



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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No. NEPRA/R/ADG(Trf)/TRF-85/HPGCL-2007/ **13175-79**

August 16, 2024

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Halmore Power Generation Company Limited**

Dear Sir,

Please find enclosed herewith the Decision of the Authority along with schedule at **Annex-I** (total 02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from **August 01, 2024 to July 31, 2025** in respect of Halmore Power Generation Company Limited in case No. NEPRA/TRF-85/HPGCL-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 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
(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 (CPPAG), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive Officer, Halmore Power Generation Company Limited 94-A, Commercial Broadway, Phase-8, Defence Housing Authority, Lahore.

DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR HALMORE POWER GENERATION COMPANY LIMITED.

Pursuant to the decisions of the Authority dated January 8, 2014 in the matter of adjustment at Commercial Operation Date (COD), Decision of the Authority dated November 6, 2014 in the matter of Motion for Leave for Review against COD decision filed by Halmore Power Generation Company Limited (HPGCL) and Decision of the Authority dated April 2, 2021 in the matter of application of CPPA-G for adjustment of ROE & ROEDC components of tariff pursuant to the agreement with HPGCL, withholding tax on dividend is a pass through item as per COD decision 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.

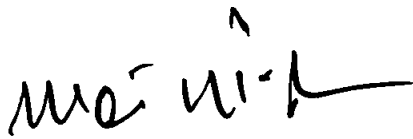
The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-

“Based on information and documentary evidence(s) provided by HPGCL, the Authority hereby allow HPGCL to claim Rs. 0.0374/kW/Hour from Central Power Purchasing Agency Limited (CPPA-G) i.e. Power Purchaser for the period from August 1, 2024 to July 31, 2025 as a pass-through on the basis of Rs. 68,441,687/- paid as 7.5% withholding tax on dividends.”

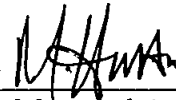
The above decision of the Authority along with revised schedule attached as **Annex-I** are to be notified in the Official Gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

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



HALMORE POWER GENERATION COMPANY LIMITED
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount Requested	Tax Amount Allowed
			Rs.	Rs.
IT-20231229-0101-1704037	29-Dec-23	748,124,353	56,109,326	56,109,326
IT-20240514-0101-1362807	14-May-24	164,031,475	12,302,361	12,302,361
Total		912,155,828	68,411,687	68,411,687

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	68,411,687
Capacity	kW	209,000
Hours in a year (365 x 24)	No.	8,760
Tariff component of withholding tax on dividend (August 1, 2024 to July 31, 2025)	Rs./kW/Hour	0.0374

Carry Forward of Unclaimed Dividend Tax As Per Applicable Tariff:

Balance Carried Forward from 12 th Agreement Year (June 25, 2022 to June 24, 2023) (NEPRA/R/ADG(Trf)/TRF-85/HPGCL-2007/2417-21 dated February 19, 2024)	Rs.	1,300,171,658
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Add:

Limit For 13 th Agreement Year (June 25, 2023 to June 24, 2024)	232,435,659
Total Available Limit	1,532,607,317

Less:

Claimed during 13 th Agreement Year (Interim Dividend @ 13% for the Financial Year 2023-24)	(68,411,687)
Balance Carried Forward	1,464,195,630

-Based on Data Declared by Halmore Power Generation Company Limited

