

## National Electric Power Regulatory Authority

### NOTIFICATION



Islamabad, the 22<sup>nd</sup> day of August, 2023

S.R.O. 1096 (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 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. in Case No. NEPRA/TRF-71/NPL-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 POWER LIMITED**

1. Pursuant to the decision of the Authority dated March 22, 2011 in the matter of motion for leave for review against the decision of the Authority dated October 15, 2010 at Commercial Operation Date in the case of Nishat Power Limited (NPL) 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 the signing of master agreement with 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)
April 1, 2023 to March 31, 2024	0.0297

2. The Authority has considered the request of NPL, for reimbursement of withholding tax on dividends @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 avoided by becoming part of active tax payer list and the failure is on the part of shareholders of NPL. 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(s).

**AUTHORITY**

*Mathar Niaz Rana*

Mathar Niaz Rana (nsc)  
Member

*Engr. Maqsood Anwar Khan*

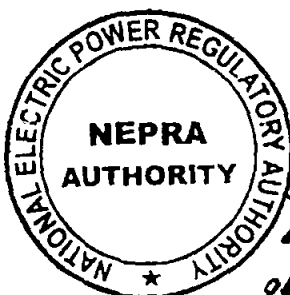
Engr. Maqsood Anwar Khan  
Member

*Engr. Rafique Ahmed Shaikh*

Engr. Rafique Ahmed Shaikh  
Member

*Amina Ahmed*

Amina Ahmed  
Member



*06/07/23*

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)	Tax Rate	(Rs)
IT-20230317-0101-1917852	March 17, 2023	660,726,097	7.5%	49,554,684	7.5%	49,554,684
IT-20230317-0101-1910256	March 17, 2023	17,001,048	15%	2,550,225	7.5%	1,275,113
<b>Total</b>		<b>677,727,145</b>		<b>52,104,909</b>		<b>50,829,797</b>

**Calculation of Hourly Rate:**

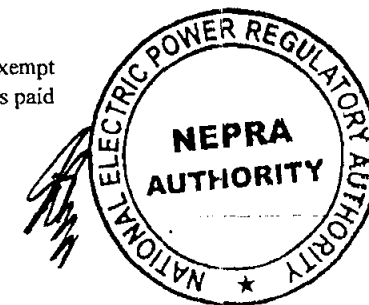
Withholding tax on dividend	Rs.	50,829,797
Capacity	kW	195,305
Hours in a year (365 x 24)	No.	8,760
Withholding tax on dividend (April 1, 2023 to March 31, 2024)	Rs./kW/Hour	0.0297

**Carry Forward of Unclaimed Dividend Tax As per Applicable Tariff:**

Balance brought forward from 12 <sup>th</sup> Agreement Year	Rs	140,136,742
(No. NEPRA/R/ADG(Trf)/TRF-71/NPL-2007/23440-23442 dated December 12, 2022)*		
Maximum Pass Through on Dividend Tax for 13 <sup>th</sup> Agreement Year (June 9, 2022 to June 8, 2023)		101,735,257
<b>Total Available Limit</b>		<b>241,871,999</b>
<b>Less:</b>		
Claim during 13 <sup>th</sup> Agreement Year (1 <sup>st</sup> Interim Dividend @ 20% Sep 30, 2022) (Already Approved)		(48,768,948)
Unclaimable due to exemption of withholding tax on dividends (Already Approved)		(4,344,558)
Claim during 13 <sup>th</sup> Agreement Year (2 <sup>nd</sup> Interim Dividend @ 20% for half year ended Dec 31, 2022)		(50,829,797)
Unclaimable due to exemption of withholding tax on dividends**		(2,283,740)
<b>Balance Carried Forward</b>		<b>135,644,956</b>

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

\*\*Out of 354.088 million paid-up shares, 15.225 million shares for end-Dec 2022 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.



**NISHAT POWER LIMITED  
UNCLAIMED LIMIT CALCULATION**

2020-21 Agreement Year 11						Maximum Limit	
	Jun 9, 2020	Jul-Sep	Oct-Dec	Jan-Mar 2021	April-Jun 8, 2021	Rs.	USD
ROE				0.6470	0.6180		
ROEDC				0.1126	0.1076		
KW				195,305	195,305		
Hrs in QTR				1,711	1,656	3,367	
	-	-	-	253,827,209	234,677,238	36,637,834	232,922
2021-22 Agreement Year 12						Maximum Limit	
	Jun 9, 2021	Jul-Sep	Oct-Dec	Jan-Mar 2022	April-Jun 8, 2022	Rs.	USD
ROE	0.6180	0.6369	0.6878	0.7160	0.7371		
ROEDC	0.1076	0.1108	0.1197	0.1246	0.1283		
KW	195,305	195,305	195,305	195,305	195,305		
Hrs in QTR	528	2,208	2,208	2,160	1,656	8,760	
	74,824,627	322,433,243	348,221,003	354,614,507	279,892,064	103,498,908	606,101
<b>Total Remaining Limit</b>						<b>140,136,742</b>	<b>839,023</b>

*F. Qasbi*



**National Electric Power Regulatory Authority**  
**Islamic Republic of Pakistan**

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**REGISTRAR**

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 <sup>st</sup> April 2023 to 31 <sup>st</sup> 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 <sup>st</sup> July 2022 to 30 <sup>th</sup> 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 <sup>st</sup> April 2023 to 31 <sup>st</sup> 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