



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/RTRF-70/NCPL-2007/26358-26360
December 5, 2019

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Nishat Chunian Power Ltd. (Case No. NEPRA/TRF-70/NCPL-2007)**

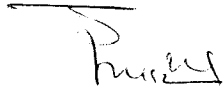
Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule of tariff (Annex-I) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period 1st November 2019 to 31st October 2020 in respect of Nishat Chunian Power Ltd. in Case No. NEPRA/TRF-70/NCPL-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 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

3. The schedule attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above


05 12 19
(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
Government of Pakistan
'A' Block, Pak Secretariat,
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 NISHAT CHUNIAN POWER LIMITED


1. Pursuant to the decision of the Authority dated 31st December 2010 in the matter of adjustment at Commercial Operation Date in the case of Nishat Chunian Power Limited (NCPL), 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 st November 2019 to 31 st October 2020	0.0441

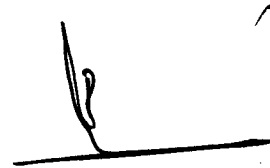
2. The schedule attached as Annex-I is to be notified in the official gazette in accordance with the provisions of Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
3. CPPA (G) to ensure that all payments are consistent with the tariff determination.

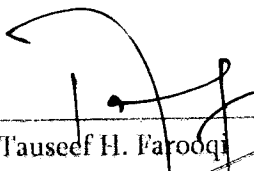
AUTHORITY



Saif Ullah Chattha 25.11.2019
Member

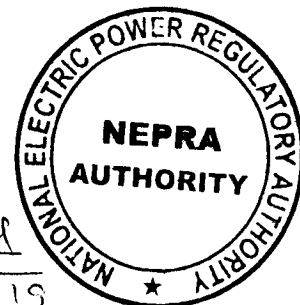

29/11/19
Rehmatullah Baloch
Member


Engr. Rafique Ahmed Shaikh
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman


05.12.19



NISHAT CHUNIAN POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount		Tax Amount Admissible	
		(Rs)	(Rs)	Equivalent (USD)*	(Rs)	Equivalent (USD)*
1223539	22-Nov-18	281,378,730	21,103,405	157,606	21,103,405	157,606
1223546	22-Nov-18	155,654,299	11,674,412	87,188	11,674,412	87,188
1249807	26-Apr-19	187,585,820	14,068,937	99,287	14,068,937	99,287
1250169	26-Apr-19	99,578,038	7,468,934	52,709	7,468,934	52,709
1347445	28-Jun-19	187,585,820	14,068,937	85,525	14,068,937	85,525
1348658	28-Jun-19	100,597,409	7,545,409	45,869	7,545,409	45,869
		1,012,380,116	75,930,034	528,184	75,930,032	528,184

*NBP TT & OD Selling Rate of USD as on 22nd November 2018, 26th April 2019 and 28th June 2019 was Rs. 133.9/USD, Rs.141.7/USD and Rs.164.5/USD, respectively.

Calculation of Hourly Rate:

Withholding tax on dividend

Rs. 75,930,032

Capacity

kW 195,722

Hours in a year

No. 8,784

Tariff component of withholding tax on dividend (1st November 2019 to 31st October, 2020)

Rs./kW/Hour 0.0441

Carry Forward of Unclaimed Dividend Tax:

Balance Carried Forward for 8th Agreement Year

USD 375,266

(As per decision No. NEPRA/TRF-70/NCPL-2007/9913-9915 dated 29 June 2018)

Less claimed during 8th Agreement Year (Final Dividend 2018)

(244,793)

Less un-claimable due to exemption of withholding tax on dividend*

(63,847)

Balance Carried Forward for 8th Agreement Year

66,626

Carry Forward of Unclaimed Dividend Tax:

USD

Balance Carried Forward for 8th Agreement Year

66,626

Maximum Pass Through on Dividend Tax for 9th Agreement Year (21st July 2018 to 20th July 2019)

636,166

(15% x \$47,481,395 + \$1,363,188) x 7.5%

Less claimed during 9th Agreement Year (1st and 2nd Interim Dividend 2019)

(283,390)

Less un-claimable due to exemption of withholding tax on dividend*

(78,533)

Balance Carried Forward for 9th Agreement Year

340,869

*Out of 367,346,939 paid-up shares, 75,991,586 shares of ABL, HBL, NBP, UBL-trading portfolio, Bank Al Habib, Sindh Bank, Askari Bank, Bank of Punjab, Samba Bank, Summit Bank, and other Trustees at the time of payment of final Dividend 2018 @Rs. 1.5/share were exempt from withholding tax on dividends. Accordingly the carry forward of unclaimed withholding tax on dividends has been reduced to the extent of dividends paid to them.

**Out of 367,346,939 paid-up shares, 80,183,081 shares of ABL, HBL, NBP, UBL-trading portfolio, Bank Al Habib, Sindh Bank, Askari Bank, Bank of Punjab, Samba Bank, Summit Bank and other Trustees at the time of payment of 1st Interim Dividend 2019 @Rs. 1/share were exempt from withholding tax on dividends. Accordingly the carry forward of unclaimed withholding tax on dividends has been reduced to the extent of dividends paid to them.

**Out of 367,346,939 paid-up shares, 79,163,710 shares of ABL, HBL, NBP, UBL-trading portfolio, Bank Al Habib, Sindh Bank, Askari Bank, Bank of Punjab, Samba Bank, Summit Bank and other Trustees at the time of payment of 2nd Interim Dividend 2019 @Rs. 1/share were exempt from withholding tax on dividends. Accordingly the carry forward of unclaimed withholding tax on dividends has been reduced to the extent of dividends paid to them.

