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PART II

Statutory Notifications (S. R. O.)

GOVERNMENT OF PAKISTAN

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

NOTIFICATION

Islamabad, the 16th October, 2023

S. R. O. 1445(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 regarding reimbursement of 7.5% withholding tax on dividends in respect of Laraib Energy Limited in Case No. NEPRA/TRF-100/2009.

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

[No. NEPRA/TRF-100/34358-60.]

ENGR. MAZHAR IQBAL RANJHA,
Registrar.

Price : Rs. 6.00

[1995(2023)/Ex. Gaz.]

Withholding Tax on Dividends
No. NEPRA/TRF-100/2009

DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF PASS-THROUGH WITHHOLDING TAX ON DIVIDENDS FOR LARAIB ENERGY LIMITED (LEL)

Pursuant to the Decisions of the Authority dated 14th April 2016 in the matter of tariff adjustment at Commercial Operation Date (COD) notified vide S.R.O No 585(1)/2016, dated 28th June 2016, Motion for Recalculation dated 26th May 2016, and the Motion for Leave for Review dated 30th June 2016, actual withholding tax on dividend paid by the power producer will be reimbursed subject to a maximum of 7.5% of 17% return on equity (including return on equity during construction and special return on equity). The Authority hereby allows Laraib Energy Limited (LEL) to claim Rs. 130,566,731/- as a pass-through on account of withholding tax on dividends from Central Power Purchasing Agency Guarantee Limited.

2. 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.

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

AUTHORITY

Mathar Niaz Rana (nsc)
Member

Engr. Rafique Ahmed Shaikh
Member

Engr. Maqsood Anwar Khan
Member

Amina Ahmed
Member

Waseem Mukhtar
Chairman

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA
AUTHORITY

1/2

1/9/23

ANNEX - I

LARAIB ENERGY LIMITED
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDEND

Sr No.	CPR No.	Payment Date	Dividend Amount agst. Which Tax is being Withheld	Withholding Tax @ 7.5%	Equivalent (USD)*
			Rs	Rs	USD
1	IT-20230224-0101-2167619	24-Feb-2023	1,321,253,331	99,094,000	379,090
2	IT-20230224-0101-2167609	24-Feb-2023	419,636,409	31,472,731	120,401
Grand Total			**1,740,889,740**	**130,566,731**	**499,490**

NBP TT & OD Selling Rate of USD on 24th Feb 2023 was 261.40

WORKING FOR MAXIMUM PASS THROUGH TAX ON DIVIDEND PAYMNET

Withholding Tax Payable = [17%* (E_{Ref}-E_{Red})+ROEDC$_{Ref}$ + SROE$_{Ref}$)]* 7.5%

Where		*Amount (USD $)*	
Reference Equity	*Equity Ref*	54,969,129	*=(1.9113*470,000,000 96.13) 17%*
Equity Redemption	*Equity Redemption*	0	
Reference ROEDC	*ROEDC CompRef*	5,991,241	*= 1.2254*470,000,000 96.13*
Reference SROE	*SROE CompRef*	2,071,559	*=0.4237*470,000,000 96.13*
Withholding Tax		**1,305,566**	*= [17%* (54,969,129)+ 5,991,241 + 2,071,559]* 7.5%*
			= [17% (E_{Ref}-E_{Red})+ROEDC$_{Ref}$ + SROE$_{Ref}$]* 7.5%*

Withholding Tax Entitled		***Amount (USD $)***
Cummulative Balance Brought Forward of earlier periods	=	4,551,734
Total Withholding Tax Pass-Through Limit Available	=	**4,551,734**
Less: Allowed Claimed	=	(499,490)
Total Withholding Tax Limit Carried Forward	=	**4,052,243**

NATIONAL ELECTRIC POWER REGULATORY AUTHORITY
NEPRA
AUTHORITY

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