



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/TRF-80/SPL-2007/1800-1802
February 12, 2015

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Saif Power Ltd. (Case No. NEPRA/TRF-80/SPL-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 1st February 2015 to 31st January 2016 in respect of Saif Power Ltd. in Case No. NEPRA/TRF-80/SPL-2007.

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

Enclosure: As above

(Syed Safeer Hussain)

Secretary
Ministry of Water & Power,
'A' Block, Pak Secretariats
Islamabad

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



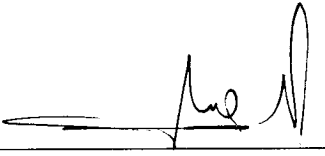
**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5%
WITHHOLDING TAX ON DIVIDENDS FOR SAIF POWER LIMITED**

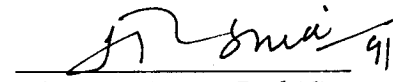
Pursuant to Para II of the order of the Authority dated 20th June 2011 in the matter of adjustment at commercial operation date in the case of Saif Power Limited (SPL), withholding tax on dividend is a pass through item and the power purchaser shall make payment on account of withholding tax at the time 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:

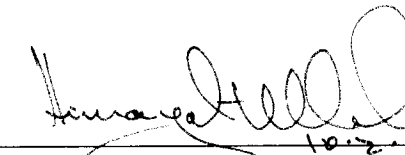
Period	7.5% Withholding tax on Dividend Rs./kW/Hour
1 st February, 2015 to 31 st January, 2016	0.0264

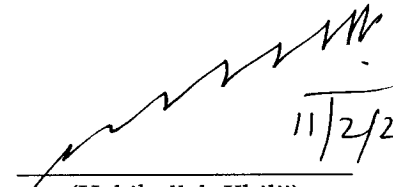
The schedule attached as Annex-I is to be notified in the official gazette in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

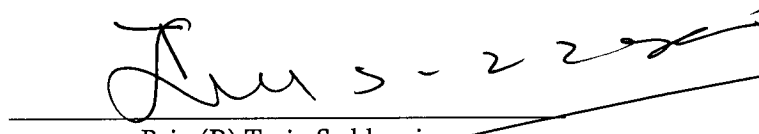
AUTHORITY

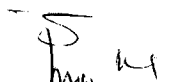

(Khawaja Muhammad Naeem)
Member


(Maj (R) Haroon Rashid)
Member


(Himayat Ullah Khan)
Member


(Habibullah Khilji)
Vice Chairman


Brig (R) Tariq Saddozai
Chairman


12.02.15



SAIF POWER 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-20140915-0882-1103822	11-Sep-14	405,454,642	30,409,098	298,714
IT-20140915-0882-1103823	11-Sep-14	178,557,208	13,391,791	131,550
IT-20150108-0882-1103823	8-Jan-15	62,206,000	4,665,450	46,376
Total		646,217,850	48,466,339	476,640

*NBP TT & OD Selling Rate of USD as on 11 September 2014 and 8 January 2015 was Rs. 101.80 and 100.60 respectively

Calculation of Hourly Rate:

Withholding Tax on dividend	Rs.	48,466,339
Capacity	kW	209,786
Hours in a year	No.	8,760
Tariff Component of withholding tax on dividend	Rs/kW/Hour	0.0264
Reimbursement Period of 12 Months	1st Feb 2015 to 31st Jan 2016	

Carry Forward of Unclaimed Dividend Tax:

	USD	USD
Balance brought Forward from 4th agreement Year		2,248,660

NEPRA/TRF-80/SPL-2007/10762-10764 dated September 2, 2013

Add: Maximum Limit Available for 5th Agreement Year(30-04-2014 to 29-04-2015	813,899
[15% x \$55,880,000+\$2,469,990] x 7.5%	

Less:

Claimed during 5th agreement year (30-04-2014 to 29-04-2015)	(476,640)	
Un-claimable due to exemption of withholding tax on dividends*	(93,649)	(570,289)

Balance Carried Forward

2,492,270

*Out of 386.471 million paid-up Shares, 63.351 million shares of Habib Bank Limited were exempt from withholding tax on dividend. Accordingly the carry forward of unclaimed withholding tax on dividends has been reduced to the extent of dividends paid to them.

