



SEBI Registered Category I Merchant Banker

Date: January 20, 2025

To, The Listing Department, BSE Limited P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 Maharashtra, India	To, The Securities and Exchange Board of India, SEBI Bhavan BKC Plot No. C4-A, 'G' Block, Bandra-kurla Complex, Bandra (EAST), Mumbai-400051, Maharashtra
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Dear Sir/Madam,

SUBJECT: DUE DILIGENCE CERTIFICATE

SUB: INITIAL PUBLIC ISSUE OF H.M. ELECTRO MECH LIMITED OF 36,99,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ |●|/- PER EQUITY SHARE.

WE CONFIRM THAT;

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALIZING THE OFFER DOCUMENT OF THE SUBJECT OFFER; - COMPLIED WITH TO THE EXTENT APPLICABLE.
2. ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - (a) THE OFFER DOCUMENT FILED WITH THE REGISTRAR OF THE COMPANY AND BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE. - NOTED FOR COMPLIANCE
 - (b) ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; - COMPLIED TO THE EXTENT APPLICABLE AND
 - (c) THE MATERIAL DISCLOSURES MADE IN THE OFFER DOCUMENT ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE OFFER DOCUMENT ARE REGISTERED WITH THE BOARD AND THAT TILL DATE, SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE

BEELINE CAPITAL ADVISORS PRIVATE LIMITED

CIN: U67190GJ2020PTC114322

Registration No.: INM000012917

Regd. Office: B 1311-1314, Thirteenth Floor, Shilp Corporate Park, Rajpath Rangoli Road, Thaltej,
Ahmedabad- 380054, Gujarat, India.

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5. WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE OFFER DOCUMENT WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE OFFER DOCUMENT-
6. ALL APPLICABLE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE OFFER DOCUMENT.
7. ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE OFFEROR ALONG WITH THE PROCEEDS OF THE OFFER. - NOT APPLICABLE
8. NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE
9. THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHAPTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION.
10. FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE OFFER DOCUMENT/~~LETTER OF OFFER~~:
 - (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER, AND
 - (b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD.
11. WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - NOTED FOR COMPLIANCE

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12. IF APPLICABLE, THE ENTITY IS ELIGIBLE TO LIST ON INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. – NOT APPLICABLE

WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.

WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THESE REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE OFFER DOCUMENT/~~LETTER OF OFFER~~ WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

ADDITIONAL CONFIRMATION AS PER FORM G OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED:

WE CONFIRM THAT:

1. NONE OF THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. THE ABRIDGED PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THESE REGULATIONS. – NOTED FOR COMPLIANCE
3. ALL MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE RED HERRING PROSPECTUS AND THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. – NOTED FOR COMPLIANCE
4. AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALIZATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
5. THE UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THESE REGULATIONS HAVE BEEN MADE.
6. THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR WITH THE STOCK EXCHANGE.

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For, Beeline Capital Advisors Private Limited



Nikhil Shah
Director
(DIN: 02507020)
Place: Ahmedabad

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NOTE ON THE PROCESS OF DUE DILIGENCE OF H.M. ELECTRO MECH LIMITED

We have been appointed as the Book Running Lead Manager for the proposed Initial Public Issue of **H.M. ELECTRO MECH LIMITED (“HMEML” OR THE “COMPANY” OR THE “ISSUER”)**. As mandated under the SEBI (ICDR) Regulations, 2018, we herewith submit a brief note on the diligence process adopted by us:

Current Business Background:

We have interacted with management team of **H.M. ELECTRO MECH LIMITED** to understand their business, operations, and their focus areas. As a part of our due diligence exercise, we have verified the documents pertaining to the business such as statutory registers, bank statements, Forms filed with ROC’s (Ahmedabad), Attendance register etc. We have also interacted with most of the key managerial personnel to understand the business operations/processes carried out by the Company. Having discussed and understood the Company’s business operations, we have depicted the same in the chapter ‘**Business Overview**’ “of the Red Herring Prospectus.

About the Company:

Prior to the incorporation of Issuer Company, all the Promoters were associated with M/s. H M Engineers, a partnership firm engaged in the business of Electro Mechanical Contract for water supply & waste water treatment and pumping machinery installation works in pump house of Government Turnkey Projects. etc., which was later converted into Company during the year 2018. Mr Mahendra Ramabhai Patel and Mr Dipak Padmakant Pandya having 20 years of extensive experience along with their management team are responsible for identifying the projects in which the company should participate and make sure that the selected projects are related to their business. Promoters are the guiding force behind the success of issuer company. We believe the stability of our management team and the industry experience brought on by our individual Promoters will enable us to continue to take advantage of future market opportunities and expand into newer markets.

Issuer company is engaged in the field of turnkey projects of supply, installation, testing and commissioning of pumping machineries along with comprehensive operation and maintenance. Initially the core Business of issuer company was Infra projects related to water supply scheme involving Pumping Machineries and allied accessories for water and waste water. Over the years They have diversified in the field of electrification projects with Indian railways, Nationalized Banks and Municipal Corporations. Recently they have started EPC (Engineering, Procurement and Construction) field projects which involves laying cross country pipe line and civil work related to water supply projects including construction of water treatment plant (WTP), Civil Work for Pump Houses, Diesel Generating Sets, Panel Room, Instrumentation, PLC-SCADA. For such EPC projects they are working in collaboration/joint ventures with other companies also for carrying out the civil work part of the project. Issuer company is also engaged in sale of products which includes Pump, Pipes, Transformer, Motor and Other Electronic Accessories.

Risk Factors:

They have studied the sector in which the Company operates in and the risks associated with it. While risks are an inherent part of any ecology, they have put forth the risks associated with the Company and its business operations and other general risks. They believe with reasonable certainty that almost all the risks (which they are aware of and have been made aware of and have discovered during the diligence process) have been put forth in the Red Herring Prospectus.

Promoter background:

Promoters of the Company is Dipak Padmakant Pandya, Mahendra Ramabhai Patel, Varsha Mahendra Patel, Mita Dipak Pandya and Harshal Mahendra Patel. In this dynamic and extremely competitive business environment, the company has developed a diversified business model. They have as a part of their diligence exercise, have perused through the documents relating to the promoter, which is disclosed in the chapter titled ‘**Our Promoter and Promoters’ Group**’ of the Red Herring Prospectus.

Company’s history and track record:

Disclosures in the Red Herring Prospectus on the track record of the company, its evolution and history are based on the verification of Memorandum and Articles of Association, Audited Financial Statements, various Forms filed with ROC and Agreements, etc.

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Related Party Transactions:

As certified by the management of the Company, the related party transactions entered into for the period disclosed in the Red Herring Prospectus have been entered into by the Company in adherence with applicable laws.

Yours Faithfully,

For, Beeline Capital Advisors Private Limited



Nikhil Shah
Director
(DIN: 02507020)
Place: Ahmedabad