



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-322/CPGCL-2015/ 13855-58

August 30, 2024

Subject: Decision of the Authority in the matter of Reimbursement request made by Central Power Generation Company Limited for 747 MW Combined Cycle Power Project at Guddu (CPGCL-Guddu) on account of Advance Income Tax paid to the Federal Board of Revenue (FBR)

Dear Sir,

Please find enclosed herewith the Decision of the Authority (total 01 page) regarding Reimbursement request made by Central Power Generation Company Limited for the Period from July 2023 to June 2024 for 747 MW Combined Cycle Power Project at Guddu (CPGCL-Guddu) on account of Income Tax paid to the Federal Board of Revenue in Case No. NEPRA/TRF-322/CPGCL-2015.

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 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


(Wasim Anwar Bhinder)

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

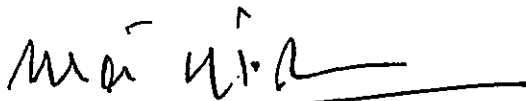
Copy to:

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 (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive Officer, Central Power Generation Company Ltd. (CPGCL), Guddu Thermal Power Station, Guddu (Kashmore)

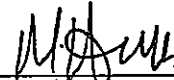
DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT REQUEST MADE BY CENTRAL POWER GENERATION COMPANY LIMITED FOR 747 MW COMBINED CYCLE POWER PROJECT AT GUDDU (CPGCL-GUDDU) ON ACCOUNT OF INCOME TAX PAID TO THE FEDERAL BOARD OF REVENUE (FBR).

1. Central Power Generation Company Limited for its 747 MW combined cycle power project at Guddu (hereinafter refer as "CPGCL-Guddu") requested for approval of reimbursement of advance income tax amount of Rs. 145,648,307/- on account of 1.25% minimum tax on turnover for 3rd and 4th quarter of the tax year 2023, paid to the Federal Board of Revenue (FBR) under Section 147 of the Income Tax Ordinance. CPGCL-Guddu in support of its claim submitted the CPRs IT-20230328-0101-2406369 and IT-20230616-0101-1876931 for 3rd and 4th quarter respectively.
2. As per the Para 4.9(v) of the decision of the Authority dated April 7, 2017 notified vide S.R.O No. 448(I)/2017 dated May 30, 2017 in the matter of Motion for Leave for Review, *in case the company is obligated to pay any tax on its income from generation of electricity, or any duties and/or taxes, not being of refundable nature, are imposed on the company, the exact amount paid by the company on these accounts shall be reimbursed on production of original receipts. This payment shall be consider as a pass-through payment. However, withholding tax on dividend shall not passed through.*
3. It is noted that CPGCL-Guddu paid total advance income tax of Rs. 501,834,997/- for the tax year 2023 i.e. July 2022 to June 2023. As per CPPA-G documentary evidence advance income tax liability of CPGCL is amounting to Rs. 427,286,784/-. The Authority vide its decisions dated June 16, 2023 already approved an amount of Rs. 356,186,690/- (Rs. 180,084,643/- and Rs. 176,102,047/-) for 1st and 2nd quarter of the tax year 2023. Therefore, remaining amount of Rs. 71,100,094/- is hereby allowed for reimbursement on account of advance income tax.
4. Accordingly, 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 CPGCL-Guddu, an amount of Rs. 71,100,094/- is being allowed to claim from Central Power Purchasing Agency Guarantee Limited on account of tax amount paid to FBR."
5. The above decision of the Authority is to be notified in the Official Gazette, in accordance with the provision of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.
6. CPPA-G to ensure that all payments are consistent with the tariff determination(s).

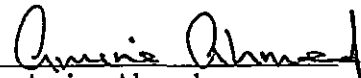
AUTHORITY



Mathar Niaz Rana (nsc)
Member

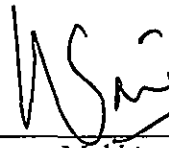


Engr. Maqsood Anwar Khan
Member



Amina Ahmed
Member

Engr. Rafique Ahmed Shaikh
Member



Waseem Mukhtar
Chairman

