



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-80/SPL-2007/15671-15673  
November 15, 2016

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)**

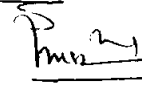
Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule (Annex-1) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from 1<sup>st</sup> November 2016 to 31<sup>st</sup> October 2017 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. The Schedule attached as Annex-1 is to be notified in the official Gazette.

Enclosure: As above

  
15.11.16  
( 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.



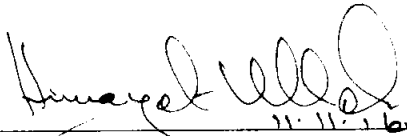
**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5%  
WITHHOLDING TAX ON DIVIDENDS FOR SAIF POWER LIMITED**

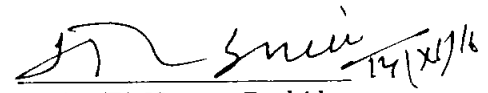
Pursuant to the order of the Authority dated 20<sup>th</sup> June 2011 in the matter of adjustment at commercial operation date in the case of Saif Power Limited (SPL), withholding tax on dividend is a pass through item and the power purchaser shall make payment on account of withholding tax at the time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

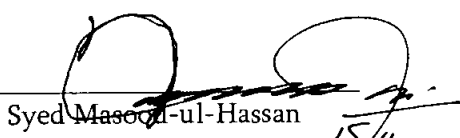
Period	7.5% Withholding tax on Dividend Rs./kW/Hour
1 <sup>st</sup> November, 2016 to 31 <sup>st</sup> October, 2017	0.0223

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.

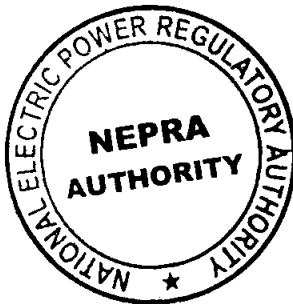
**AUTHORITY**

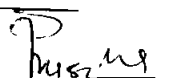
  
Himayat Ullah Khan  
Vice Chairman

  
Maj (R) Haroon Rashid  
Member

  
Syed Masood-ul-Hassan  
Member

  
Brig (R) Tariq Sadozai  
Chairman



  
15.11.16

**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-20161017-0882-1131546	17th October, 2016	61,872,225	4,641,655	44,460
IT-20161017-0882-1131532	17th October, 2016	484,003,315	36,300,248	347,704
<b>Total</b>		<b>545,875,540</b>	<b>40,941,903</b>	<b>392,164</b>

\*NBP TT & OD Selling Rate of USD as on 17th October, 2016 was Rs. 104.4

**Calculation of Hourly Rate:**

Withholding Tax on dividend	Rs.	40,941,903
Capacity	kW	209,786
Hours in a year	No.	8,760
Tariff Component of Withholding Tax on Dividend	Rs/kW/Hour	0.0223
Reimbursement Period of 12 Months	1st November, 2016 to 31st October, 2017	

**Carry Forward of Unclaimed Dividend Tax:**

	USD	USD
Balance brought Forward from 7th agreement Year	2,639,437	

(NEPRA/TRF-80/SPL-2007/10145-10147) dated 15.7.2016

**Less:**

Claimed during 7th agreement year (30-04-2016 to 29-04-2017)	(392,164)
Unclaimable due to exemption of withholding tax on dividends*	(93,711)

**Balance Carried Forward** **2,153,562**

\*Out of 386.471 million paid-up Shares, 74.540 million shares of Habib Bank Limited, Allied Bank Limited & other Mutual Funds/Trustees 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.

