

DIVIDEND DISTRIBUTION POLICY

The Board of Directors (the "Board") of Nesco Limited (the "Company") at its meeting held on 09 February 2017 has adopted this Dividend Distribution Policy (the "Policy") as required by Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

POLICY

The Policy aims at ensuring compliance with the provisions of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.

PARAMETERS FOR DECLARATION OF DIVIDEND

The Company would, inter alia, consider the following financial parameters and / or internal & external factors before declaring or recommending dividend(s) to the shareholders:

Internal Factors / Financial Parameters

1. Net operating profit after tax;
2. Fund requirements to finance the working capital needs of the business;
3. Opportunities for investments of the funds of the Company to capture future growth in the industry, e.g. capital expenditure, project expansion, etc.
4. Funding requirements for any organic and inorganic growth opportunities to be pursued by the Company;
5. Optimal free cash to fund any exigencies;
6. Past Dividend Trends;
7. Any other criteria as the Board may deem fit from time to time.

External Factors

1. Prevailing legal requirements, regulatory conditions or restrictions laid down under the Applicable Laws including tax laws;
2. Dividend pay-out ratios of companies in the same industry;
3. Emerging trends in financial market;
4. Industry growth rate;
5. Any other criteria as the Board may deem fit from time to time

In case the Board proposes not to distribute the profit; the grounds thereof and information on utilization of the retained earnings, if any, shall be disclosed to the shareholders in the Board's Report forming part of Annual Report of the Company.

The Executive Chairman jointly with the Vice Chairman and Managing Director of the Company shall suggest the amount to be declared / recommended as Dividend to the Board of Directors of the Company, taking into account the aforementioned parameters.



Interim dividend when approved shall be paid during any financial year out of the surplus in the profit and loss account and / or out of the profits of the financial year in which such interim dividend is declared or out of any other funds as may be permitted by law.

Final Dividend would be declared and paid to equity shareholders at the rate fixed by the Board of Directors of the Company. Final Dividend proposed by the Board of Directors, if any, would be subject to the approval of the shareholders at the Annual General Meeting.

The Company has only one class of shares referred to as equity shares of face value of Rs. 2 each, forming part of its Issued, Subscribed and Paid up Share Capital.

DISSEMINATION OF POLICY

This Policy shall be disclosed in the Annual Report of the Company and shall also be hosted on the website of the Company.

AMENDMENTS

This Policy shall automatically stand modified to cover revisions/amendments in accordance with applicable laws and regulations in force from time to time.

The Board may amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy as and when it is required.

