



Registered with A/D

BNPM No. 681/(C) 03.01.13/2025-26

June 11, 2025

To

M/s. Creative Yarns

S/F No.293/1A, PEEDAMPALLI POST,

NADUPAALAIYAM KANAKKAN THOTTAM

COIMBATORE-641016

Tamil Nadu

**Sub: Termination of contract, and other actions-M/s Creative Yarns, Coimbatore**

**Ref:**

- A. BNPM Tender No. BNPM/ NCB/EMPANELMENT-CCO/0141-03/2022-23 dated 11.11.2022
- B. Empanelment letter no. 3400/(C) 03.01.13/2022-23 dated 14.02.2023
- C. PRICE BID-06/2022-23 dated 15.02.2023
- D. BNPM Purchase Order No: BNPM/PO/1083/2022-23 dated 08.03.2023
- E. BNPM delivery schedule intimation vide email dated 08.03.2023
- F. BNPM show cause notice no. 890/(C)02.12.12/2023-24 dated 17.07.2023
- G. Your email dated 18.03.2025 expressed your inability to fulfil the order due to significant losses.

Dear Sir,

This has reference to above mentioned Empanelment Letter for supply of cotton comber.

As per empanelment letter, you have failed to submit the required performance security amount of ₹50 lakh.

Purchase order no. BNPM/PO/1083/2022-23 dated 08.03.2023 was issued for supply of 2,00,000.00 Kgs Cotton comber. Subsequently, vide email dated 08.03.2023 delivery schedule was issued to supply entire quantity by 24.03.2023.

You have supplied only 25,469.50 Kg of Cotton Comber against the ordered quantity of 2,00,000.00 Kgs and 174,530.50 Kg is still pending. Therefore, a show cause notice no. 890/(C)02.12.12/2023-24 dated 17.07.2023 was issued due to non-delivery of Cotton Comber. The following actions were outlined in the notice:

**Cont.**



**Registered and Corporate office :**

Administrative Building , Paper Mill Compound, Note Mudran Nagar, Mysuru-570 003, Karnataka  
Ph: 0821-2401-111, Fax : 0821-2401-120, e-mail: info@bnpmindia.com | www.bnpmindia.com



- i. Forfeiture of performance security
- ii. Termination of contract/ Purchase Order/Delivery Schedule for default in supply within the delivery dates.
- iii. Delisting M/s Creative Yarns from the empaneled vendor list.
- iv. Debarring M/s Creative Yarns, Coimbatore, from participating in the BNPM tender for one year.

On multiple occasion, you were given opportunity to submit performance security and then supply the pending quantity. However, vide email dated March 18, 2025, you have expressed your inability to fulfil the order due to significant losses and requested the release of the retained security deposit.


We bring in your notice that, you have been defaulted by failing to submit the required performance security amount of ₹50 lakh, and by not supplying the ordered quantity within the contract period. As you have failed to comply the contractual obligations.

Therefore, following actions are being imposed on M/s Creative Yarns, Coimbatore with effect from 11.06.2025:

- i. M/s Creative Yarns, Coimbatore, delisted from the Empaneled Vendor List
- ii. Purchase Order No. BNPM/PO/1083/2022-23 dated March 08, 2023, value ₹3,50,70,000/- issued to M/s Creative Yarns, Coimbatore stand cancelled.
- iii. M/s Creative Yarns, Coimbatore, debarred for participating in BNPM tenders for a period of two years from the date of the letter (i.e. till 10.06.2027).
- iv. Your retained Security Deposit amount of ₹43,76,756/- has been Forfeited.

This is your information.

For and on behalf of  
Bank Note Paper Mill India Pvt. Ltd.

  
(Bhartendra Pratap Singh)  
Deputy General Manager

