



National Electric Power Regulatory Authority

Islamic Republic of Pakistan

No. NEPRA/R/ADG(Trf)/TRF-71/NPL-2007/1366-1368

January 12, 2021

Subject: Decision of the Authority in the matter of Reimbursement of 7.5% withholding Tax on Dividends for Nishat Power Ltd. under NEPRA (Review Procedure) Regulations, 2009 regarding Decision dated October 16, 2020 (Case No. NEPRA/TRF-71/NPL-2007)

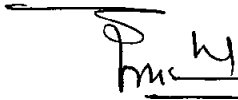
Dear Sir,

Please find enclosed herewith the subject decision of the Authority along with schedule (Annex-I) (02 pages) in the matter reimbursement of 7.5% withholding Tax on Dividends for Nishat Power Ltd. under NEPRA (Review Procedure) Regulations, 2009 regarding Decision dated October 16, 2020 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 (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


12.01.21
(Syed Safeer Hussain)

Secretary,
Ministry of Energy (Power Division),
Government of Pakistan
Islamabad.

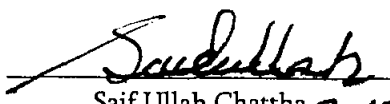
CC:


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


REVISED DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR NISHAT POWER LIMITED UNDER NEPRA (REVIEW PROCEDURE) REGULATIONS, 2009 REGARDING DECISION DATED OCT. 16, 2020

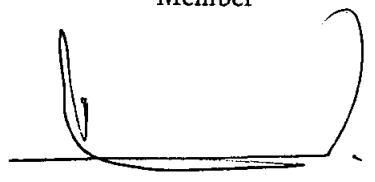
1. Some inadvertent typo errors have been identified in Annex-I of the decision of the Authority issued vide letter No. NEPRA/R/Director(Tariff)/TRF-71/NPL-2007/36510-36512 dated October 16, 2020 in the matter of reimbursement of 7.5% withholding tax on dividends, which needs to be corrected.
2. In pursuance of Section 7(2)(g) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 read with Regulation 3 of NEPRA (Review Procedure) Regulations, 2009, the Authority has decided to correct the following typo errors:
 - Tax Challan Number IT-20200918-0101-1324110 may be replaced with IT-20200918-0101-1324140.
 - Balance brought forward from 10th Agreement Year of USD 607,712 may be replaced with USD 608,712.
 - Balance carried forward of USD 1,054,118 may be replaced with USD 1,055,118.
3. Revised Annex-I is attached.
4. 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.

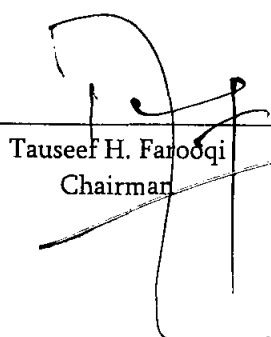
AUTHORITY

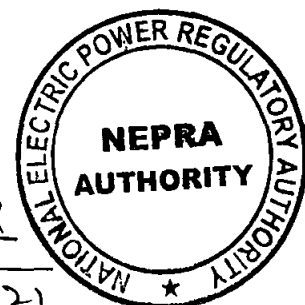

Saif Ullah Chattha
Member
3.12.2020


Rehmatullah Baloch
Member
31/12/2020


Engr. Rafique Ahmed Shaikh
Member


Engr. Bahadur Shah
Member


Tauseef H. Farooqi
Chairman



NISHAT POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld (Rs.)	Withholding Tax Amount Requested			Withholding Tax Amount Allowed		
			Tax Rate	(Rs)	Equivalent (USD)*	Tax Rate	(Rs)	Equivalent (USD)*
IT-20200918-0101-1324138	18-Sep-20	311,020,301	7.5%	23,327,114	140,271	7.5%	23,327,114	140,271
IT-20200918-0101-1324140	18-Sep-20	2,265,403	15%	339,934	2,044	7.5%	169,967	1,022
Total		313,285,704		23,667,048	142,315		23,497,081	141,293

*NBP TT & OD Selling Rate of USD on September 18, 2020 was 166.30/-

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	23,497,081
Capacity	kW	195,305
Hours in a year (365 X 24)	No.	8,760
Tariff component of withholding tax on dividend (Oct 1, 2020 to Sep 30, 2021)	Rs./kW/Hour	0.0137

Carry Forward of Unclaimed Dividend Tax:

Balance brought forward from 10 th Agreement Year	USD	608,712
No. NEPRA/TRF-71/NPL-2007/13261-13263 dated May 19, 2020		
Maximum Pass Through on Dividend Tax for 11 th Agreement Year (June 9, 2020 to June 8, 2021)		606,101
[15% x \$45,888,884 + \$1,198,011] x 7.5%		
Less claimable during 11 th Agreement Year (Final Dividend June 30, 2020)		(141,293)
Less un-claimable due to exemption of withholding tax on dividends**		(18,402)
Balance Carried Forward		1,055,118

**Out of 354.088 million paid-up shares, 40.803 million shares of Individuals, Banking and Non Banking Financial Institutions are 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.

