

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 22nd day of August, 2023

S.R.O. 1095 (I)/2023.- In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997), NEPRA hereby notifies the Decision of the Authority along with schedule of tariff regarding reimbursement of 7.5% withholding tax on dividends for the period 1st April 2023 to 31st March 2024 in respect of Nishat Chunian Power Ltd. in Case No. NEPRA/TRF-70/NCPL-2007.

2. While effecting the Decision, the concerned entities including Central Power Purchasing Agency Guarantee Limited (CPPAGL) shall keep in view and strictly comply with the orders of the courts notwithstanding this Decision.


(Engr. Mazhar Iqbal Ranjha)
Registrar





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 31st 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. 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 April 2023 to 31 st March 2024	0.1383

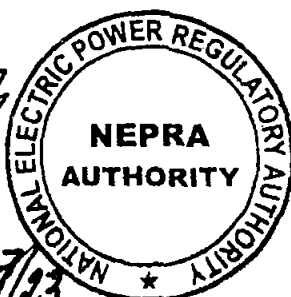
2. The Authority has considered that request of NCPL, for reimbursement of withholding tax on dividend @15% for some of their shareholders being not in the active taxpayer list. In the opinion of the Authority, the higher tax rate could be avoidable by becoming part of active tax payer list and the failure 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 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.
4. CPPA (G) to ensure that all payments are consistent with the tariff determination.

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member

Amina Ahmed
Member
Tauseef H. Farooqi
Chairman

Annex-I

NISHAT CHUNIAN POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

REIMBURSEMENT OF 7.5% WITHHOLDING 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
IT-20220920-0101-1858289	20-Sep-22	670,878,640	7.50%	50,315,898	7.50%	50,315,898
IT-20220920-0101-1858280		2,411,891,611	7.50%	180,891,871	7.50%	180,891,871
		80,376,239	15.00%	12,056,436	7.50%	6,028,218
		3,163,146,490		243,264,207		237,235,987

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	237,235,987
Capacity	kW	195,722
Hours in a year	No.	8,760
Tariff component of withholding tax on dividend (1st April 2023 to 31st March, 2024)	Rs./kW/Hour	0.1383

Carry Forward of Unclaimed Dividend Tax As per Applicable Tariff:

Balance Carried Forward for 9 th Agreement Year*	Rs	48,554,189
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(As per decision No. NEPRA/TRF-70/NCPL-2007/26358-26360 dated 5 Dec 2019)

Maximum Limit for 10 th Agreement Year (21 st July 2019 to 20 th July 2020)	102,475,287
Maximum Limit for 11 th Agreement Year (21 st July 2020 to 20 th July 2021)	102,968,471
Maximum Limit for 12 th Agreement Year (21 st July 2021 to 20 th July 2022)	110,067,696
Balance Carried Forward	315,511,454

Less claimed during 12 th Agreement Year	(237,235,987)
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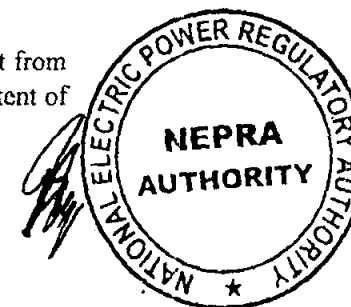
Less un-claimable due to exemption of withholding tax on dividend**	(38,274,218)
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Balance Carried Forward	40,001,250
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* instead of USD, the limit has been calculated and fixed in PKR. The calculation is attached as Annex-II.

**Out of 367,346,939 paid-up shares, 51,032,290 shares at the time of payment of final Dividend 2022 @Rs. 10/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.

90 Rs 8



**NISHAT CHUNIAN POWER LIMITED
CARRY FORWARD LIMIT CALCULATION**

2018-19 Agreement Year 9						Maximum Limit 7.5%	
	Jul 21-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	Apr-Jun 2019	1-20 July, 2019	Rs.	USD
ROE			0.5779	0.5845	0.6834		
ROEDC			0.1103	0.1116	0.1305		
KW			195,722	195,722	195,722		
Hrs in QTR			2,030	2,184	480		
Total Remaining Limit			273,373,371	297,552,712	76,463,105	48,554,189	340,869



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REGISTRAR

National Electric Power Regulatory Authority
Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/31579-81

August 22, 2023

The Manager
Printing Corporation of Pakistan Press (PCPP)
Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISIONS OF THE AUTHORITY**

In pursuance of Sub-Section 7 of Section 31 of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 (XL of 1997); enclosed please find herewith following Decisions of the Authority as per following detail for immediate publication in the official Gazette of Pakistan:

S. No.	Decision	Issuance No. and Date
1.	Decision of the Authority along with schedule of tariff regarding reimbursement of 7.5% withholding tax on dividends for the period 1 st April 2023 to 31 st March 2024 in respect of Nishat Chunian Power Ltd.	16872-16876 06.07.2023
2.	Decision of the Authority along with schedule in the matter of reimbursement of 7.5% withholding Tax on Dividends for the period April 1, 2023 to March 31, 2024 for Nishat Power Ltd.	16938-16942 06.07.2023
3.	Decision of the Authority regarding Adjustment in Insurance Components of Capacity Charge Part of Tariff on account of Actual Insurance Premium for the period June 1, 2022 to May 31, 2023 in respect of UCH-II Power (Private) Ltd.	16908-16912 06.07.2023
4.	Decision of the Authority regarding adjustment in insurance component of capacity charge part of tariff on account of Actual Insurance Premium for the period 1 st July 2022 to 30 th June 2023 for Narowal Energy Ltd.	16902-16906 06.07.2023
5.	Decision of the Authority along with schedule of tariff regarding reimbursement of 7.5% withholding tax on dividends for the period from 1 st April 2023 to 31 st March 2024 in respect of Liberty Power Tech Ltd.	16878-16882 06.07.2023
6.	Decision of the Authority regarding reimbursement of 7.5% withholding tax on dividends for the period from April 1, 2023 to March 31, 2024 in respect of Saif Power Ltd.	16884-16888 06.07.2023

2. Please also furnish thirty five (35) copies of the Notifications to this Office after its publication.

Encl: 6 Notifications

(Engr. Mazhar Iqbal Ranjha)

CC:

1. Chief Executive Officer, Central Power Purchasing Agency (Guarantee) Limited, 73 East, AKM Fazl-e-Haq Road, Block H, G-7/2, Blue Area, Islamabad
2. Syed Mateen Ahmed, Deputy Secretary (T&S), Ministry of Energy – Power Division, 'A' Block, Pak Secretariat, Islamabad