

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, SATURDAY, JULY 30, 2022

PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN
NATIONAL ELECTRIC POWER REGULATORY AUTHORITY

NOTIFICATION

Islamabad, the 20th July, 2022

S. R. O. 1209(I)/2022.— 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, 2022 to March 31, 2023 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.

[No. NEPRA/TRF-71/13284-86.]

SYED SAFEER HUSSAIN,
Registrar.

(2771)

Price: Rs. 6.00

[8696(2022)/Ex. Gaz.]



Withholding Tax on Dividends
No. NEPRA/TRF-71/NPL-2007

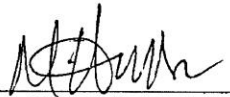
DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR NISHAT POWER LIMITED

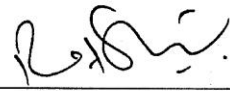
1. Pursuant to the decision of the Authority dated March 22, 2011 in the matter of motion for leave for review against the decision of the Authority dated October 15, 2010 at Commercial Operation Date in the case of Nishat Power Limited (NPL), withholding tax on dividend is a pass through item and the 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:

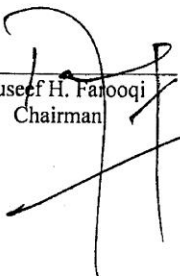
Period	7.5% Withholding tax on Dividend (Rs./kW/Hour)
April 1, 2022 to March 31, 2023	0.0271

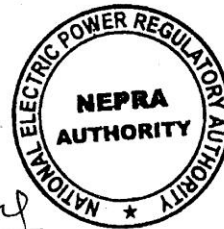
2. The Authority has considered the request of NPL, for reimbursement of withholding tax on dividends @15% for some of their shareholders being not in the active taxpayer list. In the opinion of the Authority, the higher tax rate could be avoided by becoming part of active tax payer list and the failure 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


Engr. Maqsood Anwar Khan
Member


Engr. Rafique Ahmed Shaikh
Member


Tauseef H. Farooqi
Chairman



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Annex-I

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		Withholding Tax Amount Allowed	
			Tax Rate	(Rs)	Equivalent (USD)*	(Rs)
IT-20220311-0101-1222230	March 11, 2022	602,656,228	7.5%	45,199,405	252,370	45,199,405
IT-20220311-0101-1222550	March 11, 2022	15,205,513	15%	2,280,894	12,735	1,140,447
Total		617,861,741		47,480,299	265,105	46,339,852

*NBP TT & OD Selling Rate of USD on March 11, 2022 was 179.10/-

Calculation of Hourly Rate:

Withholding tax on dividend

Capacity

Hours in a year (365 x 24)

Tariff component of withholding tax on dividend (April 1, 2022 to March 31, 2023)

Rs. 46,339,852
kW 195,305
No. 8,760
Rs./kW/Hour 0.0271

Carry Forward of Unclaimed Dividend Tax:

Balance brought forward from 12th Agreement Year
(Nº. NEPRA/ADG(TD)/TFE-71/NPL-2907/1934-1936 dated February 9, 2022)

Less:

Claimable during 12th Agreement Year (Interim Dividend December 31, 2021)

Unclaimable due to exemption of withholding tax on dividends**

Balance Carried Forward

USD
1,434,107

(258,737)
(37,820)
1,137,550

**Out of 354.088 million paid-up shares, 45.158 million shares 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.

Signature