



# National Electric Power Regulatory Authority Islamic Republic of Pakistan

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## Registrar

No. NEPRA/R/ADG(Trf)/TRF-354/AJPPL-2016/ 2530-34

March 15, 2024

Subject: **Decision of Authority in the matter of Adjustment in Insurance Component of Tariff of AJ Power (Private) Ltd. (AJPPL) [Case No. NEPRA/TRF-354/AJPPL-2016]**

Dear Sir,

Please find enclosed herewith the decision of the Authority (total 01 page) regarding reimbursement of withholding tax on dividends for the period ended **June 30, 2022** (effective from November 29, 2021) in respect of AJ Power (Private) Ltd. in Case No. NEPRA/TRF-354/ AJPPL-2016.

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 Secretariat,  
Islamabad

Copy to: (along with copy of subject Decision)

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. Company Secretary, AJ Power (Pvt.) Ltd., 127-S, Quaid-e-Azam Industrial Estate, Township, Kotlakhpat, Lahore

**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF WITHHOLDING TAX ON  
DIVIDEND FOR AJ POWER (PRIVATE) LIMITED**

The Authority issued Tariff Decision of AJ Power (Private) Limited on April 20, 2016 on unconditional acceptance of Upront Tariff. Subsequently, the Authority issued decision in the matter of tariff adjustment of AJPPL at Commercial Operation Date (COD) on July 08, 2019.

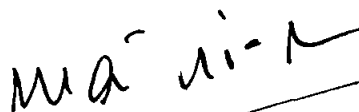
2. Based on the application of Central Power Purchasing Agency Guarantee Ltd. (CPPAGL) for adjustment in tariff components pursuant to master agreements (clause 2.2), the Authority issued decision dated April 09, 2021 which has been notified through S.R.O 713(I)/2021 dated June 04, 2021. In the said decision, the Authority has decided that Withholding Tax (WHT) on dividend shall be considered as pass-through item. CPPAGL vide letter dated January 06, 2022 has informed that the said decision dated April 09, 2021 has become effective on November 29, 2021.

3. In accordance with the decision(s) referred above, AJPPL requested for the reimbursement of Rs. 6,412,500 on final cash dividend (7.5 %) pertaining to the year ended June 30, 2022. The Authority has considered the request of AJPPL after providing an opportunity of hearing to the company and decided to allow WHT on dividend of Rs. 4,024,245 for the year ended June 30, 2022 (effective from November 29, 2021). This approved amount shall be reimbursed by the power purchaser to AJPPL.

4. The instant decision 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 the payments are consistent with tariff determination.

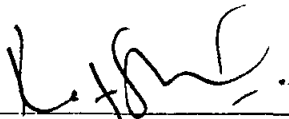
**AUTHORITY**



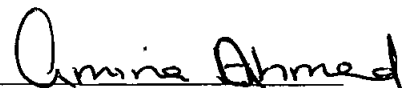
(Mathar Niaz Rana (nsc))  
Member



(Engr. Maqsood Anwar Khan)  
Member



(Rafique Ahmed Shaikh)  
Member



(Amina Ahmed)  
Member



(Waseem Mukhtar)  
Chairman

