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CIN : U22213DL2006GOI144763

फाइल संख्या: GEMC-511687732130807

दिनांक:

To,
M/s. Crown Polymers,
1st to 4th Floor, Plot No. 894, 895, 896, 951,
952, 953, Gandimaisamma Dundigal Tahsil,
Dulapally Village,
Medchal Malkajgiri, Telangana- 500055,
India
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प्रति,
में. क्राउन पोलीमर्स,
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895, 896, 951, 952, 953
गंडीमाईसम्मा डूंडीगल तहसील,
दुल्लापल्ली गाँव, मेडचल, मलकाजगिरी, तेलंगाना
500055, भारत

विषय/Sub:- Termination of GeM Contract No. GEMC-511687732130807 dated 07th November 2025 issued for Procurement of 4,000 KG of Double Folded LDPE Shrink Film 350 MM and to put M/s. Crown Polymers, on Holiday List (Temporary Debarment or Suspension).

संदर्भ/Ref:-

- ISP's GeM Bid No. GEM/2025/B/6620218 dated 17.09.2025.
- ISP's GeM Contract No. GEMC-511687732130807 dated 07.11.2025
- ISP's Purchase Order No: 4500025586 dated 13.12.2025
- Show cause Letter dated 09.07.2026
- Your email dated 15.07.2026

महोदय/महोदया,

- With reference to above, it is to inform that ISP-Nashik has issued GeM Contract No. GEMC-511687732130807 dated 07.11.2025 for Procurement of 4,000 KG of Double Folded LDPE Shrink Film 350 MM to M/s. Crown Polymers.
- As per terms and conditions, M/s Crown Polymers has supplied 01 Roll on 10.11.2025 and the sample has been accepted and India Security Press, Nashik vide email dated 05.12.2025 informed M/s Crown Polymers that the sample supplied by them was found suitable and requested to start the Bulk supply as per delivery schedule provided in the GeM Contract.
- Further, as per delivery schedule provided in the GeM Contract M/s Crown Polymers has to supply the entire quantity i.e. 4000 Kg LDPE Shrink Film 350 mm in four equal instalments as under:

Sr. No.	Lot Number	Delivery Schedule
1	1 st Lot of 1000 KG	23.12.2025 to 06.01.2026
2	2 nd Lot of 1000 KG	07.01.2026 to 07.03.2026
3	3 rd Lot of 1000 KG	08.03.2026 to 06.05.2026
4	4 th Lot of 1000 KG	07.05.2026 to 05.07.2026

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पंजीकृत कार्यालय : एसपीएमसीआईएल, तीसरी मंजिल, टॉवर-जी, वर्ल्ड ट्रेड सेंटर, नौरोजी नगर, नई दिल्ली-110029.

Regd. Office : SPMCIL, 3rd Floor, Tower-G, World Trade Centre, Nauroji Nagar, New Delhi-110029.

4. M/s Crown Polymers has supplied 2134 Kg Double Folded LDPE Shrink Film 350 MM on 09.01.2026. However the complete lot was found unsuitable due to following reasons:
- (a) The complete quantity of 2.314 MT film failed to shrink properly
(b) The word 'India Security Press, Nashik' was not found printed on Film.
5. Since the material was found unsuitable, ISP informed M/s Crown Polymers to supply the material exactly as per tender specification. Despite repeated requests through e-mail, M/s Crown Polymers has not supplied the material. However, M/s Crown Polymers vide email dated 23.06.2026 has informed that there is price hike by 70% and requested to revise the price as per market rates.
6. ISP vide e-mail informed M/s. Crown polymers that at this stage the revision of price is not possible and requested to supply the material as per terms and conditions as well as the price quoted in the GeM Contract.
7. But, despite repeated requests, M/s Crown Polymers has not supplied Double Folded LDPE Shrink Film 350 MM, Therefore, ISP vide letter dated 09.07.2026 issued a Show Cause Notice and requested to submit the explanation within 07 days from the date of issue of Notice that as to why ISP should not terminate the GeM Contract No. GEMC-511687732130807 dated 07.11.2025 for default, forfeit the performance security amounting to Rs. 17,280/- deposited by them through NEFT on 12.12.2025 and debar M/s Crown Polymers for participating the tender floated by ISP. If, ISP not receive any reply within 7 days, it will be presumed that M/s. Crown Polymers has not to say anything against this show cause notice and action as deemed fit will be initiated against M/s. Crown Polymers.
8. Against ISP Show Cause Notice, M/s. Crown Polymers, has informed that *"Plastic prices are primarily driven by fluctuating crude oil and natural gas costs, as these are the main feed stocks for polymer production. Geopolitical tensions disrupting supply chains, high industrial demand (especially in packaging) and logistics shortages heavily impacting raw material prices"*.
- We are writing to inform you of the current production challenges faced by our company due to war effect. Geopolitical tensions disrupting supply chains, high industrial demand (especially in packaging) and logistics shortages heavily impacting raw material prices.*
- The ongoing conflict has resulting in a significant increase in raw material costs. From March 2026, we are experiencing a nearly 75 % increase in costs variation, which is impacting our ability to maintain the necessary inventory levels.*
- Given the current circumstances, we regret to inform you that we are not in a position to meet your requirement as scheduled. **Under the force majeure clause, we are unable to supply the material at this time.** Please consider this information.*
9. However, with reference to the request for cancellation of gem contract under force majeure clause it is informed that as per Office Memorandum no. 1/3/2026-PPD dated 29.04.2026, **GeM contract may be terminated without any financial repercussion on either side if, the parties to the contract were not in default of their contractual obligations on 27th February 2026.**
10. As per delivery schedule provided M/s Crown Polymers has to supply the first lot of 1000 Kg on or before 06.01.2026 but the firm has supplied the material on 09.01.2026 and also which was not as per tender specification and hence found unsuitable. Thereafter despite of repeated requests M/s Crown Polymers has not supplied the replacement supply and hence M/s Crown Polymers is at default prior to 27 Feb 2026, hence, the request made by M/s Crown Polymers for cancellation of contract under Force Majeure cannot be considered.
11. M/s Crown Polymers has not supplied the material and requested for cancellation of GeM Contract is the complete violation of terms and conditions of GeM bid and GeM Contracts.
12. Clause No. 19 of GeM GTC 4.0, version 1.25 dated 14.07.2025 states that, "If the seller does not perform its obligations within the Delivery Period / Date mentioned in the Contract, the same would constitute the breach of

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the Contract and the Buyer shall have the right to Cancel or Withdraw the Contract for the unsupplied portion after the expiry of the original, extended or re-fixed delivery date or period stipulated in the Contract. Such cancellation of contract **on account of non - performance by the Seller would entitle the Buyer to forfeit the performance security** besides other actions such as downgrading the Seller's rating or debarment from the GeM for specified period as decided by GeM on merits."

13. In view of the above the following action against M/s Crown Polymers has been taken:

- (a) Terminate ISP GeM Contract No. GEMC-511687732130807 dated 07.11.2025 in whole for default.
- (b) The performance security of Rs. 17,280/- submitted by M/s. Crown Polymers vide NEFT dated 12.12.2025 forfeited to ISP account.
- (c) M/s. Crown Polymers is debar for a period of one (01) year for participating in the tenders floated by ISP and also raised the Incident on GeM Portal.

14. No further correspondence will be entertained in this regard.

15. This has been issued with the approval of Competent Authority

भवदीय,

(अरिंदम बिस्वास)

संयुक्त महाप्रबंधक (तक. प्र.)- क्रय
कृते मुख्य महाप्रबंधक