

**Standard Engineering Technology Limited**  
**(Formerly known as Standard Glass Lining Technology Limited)**

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**DIVIDEND DISTRIBUTION POLICY**

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**Under Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

## DIVIDEND DISTRIBUTION POLICY

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### 1. INTRODUCTION

The declaration and distribution of dividend shall, at all times, be in accordance with the provisions of the Companies Act, 2013, read with applicable rules framed thereunder, as may be in force for the time being (the “Act”) in particular Sections 2(35), 24, 51, 134(3)(k), 123, 124, 125, 126 and 127 of the Act and the Companies (Declaration and Payment of Dividend) Rules.

Further, regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) requires the top 1000 listed entities based on market capitalization (calculated as on March 31 of every financial year) shall formulate a dividend distribution policy which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports. The other listed companies may disclose their dividend distribution policies on a voluntary basis on their websites and provide a web- link in their annual reports.

The Board of Directors (“the **Board**”) of Standard Engineering Technology Limited (Formerly known as Standard Glass Lining Technology Limited) (“the **Company**”) has adopted the following policy and the Board may amend this policy from time to time. In the event of any conflict between the terms of this Policy and any provision in an applicable law including the Act or SEBI Listing Regulations, the provisions in such applicable law shall prevail.

### 2. DEFINITIONS

In this Policy:

- (a) “**Act**” means the Companies Act, 2013 & rules and any amendment(s) or modification(s) or circular(s) or notification(s) or order(s) thereof made there under.
- (b) “**Applicable Laws**” shall mean the Companies Act, 2013 and rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, together with the circulars issued thereunder; and such other act, rules or regulations which deals with the distribution of dividend.
- (c) “**Dividend**” includes interim dividend.

Words and Expressions used and not defined in this Policy but defined in the Act or Applicable Laws shall have the same meaning respectively assigned to them in those Acts/Applicable Laws.

### **3. CATEGORY OF DIVIDENDS**

#### **Final Dividend**

The Board shall have the power to recommend the payment of final dividend to the shareholders in a general meeting. The declaration of final dividend shall be included in the ordinary business items that are required to be transacted at the annual general meeting.

#### **Interim Dividend**

The Board shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit in line with this Policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts.

### **4. PARAMETERS TO BE CONSIDERED BEFORE RECOMMENDING DIVIDEND**

The Board of Directors of the Company shall consider the following financial, internal and external parameters while declaring or recommending dividend to shareholders:

#### **a) Circumstances under which the shareholders may or may not expect dividend:**

The Board of Directors of the Company, while declaring or recommending dividend shall ensure compliance with statutory requirements under Applicable Laws including the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. The shareholders of the Company may expect dividend, only if the Company is having adequate profits after complying with all other statutory requirements under the Applicable Laws.

Subject to the discretion of the Board, the shareholders of the Company may not expect dividend in the following circumstances:

- (i) in case of inadequacy of profits or whenever the Company has incurred losses;
- (ii) whenever the Company undertakes or proposes to undertake any significant business expansion/ investment /acquisitions;
- (iii) significant working capital requirement affecting free cash flow;
- (iv) whenever the Company proposes to utilize surplus cash for buy- back of securities or setting off of previous year losses or losses of its subsidiary/ies; and
- (v) whenever declaration of dividend is prohibited by any regulatory body.

#### **b) Financial parameters to be considered before recommending dividend:**

The Board of the Company shall consider the following financial internal parameters while declaring or recommending dividend to shareholders:

- (i) Profits earned and available for distribution during the financial year;
- (ii) Retained earnings;
- (iii) Earnings outlook for next three to five years;
- (iv) Long-term investment proposals, capital restructuring, debt reduction;
- (v) Crystallization of contingent liabilities of the Company;
- (vi) Cash flows;
- (vii) Debt repayment schedules, if any;
- (viii) Fund requirement for contingencies and unforeseen events with financial implications.

**c) Internal and external factors that shall be considered for declaration of dividend:**

**(a) Internal Factors:**

Following are the internal factors to be considered while declaring or recommending dividend:

- (i) Brand/ business acquisitions;
- (ii) Additional investments in subsidiaries of the Company;
- (iii) Expected future capital / expenditure requirements of the Company;
- (iv) Past Dividend trend including Interim dividend paid, if any; and
- (v) Any other relevant factors and material events.

**(b) External Factors:**

Following are the external factors to be considered while declaring or recommending dividend:

- (i) Regulatory or statutory changes significantly affecting the business;
- (ii) Technological changes necessitating significant investments in the businesses.

**d) Utilization of retained earnings:**

The Company shall endeavor to utilize retained earnings in a manner which is beneficial to the interests of the Company and also its shareholders. The Company may utilize the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders or for any other specific purpose, as approved by the Board of Directors of the Company.

**e) Parameters that shall be adopted with regard to various classes of shares:**

The dividend payments in respect of shares other than equity shares shall be as per the respective terms of issue and in accordance with the applicable regulations and will be

determined, if and when the Company decides to issue other classes of shares.

**5. REVIEW / AMENDMENT**

The Board can amend this Policy, as and when deemed fit.

**6. EFFECTIVE DATE**

This policy shall be effective from December 29, 2025.

**For Standard Engineering Technology Limited  
(Formerly known as Standard Glass Lining Technology Limited)**

**Sd/-  
Nageswara Rao Kandula  
Managing Director  
DIN:00762497**

**Date: December 29, 2025  
Place: Hyderabad**