

BUREAU OF INDIAN STANDARDS
Deputy Director General (Certification) Secretariat

Manak Bhavan
9, Bahadur Shah Zafar Marg
New Delhi 110002

24 February 2026

Compounding Order

**In the matter of application for compounding of offence filed by M/s CLIO's Heritage Store
Under the provisions of the BIS Act, 2016 read with Toys (Quality Control) Order, 2020**

1. Background

An application dated 05.12.2025 was submitted by M/s CLIO's Heritage Store (hereinafter referred to as "the applicant") seeking compounding of offence for contravention of the Toys (Quality Control) Order, 2020 and the provisions of the BIS Act, 2016 on account of sale of toys without BIS Standard Mark. The application was examined with reference to the particulars furnished by the applicant, subsequent submission dated 14.01.2026 made by the applicant, and the observations from the verification conducted at applicant premises on 21.01.2026 through BIS Haryana Branch Office (HRBO).

2. Examination of the Case

The records indicate that the applicant was engaged in trading of multiple categories of products, including toys. The toys sold by the applicant did not bear the mandatorily required BIS Standard Mark under a valid licence issued by BIS. One such toy was purchased by the Certification, Surveillance & Monitoring Department (CSMD) on 29 July 2024 during market surveillance from an e-commerce platform. The applicant has not disputed that the toy purchased and delivered to CSMD was sold by the applicant and that the said toy did not bear the BIS Standard Mark. The applicant has submitted that the contravention occurred without deliberate intent and that, immediately upon being informed of the violation, all toy products were de-listed from its website as well as associated e-commerce platforms. The said corrective action was verified during the verification visit conducted through HRBO.



Based on available BIS records, the present case has been established as the first instance of contravention by the applicant.

3. Verification of Value of Goods in Contravention

The applicant submitted the declared value of goods sold in contravention of the QCO along with supporting data extracted from e-commerce portals and internal records. However, upon examination and verification, it was observed that:

- i. Complete historical data from certain e-commerce platforms was not available beyond a limited period of 2 years.
- ii. Sales data for period prior to 2 years was based on internally maintained records without independent third-party verifiability.
- iii. Discrepancies were observed in certain figures submitted by the applicant during verification visit of BIS HRBO.

In view of the above limitations, the accurate value of goods sold in contravention could not be independently and conclusively determined.

4. Turnover of the Applicant

In the absence of an accurate and independently verifiable determination of the value of goods sold in contravention, the Act provides that the turnover of the firm for the previous financial year shall be taken as the value of goods in contravention. Accordingly, the turnover of the applicant for FY 2023-24 was sought for this purpose. The said turnover was submitted through certificates duly authenticated by a Chartered Accountant, and the same was verified during the verification visit conducted by the officer from BIS HRBO and found to be in order.

5. Personal Hearing

A personal hearing was granted to the applicant on 17.02.2026 under Rule 50(4) of the BIS Rules. The hearing was attended by Sh. Utkarsh Goel (Partner), Sh. Naman Goel (Partner) and Sh. Sandeep Goel (Partners' father). During the hearing, the applicant reiterated the submissions already made in writing, including that the contravention was unintentional, that corrective action had been taken immediately upon detection of the violation, and that this being the first



instance of contravention, a lenient view may be taken while determining the compounding amount.

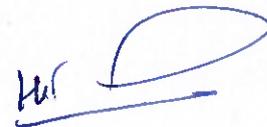
6. Findings

I have carefully considered the compounding application, submissions made by the applicant, verification report, records available on file and the provisions of the BIS Act, 2016 and BIS Rules, 2018. The following observations are noted:

- i. The offence stands established and has not been disputed by the applicant.
- ii. The offence constitutes a first-time contravention.
- iii. The applicant extended cooperation during verification.
- iv. Corrective action in the form of de-listing of non-compliant products was undertaken.
- v. The value of goods sold in contravention cannot be conclusively determined due to limitations in independent verification of submitted sales data.
- vi. In the absence of an accurate and independently verifiable determination of the value of goods sold in contravention, Section 29(3) of the BIS Act, 2016 provides that the turnover of the firm for the previous financial year shall be taken as the value of goods in contravention. The value of goods in contravention is thus taken as ₹9,93,254.68.
- vii. The Compounding Amount computed in accordance with the Rule 50(8) of BIS Rules, 2018 works out to ₹49,66,273.40.
- viii. The applicant submitted that it may not be feasible for them to pay the stated Compounding Amount.

7. Order

Accordingly, in exercise of the powers conferred under the BIS Act, 2016 read with the BIS Rules, 2018, the offence committed by M/s CLIO's Heritage Store is hereby compounded upon payment of a compounding amount of ₹49,66,273.40, determined in terms of Rule 50(8) of the BIS Rules, 2018 read with Section 29(3) of the BIS Act, 2016.



The applicant shall deposit the said compounding amount within 30 days from the date of receipt of this Order. In the event of failure to deposit the amount within the stipulated period, the prosecution already initiated before the jurisdictional court shall proceed in accordance with law.

Since the prosecution has already been instituted in the court, therefore, this order shall be produced before the court for decision.

HJ
24/02/2026

H J S Pasricha
Scientist-G

Deputy Director General (Certification)
Bureau of Indian Standards