



Registrar

National Electric Power Regulatory Authority

Islamic Republic of Pakistan

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E-mail: registrar@nepra.org.pk

No. NEPRA/TRF-71/NPL-2007/4671-4673
May 16, 2013

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Nishat Power Ltd. (Case No. NEPRA/TRF-71/NPL-2007) - Intimation of Decision of Tariff pursuant to Section 31 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997)**

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 from 1st May 2013 to 30th April 2014 in respect of Nishat Power Ltd. in Case No. NEPRA/TRF-71/NPL-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 (4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act (XL of 1997) and Rule 16(11) of the National Electric Power Regulatory Authority Tariff (Standards and Procedure) Rules, 1998.

3. Please note that revised tariff schedule to be notified in the official Gazette is attached as Annex-I.

Enclosure: As above

(Syed Safer Hussain)

Secretary,
Ministry of Water & Power,
Government of Pakistan
Islamabad.

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



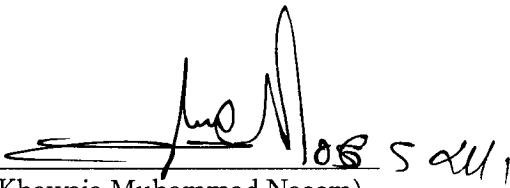
**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5%
WITHHOLDING TAX ON DIVIDENDS FOR NISHAT POWER LIMITED**

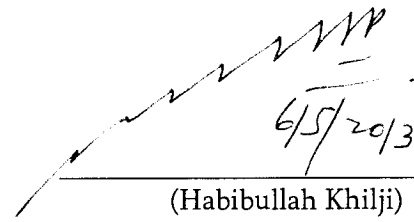
Pursuant to the decision of the Authority dated 22nd March 2011 in the matter of motion for leave for review against the decision of the Authority dated 15th October 2010 at commercial operation date in the case of Nishat Power Limited (NPL), withholding tax on dividend is a pass through item and the 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:

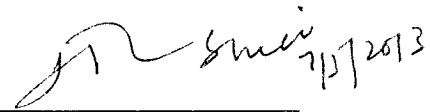
Period	7.5% Withholding tax on Dividend Rs./kW/Hour
1 st May 2013 to 30 th April 2014	0.0121

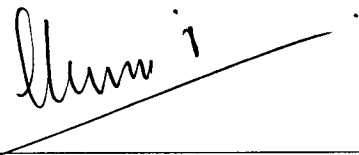
The schedule attached as Annex-I is to be notified in the official gazette in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.

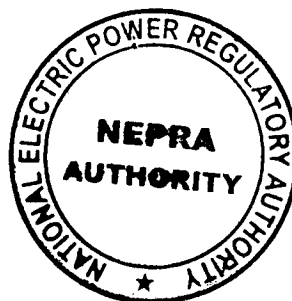
AUTHORITY

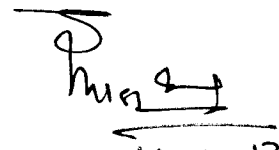

(Khawaja Muhammad Naeem)
Member


(Habibullah Khilji)
Member


(Maj (R) Haroon Rashid)
Member


(Justice (R) Ahmad Khan Lashari)
Chairman




16-5-13

NISHAT POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount	
		(Rs)	(Rs)	Equivalent (USD)*
1373907	April 12, 2013	180,632,955	13,547,472	137,958
1373918	April 12, 2013	68,981,589	5,174,557	52,694
1393518	April 12, 2013	27,434,518	2,057,596	20,953
		277,049,062	20,779,625	211,605

*NBP TT & OD Selling Rate of USD on 12th April 2013 was Rs. 98.20

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	20,779,625
Capacity	kW	195,305
Hours in a year	No.	8,760
Tariff component of withholding tax on dividend	Rs./kW/Hour	0.0121
Reimbursement Period of 12 months	1st May 2013 to 30th April 2014	

Carry Forward of Unclaimed Dividend Tax:

	USD
Balance brought forward from 3rd Agreement Year NEPRA/TRF-71/NPL-2007/2221-2223 dated 6th March 2013	1,254,372
Less claimed during 3rd Agreement Year (Half Yearly Dividend) (9 June 2012 to 8 June 2013)	(211,605)
Less un-claimable due to exemption of withholding tax on dividends*	(58,839)
Balance Carried Forward for 3rd Agreement Year	983,928

*Out of 354.0885 million paid-up Shares, 77.039448 million at the time of payment of dividend 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.



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