



National Electric Power Regulatory Authority Islamic Republic of Pakistan

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Registrar

No. NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/ 2483-87

February 19, 2024

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

Dear Sir,

Please find enclosed herewith the decision of the Authority along with schedule **Annex-I & II** (total 03 pages) regarding reimbursement of 7.5% withholding tax on dividends for the period from **January 01, 2024 to December 31, 2024** 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 in the official Gazette pursuant to Section 31(7) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 within 30 days from the intimation of this Decision. In the event the Federal Government fails to notify the subject tariff Decision or refer the matter to the Authority for reconsideration, within the time period specified in Section 31(7), then the Authority shall notify the same in the official Gazette pursuant to Section 31(7) of NEPRA Act.

Enclosure: As above

(Syed Zawar Haider)

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

Copy to: (alongwith copy of subject Decision):

1. Secretary, Cabinet Division, Cabinet Secretariat, Islamabad.
2. Secretary, Ministry of Finance, 'Q' Block, Pak Secretariat, Islamabad.
3. Chief Executive Officer, Central Power Purchasing Agency Guarantee Limited (CPPA-G), Shaheen Plaza, 73-West, Fazl-e-Haq Road, Islamabad.
4. Chief Executive Officer, Uch-II Power (Pvt.) Limited, Building 2-B, I&T Center, Sector G-6/1, 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 filed by Uch-II Power (Private) Limited (hereinafter refer as Uch-II), withholding tax on dividend is a pass through item as per COD decision 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.

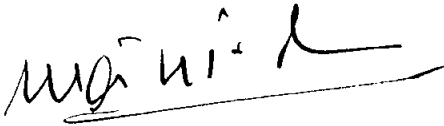
The Authority in its collective and joint wisdom considering all aspects decided with consensus as under; which will be hereafter called as decision of the Authority in the matter:-

“Based on information and documentary evidence(s) provided by Uch-II, the Authority hereby allow Uch-II to claim Rs. 0.0448/kW/Hour from Central Power Purchasing Agency Limited i.e. Power Purchaser for the period from January 1, 2024 to December 31, 2024 (366 days) as a pass-through on the basis of Rs. 150,000,832/- paid as 7.5% withholding tax on dividends.”


The schedule attached as **Annex-I & II** are 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).

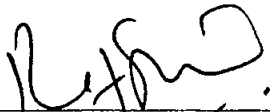
AUTHORITY



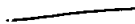
Mathar Niaz Rana (nsc)
Member



Engr. Maqsood Anwar Khan
Member



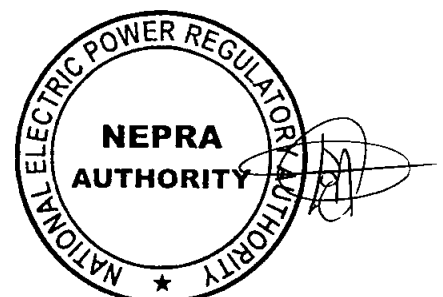
Engr. Rafique Ahmed Shaikh
Member



Amina Ahmed
Member



Waseem Mukhtar
Chairman



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 Requested	Tax Amount Allowed
			Rs.	Rs.
IT-20231123-0101-1952393	23-Nov-23	2,000,011,088	150,000,832	150,000,832
Total		2,000,011,088	150,000,832	150,000,832

Calculation of Hourly Rate:

Withholding tax on dividend	Rs.	150,000,832
Capacity	kW	380,750
Hours in a year (366 x 24)	No.	8,784
Tariff component of withholding tax on dividend (January 1, 2024 to December 31, 2024)		0.0448

Carry Forward of Unclaimed Dividend Tax:

Balance brought forward from 9 th Agreement Year (April 4, 2022 to April 3, 2023)* (NEPRA/R/ADG(Trf)/TRF-122/UCH-II-2008/18970-18972) dated October 22, 2022	Rs.	1,237,561,781
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Less:

Claimed during 10 th Agreement Year (April 4, 2023 to April 3, 2024) (Interim Dividend @17.859% for Sep 30, 2023)	(150,000,832)
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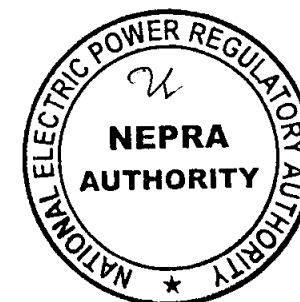
Balance Carried Forward

1,087,560,949

* Instead of USD, the limit has been calculated and fixed in PKR. The calculation is attached as Annex-II.

-Based on Data Declared by Uch-II Power Private Limited.

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**UCH-II POWER (PRIVATE) LIMITED
UNCLAIMED LIMIT CALCULATION**

Agreement Year 4						Maximum Limit	
	Apr 4-June 2017	Jul-Sep 2017	Oct-Dec 2017	Jan-Mar 2018	April 1-3, 2018	Rs.	USD
ROE				0.5773	0.6029		
ROEDC				0.1664	0.1738		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	-	-	-	375	72		
Total Revenue on ROE & ROEDC components	-	-	-	106,299,228	21,292,454	9,569,376	85,987
Agreement Year 5						Maximum Limit	
	Apr 4-June 2018	Jul-Sep 2018	Oct-Dec 2018	Jan-Mar 2019	April 1-3, 2019	Rs.	USD
ROE	0.6029	0.6353	0.6494	0.7267	0.7350		
ROEDC	0.1738	0.1832	0.1872	0.2095	0.2119		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	2,112	2,208	2,208	2,160	72		
Total Revenue on ROE & ROEDC components	624,578,645	688,109,676	703,326,274	769,949,604	25,958,317	210,894,189	1,683,602
Agreement Year 6						Maximum Limit	
	Apr 4-June 2019	Jul-Sep 2019	Oct-Dec 2019	Jan-Mar 2020	April 1-3, 2020	Rs.	USD
ROE	0.7350	0.8594	0.8186	0.8116	0.8711		
ROEDC	0.2119	0.2478	0.2360	0.2340	0.2512		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	2,112	2,208	2,208	2,184	72		
Total Revenue on ROE & ROEDC components	761,443,954	930,818,611	886,598,002	869,477,045	30,766,732	260,932,826	1,683,602
Agreement Year 7						Maximum Limit	
	Apr 4-June 2020	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	April 1-3, 2021	Rs.	USD
ROE	0.8711	0.8816	0.8693	0.8400	0.8024		
ROEDC	0.2512	0.2542	0.2506	0.2422	0.2313		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	2,112	2,208	2,208	2,160	72		
Total Revenue on ROE & ROEDC components	902,490,811	954,862,517	941,495,450	890,022,924	28,337,852	278,790,717	1,683,602
Agreement Year 8						Maximum Limit	
	Apr 4-June 2021	Jul-Sep 2021	Oct-Dec 2021	Jan-Mar 2022	April 1-3, 2022	Rs.	USD
ROE	0.8024	0.8270	0.8931	0.9296	0.9571		
ROEDC	0.2313	0.2384	0.2575	0.2680	0.2759		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	2,112	2,208	2,208	2,160	72		
Total Revenue on ROE & ROEDC components	831,243,653	895,677,518	967,304,818	984,930,192	33,801,462	278,471,823	1,683,602
Agreement Year 9						Maximum Limit	
	Apr 4-June 2022	Jul-Sep 2022	Oct-Dec 2022	Jan-Mar 2023	April 1-3, 2023	Rs.	USD
ROE	0.9571	1.0762	1.2013	1.1854	1.4842		
ROEDC	0.2759	0.3103	0.3463	0.3418	0.4279		
KW	380,750	380,750	380,750	380,750	380,750		
Hrs in QTR	2,112	2,208	2,208	2,160	72		
Total Revenue on ROE & ROEDC components	991,509,552	1,165,625,004	1,301,061,130	1,255,999,824	52,418,309	357,496,036	1,683,602
Less: Claimed During 9 th Agreement Year						(158,593,186)	(724,335)
Total Remaining Limit						1,237,561,781	7,779,662

