

**GOVERNMENT OF INDIA**  
**MINISTRY OF FINANCE**  
**DEPARTMENT OF INVESTMENT AND PUBLIC ASSET MANAGEMENT**  
**28<sup>th</sup> September 2022**

**Subject: Disqualification of successful bidder and termination of the transaction relating to strategic sale of 100% GoI equity in Central Electronics Limited (CEL)**

The Government on 29.11.2021 selected the strategic buyer for sale of 100% equity shareholding of GoI in Central Electronics Limited (CEL) when it approved the highest price bid of M/s Nandal Finance and Leasing Pvt Ltd (successful bidder) after a transparent, open and competitive bidding process, and following laid down procedure of strategic investment. A press release was issued on 29.11.2021.

Subsequently, certain allegations were received against the bidder and the bidding process. While keeping the Letter of Intent (LoI) on hold, Government examined these allegations and found merit only in one allegation regarding pendency of a proceeding in National Company Law Appellate Tribunal (“NCLAT”) against the successful bidder that may result in disqualification of the bid under applicable provisions of Preliminary Information Memorandum (PIM) and Request for Proposal (RFP). The successful bidder was given a due opportunity to show cause on points of disqualification.

After careful consideration, the Government of India has decided, based on the decisions of the Alternative Mechanism (Empowered Group of Ministers), to (i) disqualify the successful bidder (ii) exclude the successful bid (as approved by the government on 29.11.2021) from any further consideration and (iii) terminate the current transaction.