



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/TRF-80/SPL-2007/10145-10147  
July 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)**

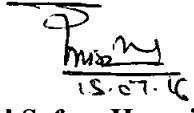
Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule (Annex-I) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from 1<sup>st</sup> July 2016 to 30<sup>th</sup> June 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-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 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> July, 2016 to 30 <sup>th</sup> June, 2017	0.0097

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**

\_\_\_\_\_  
Maj (R) Haroon Rashid  
Member

\_\_\_\_\_  
Syed Masood ul Hassan  
Member

\_\_\_\_\_  
Himayat Ullah Khan  
Vice Chairman

\_\_\_\_\_  
Brig (R) Tariq Sadozai  
Chairman



\_\_\_\_\_  
15.07.16

**SAIF POWER LIMITED**  
**REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS**

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount	
			Rs.	Equivalent USD*
IT-20160603-0882-1021773	3rd June, 2016	207,430,067	15,557,255	148,731
IT-20160603-0882-1021774	3rd June, 2016	29,540,215	2,214,881	21,175
<b>Total</b>		<b>236,970,282</b>	<b>17,772,136</b>	<b>169,906</b>

\*NBP TT & OD Selling Rate of USD as on 3rd June, 2016 was Rs. 104.6

**Calculation of Hourly Rate:**

Withholding Tax on dividend	Rs.	17,772,136
Capacity	kW	209,786
Hours in a year	No.	8,760
Tariff Component of Withholding Tax on Dividend	Rs/kW/Hour	0.0097
Reimbursement Period of 12 Months	1st July, 2016 to 30th June, 2017	

**Carry Forward of Unclaimed Dividend Tax:**

Balance brought Forward from 6th agreement Year

USD                      USD  
2,033,361

(NEPRA/TRF-80/SPL-2007/239-241)

**Add:**

Limit for the 7th Agreement Year (30-04-2016 to 29-04-2017)

$$=((55880000 \times 0.15 \times 0.075) + (0.1129 \times 209786 \times 8760 / 84)) \times 0.075$$

813,899

**Maximum Limit available:**

2,847,260                      2,847,260

**Less:**

Claimed during 7th agreement year

(169,906)

Unclaimable due to exemption of withholding tax on dividends\*

(37,917)

**Balance Carried Forward**

**2,639,437**

\*Out of 386.471 million paid-up Shares, 70.508 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.

