



**Registrar**

# **National Electric Power Regulatory Authority**

## **Islamic Republic of Pakistan**

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No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/43115-43117

December 23, 2021

**Subject: Decision of the Authority in the matter of Reimbursement of 7.5% Withholding Tax on Dividends for Uch-II Power (Private) Ltd. (Uch-II) [Case No. NEPRA/TRF-122/UCH-II-2008]**

Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule (Annex-I) (02 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from December 1, 2021 to November 30, 2022 in respect of Uch-II Power (Private) Ltd. in Case No. NEPRA/TRF-122/UCH-II-2008.

2. The decision is being intimated to the Federal Government for the purpose of notification of adjustment in the approved tariff through the official Gazette pursuant to Section 31 (7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997.

3. The Schedule attached as Annex-I is to be notified in the official Gazette.

Enclosure: As above

( Iftikhar Ali Khan )

Secretary  
Ministry of Energy (Power Division)  
'A' Block, Pak Secretariat  
Islamabad

CC:

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.



**DECISION OF THE AUTHORITY IN THE MATTER OF REIMBURSEMENT OF  
7.5% WITHHOLDING TAX ON DIVIDENDS FOR UCH-II POWER (PRIVATE)  
LIMITED**

Pursuant to the decisions of the Authority dated July 3, 2017 in the matter of adjustment at Commercial Operation Date (COD) and decision of the Authority dated April 24, 2018 in the matter of Motion for Leave for Review against COD decision, 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:

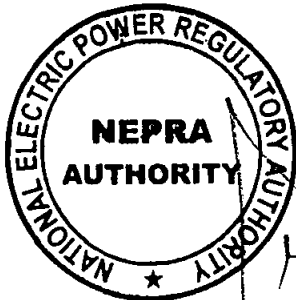
Period	7.5% Withholding tax on Dividend Rs.KW/Hour
December 1, 2021 to November 30, 2022	0.0157

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.

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

**AUTHORITY**

Rehmatullah Baloch  
Member

  
Engr. Maqsood Anwar Khan  
Member  
Engr. Rafique Ahmed Shaikh  
Member  
Tauseef H. Farooqi  
Chairman  
23/12/21

**UCH-II POWER (PRIVATE) LIMITED**  
**REIMBURSEMENT OF 7.5% WITHHODING TAX ON DIVIDENDS**

Tax Challan #	Payment Date	Dividend Amount agst. which Tax is being Withheld	Tax Amount		Tax Amount Allowed	
			Rs.	Equivalent USD*	Rs.	Equivalent USD*
IT-20211119-0101-1336354	19-Nov-21	700,000,000	52,500,000	299,743	52,500,000	299,743
<b>Total</b>		<b>700,000,000</b>	<b>52,500,000</b>	<b>299,743</b>	<b>52,500,000</b>	<b>299,743</b>

\*NBP TT & OD Selling Rate of USD as on Nov 19, 2021 was Rs. 175.15.

**Calculation of Hourly Rate:**

Withholding tax on dividend	Rs.	52,500,000
Capacity	kW	380,750
Hours in a year (365 X 24)	No.	8,760
Tariff component of withholding tax on dividend (December 1, 2021 to November 30, 2022)	Rs./kW/Hour	0.0157

**Carry Forward of Unclaimed Dividend Tax:**

**USD**

Balance brought forward from 6<sup>th</sup> Agreement Year  
 (NEPRA/TRF-122/UCH-II-2008/3590-3592) dated January 30, 2020

4,293,112

**Add:**

Limit for 7<sup>th</sup> Agreement year (April 4, 2020 to April 3, 2021)  
 $(15\% \times \text{ROE} + \text{ROEDC}) \times 7.5\% = (15\% \times 116,162,522 + 5,023,644) \times 7.5\%$

1,683,602

Limit for 8<sup>th</sup> Agreement year (April 4, 2021 to April 3, 2022)  
 $(15\% \times \text{ROE} + \text{ROEDC}) \times 7.5\% = (15\% \times 116,162,522 + 5,023,644) \times 7.5\%$

1,683,602

**Maximum Limit Available:**

7,660,315

**Less:**

Claimed during 8<sup>th</sup> Agreement Year (1st Interim Dividend Sep 30, 2021)

(299,743)

**Balance Carried Forward**

7,360,572

