

**NESCO LIMITED**

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12 July 2024

BSE Limited
Department of Corporate Services
25th Floor, Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400001

National Stock Exchange of India Limited
5th Floor, Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai - 400051

Scrip Code: 505355

Symbol: NESCO

Dear Sir/Madam,

Sub: Communication to Shareholders - Intimation on Tax Deduction on Dividend

Pursuant to the Finance Act, 2020, with effect from 1 April 2020, Dividend Distribution Tax has been abolished and dividend income is taxable in the hands of the shareholders. In this regard, please find enclosed herewith an e-mail communication which is being sent to all the shareholders of the Company whose e-mail IDs are registered with the Company/Depositories explaining the process on withholding tax from dividends paid to the shareholders at prescribed rates, as may be applicable, along with the necessary annexures.

This communication is also being made available on the website of the Company at www.nesco.in

Kindly take note of the above.

Thanking you

Yours faithfully,

For NESCO Limited

Shalini Kamath
Company Secretary & Compliance Officer
A14933



Communication to Shareholders - Communication on Tax Deduction at Source (TDS) on Dividend

Date: 12/07/2024

Dear Shareholder,

We are pleased to inform you that the Board of Directors at their meeting held on 20 May 2024 have recommended a Final Dividend of Rs. 6.00/- per equity share of face value of Rs. 2/- each for the financial year ended 31 March 2024 subject to approval of the shareholders at the ensuing 65th Annual General Meeting (AGM) of the Company.

Pursuant to the changes introduced by the Finance Act, 2020 w.e.f. 1 April 2020, the Company would be required to deduct Tax at Source ('TDS') in respect of approved payment of dividend to its shareholders (resident as well as non-resident). The TDS rate may vary depending on the residential status and the documents submitted to the Company in accordance with the provisions of the Act. The TDS for various categories of shareholders along with required documents are provided in Table 1 and 2 below:

Table 1: Resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/ Documents required
Any resident shareholder	10%	<p>Update the PAN if not already done with depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents – Link Intime India Private Limited (in case of shares held in physical mode).</p> <ul style="list-style-type: none">▪ No deduction of taxes in the following cases - If dividend pay-out to a resident Individual shareholder during the financial year 2023-24 does not exceed Rs. 5,000/-▪ If shareholder is exempted from TDS provisions through any circular or notification and provides an attested copy of the PAN along with the documentary evidence in relation to the same. <p>w.e.f. 01 July 2021, Section 206AB implications needs consideration.</p>
Submitting Form 15G/ Form 15H	NIL	Eligible Shareholders providing Form 15G (applicable to any person other than a Company or a Firm) /Form 15H (applicable to an Individual above the age of 60 years) - on fulfilment of prescribed conditions.
Order under Section 197 of the Act	Rate provided in the order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.
Insurance Companies: Public and Other Insurance Companies	NIL	Self-declaration that it has full beneficial interest with respect to shares owned, along with self-attested copy of PAN card and registration certificate.
Corporation established by or	NIL	Documentary evidence that the person is covered

under a Central Act which is, under any law for the time being in force, exempt from income tax on its income.		under Section 196 of the Act.
Mutual Funds	NIL	Documentary evidence that the person is covered under Section 196 of the Act.
Alternative Investment Fund (AIF)	NIL	Documentary evidence that the person is covered by Notification No. 51/2015 dated 25 June 2015.
Other resident shareholder without PAN/Invalid PAN	20%	

Please note that:

- a) Recording of the valid Permanent Account Number ('PAN') for the registered Folio/DP ID-Client ID is mandatory. In absence of valid PAN, tax will be deducted at a higher rate of 20% as per Section 206AA of the Act.
- b) Shareholders holding shares under multiple accounts under different status/category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

Table 2: Non-resident Shareholders

Category of Shareholder	Tax Deduction Rate	Exemption Applicability/Documents required
Any non-resident shareholder	20% (plus applicable surcharge and cess) or Tax Treaty rate whichever is lower	<p>Non-resident shareholders may opt for tax rate under Double Taxation Avoidance Agreement ('Tax Treaty'). The Tax Treaty rate shall be applied for tax deduction at source on submission of following documents to the company.</p> <ul style="list-style-type: none"> ▪ Copy of the PAN Card, if any, allotted by the Indian authorities. Self-attested copy of Tax Residency Certificate ('TRC') valid as on the AGM date obtained from the tax authorities of the country of which the shareholder is resident. ▪ Self-declaration in Form 10F in the attached form. ▪ Self-declaration confirming not having a Permanent Establishment in India, eligibility to Tax Treaty benefit and do not/will not have place of effective management in India. (format attached herewith). <p>TDS shall be deducted at 20% (plus applicable surcharge and cess) if any of the abovementioned documents are not provided.</p> <p>A declaration to mention that it is beneficial owner of dividend.</p> <p>The Company is not obligated to apply the Tax Treaty rates at the time of tax deduction/withholding on dividend amounts. Application of Tax Treaty rate shall depend upon the completeness of the documents submitted by the non-resident shareholder and are in accordance with the provisions of the Act.</p>
Foreign Institutional Investors, Foreign Portfolio Investors (FII),	20% (plus applicable surcharge)	For FII's – as per Section 196D, treaty benefit is now available as per Finance Act, 2021.

FPI), GDR Holders	and cess)	As per Section 115AC for GDR, rate is 10% w. e. f. 01 July 2021
Submitting Order under Section 195(3) /197 of the Act	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from Income Tax authorities.

Please Note that:

The Shareholders holding shares under multiple accounts under different status/category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

Kindly note that the documents as mentioned in the Table 1 and 2 above are required to be submitted to the Company at email ID companysecretary@nesco.in or update the same by visiting the link <https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html> on or before Friday, 26 July 2024 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. No communication on the tax determination/deduction received post Friday, 26 July 2024 shall be considered for payment of the Dividend.

Documents received by post, courier or from registered Email ID will only be accepted. In case of joint shareholders, the shareholder named first in the Register of Members is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

No claim shall lie against the Company for such taxes deducted.

The Company will arrange to email a soft copy of the TDS certificate at the shareholders registered Email ID in due course, post payment of the said Final Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>

To view / download Form 15G [click here](#).

To view / download Form 15H [click here](#).

To view / download Form 10F [click here](#).

To view / download Self-Declaration form [click here](#).

We request your co-operation in this regard.

ABOVE COMMUNICATION ON WITHHOLDING TAX SETS OUT THE PROVISIONS OF LAW IN A SUMMARIZED MANNER ONLY AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES. SHAREHOLDER SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEM.

Yours faithfully,

For Nesco Limited

Sd/-

Shalini Kamath

Company Secretary & Compliance Officer

Note: Please do not reply to this email, as this email id is not monitored.