

REGISTERED No. M - 302
L.-7646



EXTRAORDINARY
PUBLISHED BY AUTHORITY

ISLAMABAD, MONDAY, AUGUST 1, 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. 1229(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 regarding reimbursement of 7.5% withholding tax on dividends for the period February 1, 2022 to January 31, 2023 in respect of Engro Powergen Qadirpur Ltd. in Case No. NEPRA/TRF-72/EPOL-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-72/13326-28.]

SYED SAFEER HUSSAIN,
Registrar.

(2849)

Price : Rs. 6.00

[8716(2022)/Ex. Gaz.]



Withholding Tax on Dividends
Case No. NEPRA/TRF-72/EPQL-2007

DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR ENGRO POWERGEN QADIRPUR LIMITED

1. Pursuant to the Authority's decisions dated November 3, 2010, April 1, 2011, May 14, 2012, and September 13, 2013 in the case of Engro Powergen Qadir Limited (Formerly, Engro Enrgy Limited) (hereinafter "EPQL"), 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(s) referred above, the Authority approved following component for withholding tax on dividend for immediate application:

Period	Plant Operation	7.5% Withholding tax on dividend Rs.kW/Hour
February 1, 2022 to January 31, 2023	Gas	0.1229
	HSD	0.1255

2. The Authority has considered the request of EPQL, 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 EPQL. 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 tariff determination(s).

AUTHORITY

Rehmatullah Baloch
Member

Engr. Maqsood Anwar Khan
Member

Engr. Rafique Ahmed Shaikh
Member



Tauseef H. Farooqi
Chairman

24/2/22

Annex-I

ENGRO POWERGEN QADIRPUR LIMITED
(Formerly Engro Energy Limited)
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Tax Amount Claimed		Tax Amount Allowed	
		Rs.	Equivalent USD*	Rs.	Equivalent USD*
IT-20150708-0250-1036538	3-Jul-15	9,239,992	90,855	9,239,992	90,855
IT-20150708-0250-1036539					
IT-20151005-0250-1015661	30-Sep-15	6,504,612	62,305	6,017,712	57,641
IT-20151005-0250-1015663					
IT-20151005-0250-1015664					
IT-20160929-0250-1199000	29-Sep-16	35,707,390	342,025	35,407,820	339,155
IT-20171121-0250-1211755	21-Nov-17	16,728,749	158,491	-	-
IT-20170925-0250-1206104	25-Sep-17	41,367,528	392,109	41,363,503	392,071
IT-20170925-0250-1206111					
IT-20170925-0250-1206116					
IT-20180423-1027-1211447	23-Apr-18	35,454,390	306,434	35,454,390	306,434
IT-20180423-1027-1211448					
IT-20180423-1027-1211451					
IT-20180423-1027-1211452	15-Oct-18	35,453,261	265,567	35,453,261	265,567
IT-20181015-0050-1154114					
IT-20181015-0050-1154120					
IT-20181015-0050-1154121					
IT-20181015-0050-1154122					
IT-20191014-2158-1207220	14-Oct-19	36,491,487	233,024	35,524,292	226,847
IT-20191014-2158-1207219					
IT-20191014-2158-1207218					
IT-20191014-2158-1207216					
IT-20200204-2158-1029860	4-Feb-20	36,431,259	235,192	35,522,604	229,326
Total		253,378,668	2,086,002	233,983,574	1,907,897

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	233,983,574	GAS	HSD
Capacity	kW	217,298		
Hours in a year	No.	8,760		
Tariff component of withholding tax on dividend (Feb. 1, 2022 to Jan. 31, 2023)	Rs./kW/Hour	0.1229		

Carry Forward of Limit:

Balance Brought Forward	USD
No. NEPRA/R/TRF-72/EPQL-2007/16934-16936 dated October 13, 2017	1,009,360
Limit Available for 8th Agreement Year	797,467
Limit Available for 9th Agreement Year	797,467
Limit Available for 10th Agreement Year	797,467
Total Limit Available	3,401,761
WHT claimed during 6th Agreement Year	(148,496)
WHT claimed during 7th Agreement Year	(339,155)
WHT claimed during 8th Agreement Year	(698,505)
WHT claimed during 9th Agreement Year	(265,567)
WHT claimed during 10th Agreement Year	(456,173)
Unclaimable due to exemption of WHT for 6th Agreement year	(424,892)
Unclaimable due to exemption of WHT for 7th Agreement year	(9,767)
Unclaimable due to exemption of WHT for 8th Agreement year	(19,171)
Unclaimable due to exemption of WHT for 9th Agreement year	(7,298)
Unclaimable due to exemption of WHT for 10th Agreement year	(11,609)
Balance Carried Forward from 10th Agreement Year	1,021,126

