

**BUREAU OF INDIAN STANDARDS
(WESTERN REGIONAL OFFICE, MUMBAI)**

**Decision on Application for Compounding subsequent
to Personal Hearing held on 09 June 2022**

Ref: DDGW/AC/2022-23/MUBO-II

Date: 26.08.2022

Licensee: M/s Ador Welding Limited

- Represented by:** 1) Mr. Vinayak M Bhide, Head-Legal and Company Secretary,
2) Mr. Shrikant Suvarna, Head Procurement
3) Mr. Ketan Kanjia, AGM, Supply Chain Management

During the hearing, Mumbai Branch Office-II presented the case, wherein it was informed that a complaint (V-10862) was received regarding import of Flux cored wires without a valid BIS licence in violation of Quality Control Order (QCO) issued by Department for Promotion of Industry and Internal Trade (DPIIT) vide S.O. 1203(E) dated 12.03.2021 for Flux Cored (Tubular) Electrodes for Gas Shielded and Self-Shielded Metal Welding of Carbon or Carbon-Manganese Steel as per IS 15769.

2. A search and seizure operation was carried out on 23.02.2022 at the premises of M/s. Ador Welding Limited, C/o Kerry Indev Logistics Private Limited, Building No- A4, Global Complex, Survey no 25, Hissa No 7, 10/1, 10/2, Grampanchayat -Kukse, Bhiwandi-421302, Thane.

3. A total quantity of 17703 number of boxes of Flux cored wire were seized which were in contravention of the above referred QCO and Section 17 of BIS Act 2016. Same were seized and Seizure memo no MUBO-II/Enf/20220223/1 dated 23.02.2022 was issued to M/s Ador Welding Limited, C/o Kerry Indev Logistics Private Limited. A copy of the Seizure memo and Superdari letter were handed over to Mr Kishore Shankar Jadhav, Assistant manager, Kerry Indev Logistics Private Limited. It was intended to file a case before the concerned Court of law against the firm, for violation of the provisions of the Bureau of Indian Standards Act, 2016.

4. Firm has thereafter applied for composition of offence through their application dated 09.03.2022. Firm declared the assessable value of seized goods to be Rs. 3,35,83,210/-. In addition to the seized material, firm has also provided the details of goods imported in violation of the QCO since its coming into effect along with the consignee details of the consignments so received, and its valuation as sought by the Bureau.

5. Firm's representative Mr. Shrikant Suvarna, Head Procurement, confirmed during the personal hearing that no imports of the product have been made since Jan 2022, and there is no stock pending with the customs for clearance.

6. Firm informed that they had applied for, and have obtained BIS license for their Silvasa plant wherein the licence was granted after the search and seizure operation carried out by Mumbai Branch Office-II on 23.02.2022.

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26/08/2022

14926
DDGW/AC/2022-23/MUBO-II
DATE: 26/08/2022

7. They informed that they do not have any stock of imported electrodes at Silvasa unit other than the remnant of material which was sent earlier by them for testing purpose.
8. As sought at the time of the hearing, firm has submitted the invoices to the consignees, invoices of bill of entry and their declaration regarding the entire quantity imported along with the valuation on a Non judicial Stamp paper of Rs 100 duly notarized by a Notary Public.
9. The Branch office has put up the case documents, for the decision for passing of orders in line with sub rule (4) of Rule 50 of BIS Rules, 2018.
10. It is seen that:
- i) Firm had applied for composition of offence and requested vide their communication dated 07.04.2022, for composition of offence and for release of goods seized by BIS.
 - ii) Firm has provided information sought by the Bureau. Information has been provided on the seized goods and also on goods imported subsequent to the date of the said QCO coming into effect, with regard to the valuation, invoices etc as sought by the Bureau. The valuation of seized goods has been informed to be Rs. 3,35,83,210/-. Valuation of the entire quantity imported in violation of the QCO since its coming into effect, including the seized material has been declared to be Rs 7,28,66,585/-
 - iii) On firm's request, a subsequent meeting was held on 22.07.2022 with Mr. Shrikant Suvarna, Head Procurement, and Mr. Ketan Kanjia, AGM, Supply Chain Management, during which they requested for release of the seized goods and made a further request for permission to re-export it. An e-mail dated 23.07.2022 has also been received from them, with a request to accept their plea & allow them to export the said goods, as they are carrying huge burden / inventory of the material and will incur substantial loss, if it is to be scrapped now.
 - iv) The seized material does not bear BIS Standard Mark. It has been imported from manufacturer of the goods based outside India who does not have BIS Certification Marks licence as per IS 15769. The material is in violation of the said QCO.
 - v) The seized goods are the case property of the Bureau. The seized material cannot be released to the firm.
 - vi) As per the provisions of the Section 32(4) of BIS Act, 2016, the court may direct that any property in respect of which the contravention has taken place shall be forfeited to the Bureau. As such, their release would be in violation of the QCO.
 - vii) Firm is insisting on release of the material which is in violation of the QCO, they are ready to re-export it elsewhere; but such release would be in violation of BIS Act, 2016. It would be appropriate to file prosecution case before the competent Court of law to decide the matter.
 - viii) Accordingly, the application dated 09.03.2022 for composition of offence received from M/s Ador Welding Limited is rejected as per Rule 50(4) of BIS Rules, 2018, on the grounds of contradictions and inconsistencies in the case.

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26/08/2022
NISHAT S. HAQUE

DEPUTY DIRECTOR GENERAL (WEST)

Head(MUBO-II)