-1039418	8-Jan-15	22,600,000	1,695,000	16,849
IT-20150108-0044-1039421	8-Jan-15	39,842,500	2,988,187	29,704
Total		416,538,837	31,240,413	310,541

*NBP TT & OD Selling Rate of USD as on 8th January 2015 is Rs. 100.60

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	31,240,413
Capacity	kW	212,700
Hours in a year	No.	8,760
Tariff component of withholding tax on dividend	Rs./kW/Hour	0.0168
Reimbursement Period of 12 months (01-March-15 to 29-February-16)		

Carry Forward of Unclaimed Dividend Tax:

	USD	USD
Balance brought forward from 4th Agreement year	3,007,444	
As per decision No NEPRA/TRF-124 /OPCL-2009/2496-2498 dated March 19, 2014		
Add: Maximum Limit available for 5th Agreement year (24-May-2014 to 23-May-2015)	826,031	3,833,475
[15% x \$61,165,000 + \$1,839,000] x 7.5%		

Less: Claimed during 5th Agreement Year (24-May-2014 to 23-May-2015) -1st interim dividend for FY 2014-15 (7.5%)

Balance Carried Forward

(310,541)

3,522,934



20.02.15