



प्रबंधक/ Manager

RAC-निर्गम एवं सूचीबद्धता प्रभाग-1 / RAC-Division of Issues and Listing-1

निगम वित्त विभाग / Corporation Finance Department

दूरभाष सं./Phone: +91 22 2644 9758

ई-मेल Email: rushalim@sebi.gov.in

HO/49/11/11(189)2026-CFD-RAC-DIL1/II/13539/2026

June 11, 2026

Auto Recycling Systems Private Limited

Khasra no. 57, Killa no. 5/2/1, 6/2, 15/2/1/2,

Baghola Januali Road,

Palwal. Haryana - 121102

Kind Attention: Shri Sarthak Malhotra, Director

Dear Sir/Madam,

Application received under Regulation 300(1)(c) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI (ICDR) Regulations") seeking exemption from disclosing Anil Kapoor, Rakesh Kapoor and Anita Khanna and their connected entities, as a part of the promoter group.

1. This has reference to your letter dated March 27, 2026 seeking exemption from including Anil Kapoor, Rakesh Kapoor and Anita Khanna (hereinafter referred to as "Related Persons") and their connected entities as defined under Regulation 2(1)(pp) of SEBI(ICDR) regulations, 2018 in the promoter group of Auto Recycling Systems Private Limited.
2. The Company has *inter-alia*, submitted the following grounds while seeking exemption from disclosing the above mentioned Related Persons as part of the 'promoter group':
 - a. The Company has submitted sworn affidavit dated May 14, 2026, declaring that the relationship between Related Persons and Sanjeev Malhotra (promoter) is broken down.
 - b. The Company has reached out to the Related Persons to seek their consent to be associated with the Company as a member of Promoter Group and provide necessary information as required under SEBI ICDR Regulations 2018. The Company is unable to obtain information pertaining to the Related Persons due to non-receipt of their response/unwillingness to provide the required information.
 - c. Anil Kapoor, and Anita Khanna have submitted that they do not wish to be included in the promoter group while Rakesh Kapoor has not furnished the information despite multiple opportunities and reminders.
3. The Company has not submitted any court order or officially recorded mediation/conciliation award supporting clear separation of Promoters from said Related



Members, evidencing permanent estrangement or cessation of personal/familial relationship and that they do not wish to have any association with each other in the future

4. Based on the circumstances of the case, the facts represented and the due diligence certificate submitted by the Lead Manager, the matter was examined, and upon examination, it has been decided **not to grant exemption**.
5. You are, therefore, advised to ensure the following.
 - 4.1. To classify and disclose the Related Persons and their connected entities as part of the promoter group in the offer documents in terms of Regulation 2(1)(pp) of SEBI ICDR Regulations and inform them about such inclusion as a Promoter group entity;
 - 4.2. Disclose inability to obtain information about Related Persons and their connected entities in the offer documents;
 - 4.3. All the applicable disclosures based on the information available in the public domain in the offer documents.
 - 4.4. An appropriate Risk Factor in the offer documents.
 - 4.5. Disclose details of breakdown of relationship as stated in the sworn affidavit filed with SEBI along with the fact that an affidavit to that effect has been filed with SEBI.
6. Further, this letter along with all your aforementioned communications shall be included in the material contracts and documents for inspection as disclosed in the offer document.
7. This is issued with approval of the Competent authority.

Yours faithfully,

Rushali Mohase

CC:

Finaax Capital Advisors Private Limited
B-401, The First, B/S Keshavbaug Party Plot,
Vastrapur, Ahmedabad, Gujarat - 380015

Kind attn.: Mr Ikshit Shah