

National Electric Power Regulatory Authority

NOTIFICATION



Islamabad, the 14th day of November, 2024

S.R.O. 1882 (I)/2024.- 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 dated October 02, 2024 in the matter of reimbursement of 7.5% withholding Tax on Dividends **for the period from October 01, 2024 to September 30, 2025** for Nishat Power Limited 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.

A handwritten signature in black ink, appearing to read 'Wasim Anwar Bhinder', is written above the printed name.

(Wasim Anwar Bhinder)
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.
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 withholding tax on dividends @ 15% instead of normal rate. Accordingly, the same is being allowed @ 7.5%.
3. 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 NPL, the Authority hereby allow NPL to claim Rs. 0.0673/kW/h from Central Power Purchasing Agency Limited (CPPA-G) i.e. Power Purchaser for the period from October 1, 2024 to September 30, 2025 as a pass-through on the basis of Rs. 115,109,577/- paid as 7.5% withholding tax on dividends.”
4. The above decision of the Authority along with revised schedule attached as Annex-I 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.
5. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

AUTHORITY

Mathar Niaz Rana

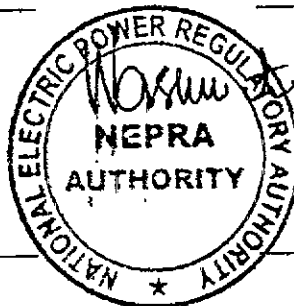
Mathar Niaz Rana (nsc)
Member

Engr. Maqsood Anwar Khan

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh

Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member

Waseem Mukhtar

Waseem Mukhtar
Chairman

NISHAT POWER LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING 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-20240315-0101-1546671	March 15, 2024	841,480,335	7.5%	63,111,712	7.5%	63,111,025
IT-20240315-0101-1546669	March 15, 2024	13,679,471	15%	2,052,346	7.5%	1,025,960
IT-20240523-0101-1679568	May 23, 2024	674,229,917	7.5%	50,567,491	7.5%	50,567,244
IT-20240523-0101-1679544	May 23, 2024	5,404,642	15%	810,775	7.5%	405,348
Total		1,534,794,365		116,542,324		115,109,577

Calculation of Hourly Rate:

Withholding tax on dividend

Rs. 115,109,577

Capacity

kW 195,305

Hours in a year (365 x 24)

No. 8,760

Tariff component of withholding tax on dividend (October 1, 2024 to September 30, 2025)

Rs./kW/Hour 0.0673

Rs

Carry Forward of Unclaimed Dividend Tax As per Applicable Tariff:Balance brought forward from 13th Agreement Year

55,475,086

(No. NEPRA/R/ADG(TH/TRF-71/NPL-2007/1885-89 dated February 12, 2024)

Maximum pass through on dividend tax for 14th Agreement Year (June 9, 2023 to June 8, 2024)

101,138,186

Total Available Limit**156,613,272****Less:**Claim during 14th Agreement Year (Interim Dividend @ 25% December 31, 2023)

(64,136,985)

Unclaimable due to exemption of withholding tax on dividends*

(2,254,626)

Claim during 14th Agreement Year (Interim Dividend @ 20% March 31, 2024)

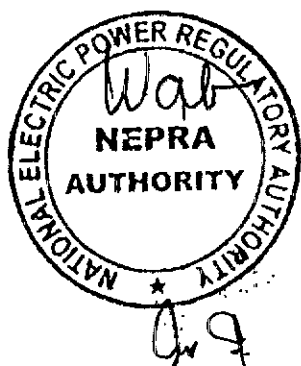
(50,972,592)

Unclaimable due to exemption of withholding tax on dividends*

(2,140,684)

37,108,384**Balance Carried Forward**

*Out of 354,088,000 million paid-up shares, 12,024,674 million shares for end-December 2023 and 14,271,224 million shares for end-March 2024 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.





REGISTRAR

National Electric Power Regulatory Authority Islamic Republic of Pakistan

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No. NEPRA/TRF-100/Notifications/ 17663-65

November 19, 2024

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

Subject: **NOTIFICATION REGARDING ORDERS 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 detailed below for immediate publication in the official Gazette of Pakistan:

S. No.	Order	Issuance No. and Date
1.	Decision of the Authority in the matter of reimbursement of 7.5% withholding Tax on Dividends for the period from October 01, 2024 to September 30, 2025 for Nishat Power Limited	15264-15266 02-10-2024
2.	Decision of the Authority in the matter of Annual Adjustment in insurance component of Capacity Charge Part of Tariff on account of Actual Insurance Premium for the Period March 30, 2024 to March 29, 2025 for Port Qasim Electric Power Company (Pvt.) Limited	15258-15262 02-10-2024
3.	Decision of the Authority regarding annual adjustment of insurance component of capacity charge part of tariff on account of Actual Insurance Premium for the period July 01, 2024 to June 30, 2025 in respect of National Power Parks Management Company (Private) Limited's Haveli Bahadar Shah Power Project	15252-15256 02-10-2024
4.	Decision of the Authority under NEPRA (Review Procedure) Regulations, 2009 regarding decision in the matter of Motion for Leave for Review dated 14 th May, 2024 for CIHC Pak Power Company (Private) Limited in the matter of Modification Petition	15270-15274 02-10-2024

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

Encl: 04 Notifications


(Wasim Anwar Bhinder)
Registrar

CC:

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