



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-80/SPL-2007/ 1915-19

February 12, 2024

Subject: **Decision of the Authority in the matter of Reimbursement of 7.5% Withholding Tax on Dividends for Saif Power Limited [Case No. NEPRA/TRF-80/SPL-2007]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I** (total 02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from **October 01, 2023 to September 30, 2024** in respect of Saif Power Limited in Case No. NEPRA/TRF-80/SPL-2007.

2. The Decision is being intimated to the Federal Government for the purpose of notification in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above

(Engr. Mazhar Iqbal Ranjha)

Secretary
Ministry of Energy (Power Division),
'A' Block, Pak Secretariats,
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPAG), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Saif Power Ltd., 4th Floor, Kashmir Commercial Complex (KCC), Fazal-ul-Haq Road, Block-E, Blue Area, Islamabad



DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR THE PERIOD FROM OCTOBER 1, 2023 TO SEPTEMBER 30, 2024 FOR SAIF POWER LIMITED.

1. Pursuant to the order of the Authority dated June 20, 2011 in the matter of adjustment at Commercial Operation Date (COD) in the case of Saif Power Limited (SPL) and decision of the Authority dated April 2, 2021 in the matter of application filed by CPPA-G for adjustment of ROE & ROEDC components pursuant to agreement with 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.
2. The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of Authority in the matter:-


“Based on information and documentary evidence(s) provided by SPL, the Authority hereby allow SPL to claim Rs. 0.0176/kW/h from power purchaser for the period from October 1, 2023 to September 30, 2024 as a pass-through on the basis of Rs. 32,430,528 paid as withholding tax on dividends.”

3. The allowed component indicated hereunder shall be immediately applicable:

Period	7.5% Withholding tax on Dividend Rs./kW/Hour
October 1, 2023 to September 30, 2024	0.0176

4. 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY



Mathar Niaz Rana (nsc)
Member




Engr. Maqsood Anwar Khan
Member

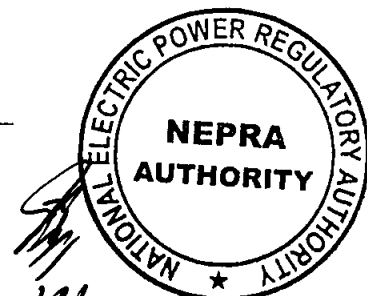


Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member



Waseem Mukhtar
Chairman



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12/02/24

SAIF POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Withholding Tax Amount Requested		Withholding Tax Amount Allowed
			Tax Rate	Rs.	Rs.
IT-20230928-0101-2313170	28-Sep-23	85,169,030	7.5%	6,387,677	6,387,677
IT-20230928-0101-2313173		256,740,664	7.5%	19,255,549	19,255,549
IT-20230928-0101-2313171		86,137,500	7.5%	6,460,213	6,460,213
IT-20230928-0101-2313172		4,361,189	7.5%	327,089	327,089
Total		432,408,383		32,430,528	32,430,528

Calculation of Hourly Rate:

Withholding Tax on dividend	Rs.	32,430,528
Capacity	kW	209,786
Hours in a year (24 x 366)	No.	8,784
Tariff Component of Withholding Tax on Dividend (Oct 1, 2023 to Sep 30, 2024)	Rs/kW/Hour	0.0176

Carry Forward of Unclaimed Dividend Tax:

Balance Brought Forward from 13 th Agreement Year (April 30, 2022 to April 29, 2023) (NEPRA/TRF-80/SPL-2007/20921-25 dated August 9, 2023)	Rs.	164,950,421
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Total Available Limit**164,950,421****Less:**

Claimed during 14 th Agreement Year (1st Interim Dividend @12.9%)	(32,430,528)
Unclaimable due to exemption of withholding tax on dividends*	(4,960,263)

Balance Carried Forward:**127,559,630**

* Out of 386.471 million paid-up Shares, 51.268 million shares of Habib Bank Limited, Allied Bank Limited & other Mutual Funds/Trustees are exempt from withholding tax on dividend. Accordingly, the carry forward of unclaimed withholding tax on dividend has been reduced to the extent of dividends paid to them.

** Based on data declared by Saif Power Limited.

