

National Electric Power Regulatory Authority


NOTIFICATION



Islamabad, the 20th day of July, 2022

S.R.O. 1230 (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 of tariff regarding reimbursement of 7.5% withholding tax on dividends for the period from March 1, 2022 to February 28, 2023 in respect of Sapphire Electric Company Ltd. in Case No. NEPRA/TRF-125/SECL-2009.

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.


20 07 22

(Syed Safeer Hussain)
Registrar






DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS FOR SAPPHIRE ELECTRIC COMPANY LIMITED

1. Pursuant to the order of the Authority dated November 23, 2012 in the matter of Motion for Leave for Review filed against the decision of the Authority at Commercial Operation Date (COD) in the case of Sapphire Electric Company Limited (SECL), 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
March 1, 2022 to February 28, 2023	0.0244

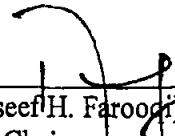
2. The schedule attached as **Annex-I** is to be notified in the official gazette in accordance with the provisions of Section 31(4) of the Regulation of Generation, Transmission and Distribution of Electric Power Act 1997.
3. CPPA (G) to ensure that all payments are consistent with the tariff determination(s).

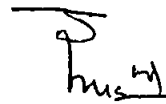
AUTHORITY

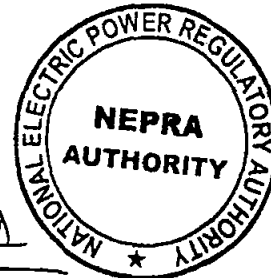

27/3/22
(Rehmatullah Baloch)
Member


(Engr. Maqsood Anwar Khan)
Member


27/3/22
(Engr. Rafique Ahmed Shaikh)
Member


(Tauseef H. Farooqi)
Chairman


10/03/22



SAPPHIRE ELECTRIC COMPANY LIMITED
REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is Being Withheld	WHT Tax Requested			WHT Tax Allowed		
			Tax Rate	Rs.	Equivalent USD*	Tax Rate	Rs.	Equivalent USD*
IT-20211108-0101-1107134	8-Nov-21	126,813,701	7.50%	9,511,048	55,783	7.50%	9,511,048	55,783
IT-20211108-0101-1107135		477,439,218	7.50%	35,807,955	210,017	7.50%	35,807,955	210,017
Total		604,252,919		45,319,003	265,801		45,319,003	265,801

*NBP TT & OD Selling Rate of USD as on 8th November 2021 was Rs. 170.5/-.

Calculation of Hourly Rate:

Withholding Tax on dividend

Rs. 45,319,003

Capacity

kW 212,107

Hours in a year (365 x 24)

No. 8,760

Tariff Component of withholding tax on dividend (March 1, 2022 to February 28, 2023)

Rs/kW/Hour 0.0244

Reimbursement Period of 12 Months

Carry Forward of Unclaimed Dividend Tax:

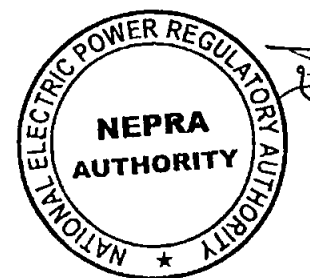
Balance Brought Forward

(NEPRA/R/ADG(Trf)/TRF-125/SECL-2009/10996-10998 dated March 1, 2021)

10th Agreement Year (Oct 5, 2019 to Oct 4, 2020)

11th Agreement Year (Oct 5, 2020 to Oct 4, 2021)

[15% x \$58,904,007 + \$2,365,206] x 7.5%



840,060

840,060

USD

2,581,942

1,680,121

4,262,063

Less claimed:

11th Agreement Year (Oct 5, 2020 to Oct 4, 2021) (Final Dividend @15% for the Period Ended June 30, 2021)

(265,801)

Less un-claimable due to exemption of withholding tax on dividends*

(13,979)

Balance Carried Forward

3,982,284

* Out of 424.021 million paid-up Shares, 21.186 million shares of Meezan Bank Limited are exempt from withholding tax on dividends. Accordingly the carry forward of unclaimed withholding tax on dividend has been reduced to the extent of dividends paid to Meezan Bank Limited.



REGISTRAR

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Islamic Republic of Pakistan

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No. NEPRA/TRF-125/13323-25

20
July , 2022

The Manager
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Khayaban-e-Suharwardi,
Islamabad

Subject: **NOTIFICATION REGARDING DECISION OF THE AUTHORITY
ALONG WITH SCHEDULE OF TARIFF REGARDING
REIMBURSEMENT OF 7.5% WITHHOLDING TAX ON DIVIDENDS
FOR THE PERIOD FROM MARCH 1, 2022 TO FEBRUARY 28, 2023
IN RESPECT OF SAPPHIRE ELECTRIC COMPANY LTD.**

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 '*Decision of the Authority along with schedule of tariff regarding reimbursement of 7.5% withholding tax on dividends for the period from March 1, 2022 to February 28, 2023 in respect of Sapphire Electric Company Ltd.*' for immediate publication in the official Gazette of Pakistan. Please also furnish thirty five (35) copies of the Notification to this Office after its publication.

Encl: Notification (3 Pages) & CD


20 07 22
(Syed Safeer Hussain)

CC:

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