



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/DG(Trf)/TRF-70/NCPL-2007/ 11380-84

July 28, 2025

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Nishat Chunian Power Limited**

Dear Sir,

Please find enclosed herewith the subject Decision of the Authority along with Annex-I (total 02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period **July 01, 2025 to June 30, 2026** in respect of Nishat Chunian Power Limited in Case No. NEPRA/TRF-70/NCPL-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 (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad
4. Chief Executive Officer, Nishat Chunian Power Limited (NCPL), 31-Q, Gulberg-II, Lahore [Ph: 042 - 35761730]

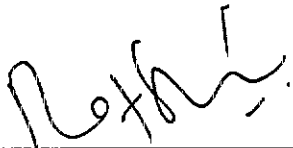


**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5%  
WITHHOLDING TAX ON DIVIDENDS FOR NISHAT CHUNIAN POWER LIMITED**

1. Pursuant to the decision of the Authority dated 31<sup>st</sup> December 2010 in the matter of adjustment at Commercial Operation Date in the case of Nishat Chunian Power Limited (NCPL) 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 signing of the master agreement with 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.
2. NCPL requested Rs. 48,087,286/- on account of withholding tax on dividends which is based on 7.5% for shareholders being in the active tax taxpayer list (ATL) and 15% for some of the shareholders being not in the ATL. In the opinion of the Authority, the higher tax rate could be avoidable by becoming part of active tax payer list and the failure is on the part of shareholders of NCPL. Therefore, there is no justification to allow WHT on dividends @15% instead of normal rate. Accordingly, the same is being allowed @7.5%.
3. 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 the information and documentary evidence(s) provided by NCPL, the Authority hereby allow NCPL to claim Rs. 0.0277/kW/h from Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) i.e. Power Purchaser for the period of July 1, 2025 to June 30, 2026 as a pass-through on the basis of Rs. 47,421,047/- paid as 7.5% withholding tax on dividends.”
4. 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination.


**AUTHORITY**

  
Engr. Rafique Ahmed Shaikh  
Member

  
Amina Ahmed  
Member

  
Engr. Maqsood Anwar Khan  
Member



  
Waseem Mukhtar  
Chairman

## Annex-I

**NISHAT CHUNIAN POWER LIMITED**  
**REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS**

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Withholding Tax Amount Requested		Withholding Tax Amount Allowed	
		(Rs)	Tax Rate	(Rs)	Tax Rate	(Rs)
IT-20250529-0101-1735102	29-May-25	177,255,986	7.50%	13,294,199	7.50%	13,294,199
IT-20250529-0101-1735104		186,718,576	7.50%	14,003,893	7.50%	14,003,893
IT-20250529-0101-1740934		259,422,864	7.50%	19,456,715	7.50%	19,456,715
		8,879,634	15.00%	1,332,479	7.50%	666,240
		632,277,060		48,087,286		47,421,047

**Calculation of Hourly Rate:**

Withholding tax on dividend

Rs. 47,421,047

Capacity

kW 195,722

Hours in a year

No. 8,760

Tariff component of withholding tax on dividend (1st July 2025 to 30th June 2026)

Rs./kW/Hour 0.0277

**Carry Forward of Unclaimed Dividend Tax:**

Rs

Balance Carried Forward for 14<sup>th</sup> Agreement Year ( 21st July 2023 to 20th July 2024 )

163,314,306

(As per decision No. NEPRA/TRF-70/NCPL-2007/3902-06 dated 17 March 2025)

**Less:**Less claimed during 14<sup>th</sup> Agreement Year (Second Interim Dividend @ 20% for Financial Year 2025)

(47,421,047)

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

(7,681,261)

**Balance Carried Forward**108,211,998

\*\*Out of 367,346,939 paid-up shares, 51,208,409 shares at the time of payment of Second Interim Dividend 2025 @Rs. 2/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.

