



Registrar

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-124 /OPCL-2009/17845-17847
September 27, 2019

Subject: **Decision of the Authority in the Matter of Reimbursement of 7.5% Withholding Tax on Dividends for Orient Power Company (Pvt.) Ltd. (Case No. NEPRA/TRF-124/OPCL-2009(2))**

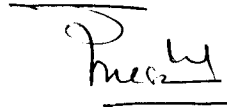
Dear Sir,

Please find enclosed herewith the decision of the Authority along with Annex-I (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period 1st September 2019 to 31st August 2020 in respect of Orient Power Company (Pvt.) Ltd. in Case No. NEPRA/TRF-124/OPCL-2009(2).

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 to the Decision as Annex-I is to be notified in the official Gazette.

Enclosure: As above


27 09 19
(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.


DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR ORIENT POWER COMPANY (PRIVATE) LIMITED.


- Pursuant to the decision of the Authority dated 12th January 2012 notified vide S.R.O No 295(I)/2012 dated 19th March 2012 in the matter of Motion for Leave for Review against the decision of the Authority at Commercial Operation Date (COD) in the case of Orient Power Company Private Limited (OPCL), 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 September 2019 to 31 st August 2020	0.0251


- 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.
- CPPA (G) to ensure that all payments are consistent with tariff determination.

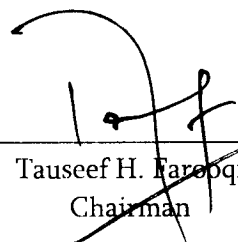
AUTHORITY

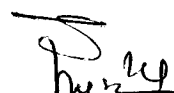

Saif Ullah Chattha
Member
11.9.2019

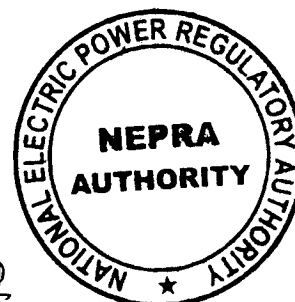

Rehmatullah Baloch
Member
11/9/19


Rafique Ahmed Shaikh
Member
13/9/19


Engr. Bahadur Shah
Vice Chairman


Tauseef H. Farooqi
Chairman


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ORIENT POWER PRIVATE LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

Tax Challan #	payment Date	Dividend Amount agst. which Tax is Being Withheld	Tax Amount	
			Rs.	Equivalent USD*
IT-20181119-1569-1185852	19-Nov-18	142,506,002	10,687,950	79,820
IT-20181119-1569-1185854	19-Nov-18	267,413,691	20,056,027	149,784
IT-20181119-1569-1185855	19-Nov-18	131,003,955	9,825,297	73,378
IT-20181119-1569-1185859	19-Nov-18	33,900,000	2,542,500	18,988
IT-20190830-0101-1328568	30-Aug-19	49,984,607	3,748,845	23,787
Total		624,808,255	46,860,618	345,757

*NBP TT & OD Selling Rate of USD as on 19th November 2018 and 30th August 2019 was Rs. 133.90/USD and Rs. 157.6/USD

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	46,860,618
Capacity	kW	212,700
Hours in a year	No.	8,784
Tariff component of withholding tax on dividend	Rs./kW/Hour	0.0251
Reimbursement Period of 12 months (1st September, 2019 to 31st August, 2020)		

Carry Forward of Unclaimed Dividend Tax:

	USD
Balance brought forward from 8th Agreement year	4,361,882
As per decision No NEPRA/TRF-124 /OPCL-2009/18775-18777 dated November 15, 2017	
Add: Limit for the 9th Agreement year (24th May, 2018 to 23rd May, 2019)	826,031
[15% × \$61,165,000 + \$1,839,000] × 7.5%	
Maximum Limit Available:	5,187,913
Less: Claimed during 9th Agreement Year	(345,757)
Balance Carried Forward	4,842,156

