



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-124 /OPCL-2009/ 24/11-15

February 19, 2024

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

Dear Sir,

Please find enclosed herewith the decision of the Authority along with **Annex-I & II** (total 03 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period **January 01, 2024 to December 31, 2024** in respect of Orient Power Company (Private) Limited in Case No. NEPRA/TRF-124/OPCL-2009.

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 or refer the matter to the Authority for reconsideration, 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


(Syed Zawar Haider)

Secretary,
Ministry of Energy (Power Division)
'A' Block, Pak Secretariat,
Islamabad.

CC:

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, Orient Power Company (Pvt.) Ltd., 10-Ali Block, New Garden Town, Lahore.



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

1. Pursuant to the decision of the Authority dated January 12, 2012 notified vide S.R.O No 295(I)/2012 dated March 19, 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 as per COD decision 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. 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 information and documentary evidence(s) provided by OPCL, the Authority hereby allow OPCL to claim Rs. 0.0418/kW/h from Central Power Purchasing Agency Limited i.e. Power Purchaser for the period from January 1, 2024 to December 31, 2024 (366 days) as a pass-through on the basis of Rs. 78,101,031/- paid as 7.5% withholding tax on dividends.”
3. The schedule attached as **Annex-I & II** 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.
4. CPPA (G) to ensure that all payments are consistent with tariff determination(s).

AUTHORITY

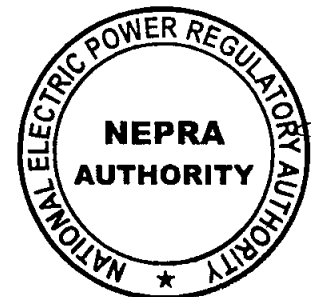
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman



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

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	Amout Requested	Amout Allowed
			Rs.	Rs.
IT-20230920-0101-1877030	20-Sep-23	740,323,981	55,524,299	55,524,299
IT-20230920-0101-1877033				
IT-20230920-0101-1877029				
IT-20221110-0101-1404398	10-Nov-22	301,023,008	22,576,726	22,576,726
IT-20221110-0101-1404393				
IT-20221110-0101-1404397				
Total		1,041,346,989	78,101,031	78,101,031

Calculation of Hourly Rate:

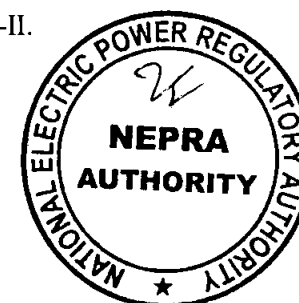
Withholding tax on dividend	Rs.	78,101,031
Capacity	kW	212,700
Hours in a year	No.	8,784
Tariff component of withholding tax on dividend (January 1, 2024 to December 31, 2024)	Rs./kW/Hour	0.0418

Carry Forward of Unclaimed Dividend Tax As Per Applicable Tariff:

Balance Brought Forward from 12 th Agreement Year (May 24, 2021 to May 23, 2022)* As per decision No NEPRA/R/ADG(Trf)/TRF-124/OPCL-2009/3503-3505 dated March 4, 2022	Rs.	777,519,672
Add: Limit for the 13 th Agreement Year (May 24, 2022 to May 23, 2023)		149,667,784
Maximum Limit Available:		927,187,456
Less: Claimed during 14 th Agreement Year (Final Dividend @ 25% for the year ended 30 th June, 2022)		(78,101,031)
Balance Carried Forward		849,086,425

* Instead of USD, the limit has been calculated and fixed in PKR. The calculation is attached as Annex-II.

-Based on Data Declared by Orient Power Private Limited.



**ORIENT POWER PRIVATE LIMITED
UNCLAIMED LIMIT CALCULATION**

Agreement Year 5						Maximum Limit	
	May 24-June 2014	Jul-Sep 2014	Oct-Dec 2014	Jan-Mar 2015	April-May 23, 2015	Rs.	USD
ROE	—	0.4863	0.5057	0.4954	0.5008		
ROEDC	—	0.0975	0.1014	0.0994	0.1004		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	—	1,257	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	—	156,092,409	285,119,415	273,270,154	162,657,305	65,785,446	650,453
Agreement Year 6						Maximum Limit	
	May 24-June 2015	Jul-Sep 2015	Oct-Dec 2015	Jan-Mar 2016	April-May 23, 2016	Rs.	USD
ROE	0.5008	0.5008	0.5141	0.5161	0.5161		
ROEDC	0.1004	0.1004	0.1031	0.1035	0.1035		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,184	1,272		
Total Revenue on ROE & ROEDC components	116,622,219	282,348,530	289,862,796	287,827,001	167,635,506	85,822,204	826,031
Agreement Year 7						Maximum Limit	
	May 24-June 2016	Jul-Sep 2016	Oct-Dec 2016	Jan-Mar 2017	April-May 23, 2017	Rs.	USD
ROE	0.5161	0.5156	0.5158	0.5161	0.5163		
ROEDC	0.1035	0.1034	0.1034	0.1035	0.1035		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	120,191,495	290,708,150	290,802,079	284,664,067	167,689,617	86,554,156	826,031
Agreement Year 8						Maximum Limit	
	May 24-June 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	April-May 23, 2018	Rs.	USD
ROE	0.5163	0.5170	0.5193	0.5441	0.5683		
ROEDC	0.1035	0.1037	0.1041	0.1091	0.1140		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	120,230,292	291,506,541	292,774,573	300,100,982	184,599,267	89,190,874	826,031
Agreement Year 9						Maximum Limit	
	May 24-June 2018	Jul-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	April-May 23, 2019	Rs.	USD
ROE	0.5683	0.5988	0.6121	0.6850	0.6928		
ROEDC	0.1140	0.1201	0.1228	0.1374	0.1390		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	132,354,192	337,625,346	345,139,612	377,836,877	225,047,150	106,350,238	826,031
Agreement Year 10						Maximum Limit	
	May 24-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	April-May 23, 2020	Rs.	USD
ROE	0.6928	0.8100	0.7716	0.7650	0.8211		
ROEDC	0.1390	0.1625	0.1548	0.1534	0.1647		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,184	1,272		
Total Revenue on ROE & ROEDC components	161,354,560	456,726,456	435,075,978	426,630,597	266,712,528	130,987,509	826,031
Agreement Year 11						Maximum Limit	
	May 24-June 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	April-May 23, 2021	Rs.	USD
ROE	0.8211	0.8310	0.8194	0.7918	0.7564		
ROEDC	0.1647	0.1667	0.1643	0.1588	0.1517		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	191,227,850	468,561,424	461,986,442	436,736,059	245,690,451	135,315,167	826,031
Agreement Year 12						Maximum Limit	
	May 24-June 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	April-May 23, 2022	Rs.	USD
ROE	0.7564	0.7795	0.8418	0.8763	0.9021		
ROEDC	0.1517	0.1563	0.1688	0.1757	0.1809		
KW	212,700	212,700	212,700	212,700	212,700		
Hrs in QTR	912	2,208	2,208	2,160	1,272		
Total Revenue on ROE & ROEDC components	176,155,417	439,490,609	474,619,801	483,322,464	293,010,415	139,994,903	826,031
Less: Claimed During 12 th Agreement Year						(62,480,825)	(352,943)
Total Remaining Limit						777,519,672	6,079,727

