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BHUTAN STANDARDS BUREAU

The National Standards Body of Bhutan



Bhutan Standards Licensing Regulation 2015



CHAPTER – 1

GENERAL PROVISIONS

1. TITLE AND COMMENCEMENTS

- (1) This Regulation is issued in pursuant to Section 42 of Bhutan Standards Act 2010 and must be read in conjunction with that Act.
- (2) This Regulation may be cited as the Bhutan Standards Licensing Regulation 2015.
- (3) This Regulation shall come into effect on such date as may be notified by the Bhutan Standards Bureau (BSB) by notice in the newspaper and its website, or after 30 days from its publication.

2. AMENDMENTS

The power to amend this Regulation by way of addition, variation or repeal in part or in whole shall vest with the BSB.

3. INTERPRETATION

The power to interpret this Regulation shall vest with the BSB who may issue such instructions as may be necessary to give effect to and carry out the provisions of this Regulation.

4. RULES OF CONSTRUCTION

In this Regulation, unless the context indicates otherwise, the masculine gender shall include the feminine gender and words in singular shall include the plural and vice versa.

5. DEFINITIONS

In these regulations, unless the context otherwise requires following definitions shall apply:

- (1) "Act" means the Bhutan Standards Act 2010;
- (2) "Regulation" means the Bhutan Standards Licensing Regulation 2015;

- (3) "Bureau" means the Bhutan Standards Bureau;
- (4) "Form" means a form annexed to these regulations;
- (5) "Applicant" means and includes any person - can be an individual; or a proprietor or partner of a firm; or a company; or an authorized representative through whom an application under these regulations has been made by an applicant, and includes a Licensee.
- (6) "Licence" means a licence granted to use the Bhutan Standards Certification Mark in relation to any article or process or management system which conforms to the Bhutan Standard.
- (7) "Licensee" means and includes any individual, proprietor, firm or a company to whom Licence has been granted under these regulations.

All other words and expressions used in the regulations and not defined here but defined in the Bhutan Standards Act 2010 shall have the meanings respectively assigned to them in the Act.

CHAPTER - 2

GRANT AND RENEWAL OF LICENCE FOR PRODUCT CERTIFICATION

6. APPLICATION FOR LICENCE

- (1) Application for the grant of a Licence shall be made to the Bureau in Form - I.
- (2) Application made under Section 6(1) shall be accompanied by a statement furnishing in detail any scheme of inspection and testing, which the applicant maintains or has been in use or proposes to maintain or to put into use and which is designed to regulate, during the course of manufacture or production, the quality of the article or process for which the Licence is applied for.
- (3) Application shall be signed in case of an individual, by the applicant or, in case of a firm or a company, by the proprietor, partner or the managing director or by any other person

legally authorized to sign any declaration on behalf of the firm or a company. The name and designation of the person signing the application shall be recorded legibly in the space set apart for the purpose in the application form together with complete address, e-mail for communication and in case of a company, in addition, address of Registered Office.

- (4) Every application for a Licence shall, on receipt by the Bureau, be numbered in order of priority on the Register of the receipt and be acknowledged.
- (5) The Bureau may call for such other supplementary information or documentary evidence from the applicant in support of or to substantiate any statement made by him in the application, within such time as may be directed by the Bureau and non-compliance with such direction may result in the rejection of the application.
- (6) On receipt of an application for Licence and before granting a Licence, the Bureau may:
 - (a) require the applicant to produce the evidence showing that the article or process in respect of which Licence has been applied for conforms to the related Bhutan Standard;
 - (b) require the applicant to produce the evidence showing that the applicant has in operation a scheme of routine inspection and testing that will ensure that all marked products shall conform to the Bhutan Standard;
 - (c) require all reasonable facilities to be provided to an Inspecting Officer of the Bureau to inspect the office, workshop, testing laboratories or warehouse and/or any other premises of the applicant and to draw and test sample or samples for the purpose of verifying the evidence produced by the applicant under clause (a) or clause (b) above or both;
 - (d) for the purpose of clause (a), direct the applicant, at his/her costs, to submit samples to such testing authority as the Bureau may consider appropriate. The expenses for testing shall be borne by the applicant; and
 - (e) on the basis of any report received under clause (c) or clause (d) or both, the Bureau may, as deemed fit, require the applicant to carry out such alterations in, or addition to, the scheme of testing and inspection or the process of manufacture or production in use by the applicant.

7. GRANT OF LICENCE

- (1) If the Bureau, after completing its inquiry as per the existing Product Certification Scheme, is satisfied that the applicant having regard to requisite skill, equipment, systems, resources, previous performance and antecedents relevant to the issuance of the Licence is fit to use the Standard Mark, the Bureau shall grant and issue Licence in **Form II** authorizing the use of the Standard Mark in respect of the article or class of articles manufactured by the applicant or in respect of the process employed in any manufacture or work, subject to such terms and conditions as specified in these regulations or any other additional term or condition. The Bureau shall intimate the applicant about grant of Licence.
- (2) A person, who has been convicted of an offence under Section 35 to 41 of the Act, shall not be eligible to apply for a period of six months from the date of such or each conviction.
- (3) A Licence shall be issued in **Form 'II'** which shall be for a period of one year in the first instance. The Bureau may renew the Licence on an application made by a licensee at least three months before the expiry of the period for which the Licence has been granted, for a similar period each time.

Provided the Bureau may decide, depending, among other things, on the licensee's performance, to renew the Licence for a period not exceeding two years at a time if the application for renewal is to that effect.
- (4) The Bureau may, during the period of the validity of the Licence, alter terms and conditions subject to which the Licence has been granted by giving one month's notice to a licensee.
- (5) Where a Licence to use Standard Mark has been granted, it shall be 'Notified' specifying the particulars of the Licence.
- (6) A Licence, unless renewed, shall expire at the end of the period for which it is granted and upon renewal, shall expire at the end of the period for which it is renewed.

8. REJECTION OF APPLICATION

- (1) Where the Bureau, after a preliminary inquiry, is of the opinion that Licence should not be granted, the applicant shall be intimated of the opinion of the Bureau with a liberty to the applicant to make a representation, in writing, before the Bureau for its consideration any fact or explanation before rejecting the application.
- (2) The application for Licence shall be deemed to have been rejected if no representation is made within the period of fourteen days from the receipt of the intimation under sub-Regulation
- (3) In the event of a representation being made, the Bureau shall give a reasonable opportunity to the applicant of being heard, either in person or through an authorized representative on their behalf, and may take into consideration any fact or explanation urged on behalf of the applicant before rejecting the application.

9. CONDITIONS OF LICENCE

- (1) The Standard Mark shall be applied in a manner to be prominently visible as a distinct mark on the article, label or the covering or on test certificate relating to an article which cannot be labelled or covered.
- (2) The Standard Mark shall be applied only to such types, grades, classes, varieties, sizes of the article/s for which the Licence has been granted.
- (3) The licensee shall get approved from the Bureau the facsimile (exact reproduction) of the Standard Mark proposed to be used by him.
- (4) No person, other than the licensee in possession of a valid Licence, shall make any public claim, through any advertisement, sales promotion leaflets, price-lists or the like, that his/her product, article or process conforms to the relevant Bhutan Standard or carries the Standard Mark in respect of a product, an article or process for which Standard Mark has been specified.

Explanation - For the purpose of this sub-Regulation, a claim of a person as to conformity of a product to a Bhutan Standard in reply to a specific query or in a communication addressed to an individual customer shall not be a public claim.

- (5) So long as a Standard Mark is not specified for an article or process, a person may publically claim that his/her product or process conforms to the Bhutan Standard provided that such product or process actually conforms to the Bhutan Standard.
- (6) Every licensee shall:
 - (a) institute and maintain, to the satisfaction of the Bureau, a system of control to keep up the quality of his/her production or process by means of a scheme of testing and inspection as indicated in the Licence to ensure that the article or process, in respect of which the Standard Mark is being used, comply with the relevant Bhutan Standard; and
 - (b) maintain a complete record of the tests and inspection and such other data as specified in the scheme for testing and inspection, to establish to the satisfaction of the Bureau that the required control of production or process has been and is being satisfactorily maintained. Such records shall, on demand, be made available for inspection to the Inspecting Officer.
- (7) Any Licence granted by the Bureau may be suspended or cancelled by it, if it is satisfied:
 - (a) that the articles marked with the Standard Mark under a Licence do not comply with the related Bhutan Standard or Standards; or
 - (b) that the licensee had used the mark in respect of a process which does not come up to the related Bhutan Standard or Standards; or
 - (c) that the licensee failed to provide critical facilities to any Inspecting Officer to enable him to discharge the duties imposed on him; or

- (d) that the licensee has failed to comply with any of the terms and conditions of the Licence; or
 - (e) for any other reason which in the opinion of the Bureau to be recorded in writing is sufficient to suspend or cancel the Licence.
- (8) Before the Bureau suspends or cancels any Licence, a fourteen days' notice of its intention to suspend or cancel the Licence shall be given to the Licensee.
- (9) On the receipt of such notice, the licensee may submit an explanation on his/her behalf to the Bureau within seven days from the receipt of the notice. If an explanation is submitted, the Bureau may consider the explanation and give a hearing to the licensee within fourteen days from the date of receipt of such explanation or before the expiry of the notice period, whichever is longer.
- (10) If no explanation is submitted, the Bureau may, on the expiry of period of the notice, suspend or cancel the Licence.
- (11) Where a Licence has been suspended or cancelled, or the term thereof has not been renewed on the expiry of the period of its validity, the licensee shall discontinue forthwith the use of the Standard Mark notwithstanding the pendency of any appeal under the Act, and it shall be the responsibility of the licensee and its agents to get the Standard Mark either removed, cancelled, defaced or erased from any articles in stock which had been marked.
- (12) When a Licence has been suspended or cancelled, the Bureau shall publish the particulars of the Licence so suspended or cancelled by way of Notification and appropriate entry shall be made in the Register of Licence.
- (13) In the event of difficulty to maintain the conformity of the product to the specification or the testing equipment goes out of order, the marking of the product shall be stopped by the licensee and the Bureau shall be informed. The marking may be resumed as soon as the difficulty or defect is removed and the Bureau is informed immediately upon resumption.

- (14) If, at any time, the Bureau has sufficient evidence that the product carrying the Standard Mark may not be conforming to the Bhutan Standard, the licensee shall be directed to stop marking of such product. The resumption of marking on the product shall be permitted by the Bureau after satisfying itself that the licensee has taken necessary actions to remove the deficiencies.
- (15) The decision of the Bureau under Section 8(3) or Section 9(7) shall be supported by reasons and such decision shall be communicated, in writing, by post and/or e-mail, to the applicant or the licensee, as the case may be.
- (16) An inspection, specially made at the request of an applicant or a licensee, shall be chargeable to the account of applicant or the licensee. Charges for such special inspection or inspections shall be such non-refundable amount as may be decided by the Bureau and deposited with the Bureau prior to undertaking the inspection.
- (17) When a Bhutan Standard is withdrawn and not superseded by any other Bhutan Standard, any Licence issued in respect thereof shall be deemed to have been cancelled from the date of withdrawal of such Standard and any such Licence shall be surrendered to the Bureau by the licensee forthwith. In the case of such cancelled Licence, a part of the marking fee, if paid in advance, proportionate to the unexpired period of the Licence, may be refunded to the licensee.
- (18) The following procedure shall apply in the case of inspection in respect of any article or process where a Licence for the use of Standard Mark in respect of that article or process has been issued, or an application has been made for a Licence:
 - (a) when an Inspecting Officer proposes to inspect the premises of an applicant, a reasonable notice of the visit may be given to the applicant but for inspection of premises of a licensee, such notice is not necessary;
 - (b) if during an inspection, an Inspecting Officer wishes to take one or more samples of any article, material or substance, it shall be done in the presence of the licensee

or the applicant or a responsible person of the establishment of the licensee or the applicant, as the case may be;

- (c) Inspecting Officers may at their discretion, and shall if the licensee or applicant or the responsible person belonging to the establishment demands it, take duplicate samples and give one sample to the licensee or the applicant or such responsible person;
 - (d) Inspecting Officers may at their discretion, and shall if the licensee or applicant or the responsible person belonging to the establishment demands it, place each such sample in a cover and jointly seal each sample. In case samples drawn by the Inspecting Officers cannot be so sealed, such samples shall be marked with certain identification to establish their identity;
 - (e) impression of the seals and details of identification shall be given in the Inspecting Officers' report. The samples shall be labelled giving complete details; and
 - (f) Inspecting Officers shall give a receipt for sample or samples taken and retain a duplicate copy of the receipt duly signed by the person in whose presence the sample was taken.
- (19) Inspecting Officers may take samples of articles marked with the Standard Mark from the warehouse/store or any such premises of any agent of the licensee or from the articles put up for sale in the open market by the licensee or his agent.
- (20) The Bureau shall arrange at least two inspections a year in respect of each Licence.
- (21) Inspecting Officers shall make to the Bureau a detailed report of every inspection made by them.
- (22) The Bureau may require the Licensee to use the prescribed holograms on the specified products in addition to the Standard Mark. The holograms shall be supplied at the prescribed rates by the Bureau or its authorized representatives in this regard. The

copyright of the hologram shall vest in the Bureau and the licensee shall not imitate nor use spurious hologram on the products covered by the Licence.

10. FEES

- (1) Every application for the grant of a Licence shall be accompanied by a fee including application for renewal of a Licence. Fee or part shall not be refunded except as per Section 9(17).
- (2) In addition to the fee paid as per Section 10(1), every licensee shall pay:
 - (a) an annual Licence fee; and
 - (b) a marking fee at the rate as may be determined by the Bureau which shall be corresponding to total annual production of the article or process covered by the Standard Mark or a minimum fee whichever is higher.
- (3) The marking fee shall be determined by the Bureau from time to time and notified by publication in the form of a schedule showing the marking fees per unit for each class of product or process.
- (4) The annual Licence fee and the minimum marking fee for the first year shall be paid by the applicant at the time of grant of the Licence. Thereafter, at the time of application for renewal of the Licence the licensee shall pay the annual Licence fee, along with marking fee due for the period immediately preceding the renewal, so long as the Licence remains effective.
- (5) The licensee shall pay all fees in the manner stipulated in the Schedule to Form 'II' which may be subject to change from time to time.

CHAPTER - 3

GRANT AND RENEWAL OF LICENCE FOR MANAGEMENT SYSTEMS CERTIFICATION

11. APPLICATION FOR LICENCE

- (1) Every application for the grant of Licence for Management Systems Certification shall be made to the Bureau in Form **III**.
- (2) Application made under Section 11.1 shall be signed in case of an individual, by the applicant or, in case of a firm or a company, by the proprietor, partner or the managing director or by any other person legally authorized to sign any declaration on behalf of the firm or a company. The name and designation of the person signing the application shall be recorded legibly in the space set apart for the purpose in the application form together with complete address, e-mail for communication and in case of a company, in addition, address of Registered Office.
- (3) Every application for Management Systems Certification shall be accompanied by:
 - (a) a supplementary questionnaire duly filled in **Form IV**;
 - (b) a Quality Manual and Quality Plan or Management System Manual and Management Plan, as the case may be, as prepared by the applicant firm and the quality policy declared by the applicant firm; and
 - (c) a non-refundable prescribed application fee.
- (4) The completed application submitted by the applicant shall be acknowledged and numbered and registered by the Bureau in the order of priority according to the date of the receipt.
- (5) After acknowledgement, the application shall be verified by the Bureau, and if in order, the applicant shall be informed of the intention of the Bureau to proceed with the application.

- (6) The Bureau may require the applicant to provide such other further or supplementary information or documentary evidence from the applicant in support of or to substantiate any statement made by him in his/her application, within such time as may be directed by the Bureau information from him, as may be necessary.
- (7) An application may be rejected if:
 - (a) The application is not complete in any respect or fee is not accompanying the application; and
 - (b) Annexures to the application are not clear or understandable.
- (8) The reason for rejection of the application shall be communicated to the applicant by the Bureau.
- (9) A person, who has been convicted of an offence as per Section 35 to 41 of the Act, shall be disqualified to apply for a period of six months from the date of such or each conviction. However, the extent of the period of disqualification shall be determined by the Bureau having regard to the facts and circumstances of each case and it shall not exceed a maximum period of one year.

12. AUDIT PROCEDURE FOR LICENCE IN MANAGEMENT SYSTEM CERTIFICATION

- (1) If the application is complete and in order in all respects, the Bureau shall proceed in the manner as below.
- (2) The Bureau may arrange visit to the premises of the applicant to acquaint itself in size, nature of operation and readiness for the audit, and decide on the type of expertise required by the Audit Team.
- (3) The applicant is required to have a documented Management System which conforms to the relevant Bhutan Standard on Management System. Before an audit visit is made, a detailed appraisal of the applicant firm's management system documentation for conformance with the relevant Bhutan Standard on Management Systems shall be undertaken by the Bureau.

The Bureau shall then, if required, notify the applicant about any significant omissions or deviations from the prescribed requirements to make suitable amendments prior to the audit visit.

- (4) The applicant shall ensure that:
 - (a) all documentation relating to the Management system for which the Licence is sought, including the management system Manual or its equivalent is made available to the Bureau;
 - (b) all relevant records relating to implementation of the Management System are made available to the Bureau;
 - (c) the audit team is permitted and assisted to undertake audit of the Management System; and
 - (d) responsibility to the Bureau for the Management System is clearly defined by appointing a designated person to ensure the prescribed Management Systems procedures are observed.
- (5) The audit team may include technical expert(s) as member(s) and one member shall act as an audit coordinator (lead auditor).
- (6) The audit shall involve an in-depth appraisal of the applicant's procedures for the conformance to the requirements prescribed by the Bureau. The applicant shall be required to demonstrate the practical application of the documented procedures.
- (7) Date and time of the audit visit shall be mutually decided by the Audit Team and the applicant.

13. AUDIT FEES

- (1) Audit Fee shall depend upon the nature of the activities of the applicant and the fee determined by the Bureau shall be intimated to the applicant at least 10 days prior to the visit of the audit team.

- (2) All audit and re-audit fee determined by the Bureau shall be borne by the applicant.
- (3) If the application is in respect of more than one area of technology and/or for more than one Licence, normally one audit visit would cover all aspects.

14. GRANT OF LICENCE

- (1) After the audit, the Audit Team shall analyze the capability of the applicant to operate the Management System Certification Scheme and shall prepare a detailed report against the relevant Bhutan Standards on Management Systems against which the audit has been carried out. The deficiencies and non-conformities, if any, observed during the audit, and the suggested corrective action, shall be conveyed to the applicant for corrective actions.
- (2) The applicant shall produce evidence that corrective actions have been taken to meet the non-conformities made in the report within the time limits specified by the Bureau. The Bureau may undertake a full or partial audit or accept written declaration that corrective action has been taken, to be confirmed by the Bureau during a surveillance visit.
- (3) When making the recommendations for grant of Licence in the report, the audit team shall take into account the audit made under Section 12 (4) and also the requisite skill, equipment, systems resources, previous performance and antecedents relevant for the issuance of the Licence.
- (4) If the Bureau is satisfied with the recommendations of the audit team for grant of Licence, the applicant shall be informed and the Licence in Form "V" shall be issued after the applicant submits the undertaking as per Section 16. The Licence shall be subject to the conditions stated in the Licence.

15. REJECTION OF APPLICATION

- (1) If the applicant is not able to produce evidence that corrective actions have been taken to meet the relevant requirements within the time limits specified by the Bureau as per Section 14(2) the Bureau may reject the application and/or refuse to grant the Licence.

- (2) Pursuant to Section 15 (1), the Bureau shall give a reasonable opportunity to the applicant of being heard either in person or through a representative authorized by him on their behalf and may take into consideration any fact or explanation urged on behalf of the applicant before making an order for rejecting the application or refusing to grant the Licence.

16. UNDERTAKING

- (1) Before the issue of Licence, the applicant shall submit to the Bureau an undertaking duly signed on legal document to the effect that no claim direct or implied that the Licence to be granted relates to any products or processes other than those that will be set out in the Licence and the Schedule shall be made by or on its behalf.
- (2) Licence shall be issued by the Bureau only upon submission of the undertaking to the Bureau.

17. PERIOD OF LICENCE AND LICENCE FEE

- (1) The Licence shall be granted for a period of two years in the first instance and each renewal thereupon.
- (2) The Licence fee shall be determined by the Bureau from time to time which shall cover the cost of surveillance, regular reviews and administrative expense and fee so determined shall be Notified and displayed on Notice Board of the Bureau.
- (3) The annual Licence fee for the first year shall be paid by the applicant at the time of grant of Licence and thereafter, for each year the annual Licence fee shall be payable in advance. Fee once paid shall not be refunded.

18. RENEWAL OF LICENCE

The Licence may be renewed for a period of two years. The renewal shall be made by re-assessing the capabilities of the licensee, the fee of which shall be borne by the licensee. The renewal of Licence for subsequent periods may be made by the Bureau in a similar manner. Unless renewed, the Licence shall expire at the end of the period for which it was granted.

19. SURVEILLANCE AND REGULAR REVIEW

- (1) The grant of Licence shall be followed by surveillance visits. The frequency and extent of visits shall be determined by the Bureau.
- (2) The surveillance visits may be undertaken without notice to the licensee to ensure that the systems and procedures already assessed are being maintained.
- (3) The special reassessment visit shall be necessary where a licensee fails to observe the conditions of the Licence or where there have been significant changes in the organization of the licensee or when there is change in the system or on the request of the Licensee. The licensee shall be liable for the costs of such special visits.

20. CHANGES TO THE SYSTEM

- (1) The licensee shall promptly inform the Bureau about any intended changes to the Management System or procedures; or to the processes; or other changes which may affect conformance to the requirements prescribed by the Bureau.
- (2) The licensee shall accept the decision of the Bureau as to whether the intended changes require re-assessment or further investigation.

21. USE OF BUREAU'S STANDARD MARK

- (1) The Bureau shall authorize the licensee to use, subject to the provisions of section 11 (i) and (j) of the Act, Bhutan Standards Certification Mark as prescribed and approved by the Bureau.
- (2) The Bureau shall exercise proper control of ownership and shall take action to deal with incorrect references to certification status or misleading use of certification documents, marks or audit reports.
- (3) The client shall ensure that there are no ambiguities, in the mark or accompanying text, as to what has been certified and which certification body has granted the certification. This

mark shall not be used on a product or product packaging nor in any other way that may be interpreted as denoting product conformity.

- (4) The BSB shall take appropriate actions based on the severity and frequency of misuse of the Certification Mark which shall include suspension, withdrawal or reduction in scope. Depending on the reason for suspension, withdrawal or reduction of the scope of certification, the schedule of notice to be followed shall be defined in the Certification Agreement.

22. PUBLICITY

- (1) The Bureau shall also bring out publications containing up-dated information regarding licensees from time to time or put publicly accessible information in the Bureau's website.
- (2) The licensee shall inform potential customers, purchasers or purchasing authorities, of the full and exact details of the Licence and shall display the Licence in his/her premises.
- (3) The licensee shall prominently make use of the Bureau's Standard Mark as authorized.
- (4) The licensee shall state in documentation brochures or through advertising media that the organization or location to which the Licence applies have been assessed and approved by the Bureau. In such advertisement the Bhutan Standard on management system for which a Licence has been granted is to be stated and that higher level of approval than granted is not to be implied.
- (5) A licensee who has been granted a Licence for Management System Certification shall not claim or imply that the product manufactured has been certified or approved by the Bureau unless one holds a valid Licence for that product under the recognized product certification scheme of the Bureau.

23. OBLIGATIONS OF THE LICENSEE

- (1) A licensee on grant of certification for management systems shall:

- (a) at all times comply with the requirements of the Licence as set out therein and comply with these regulations or any amendments thereto;
- (b) only claim that he is holding a Licence in respect of the capability which is the subject of the Licence and which relates to the products or processes in accordance with the Licence requirements;
- (c) not use the Licence in any manner to which the Bureau may object and shall not make any statement concerning the authority of the Licensee's use of the Licence which in the opinion of the Bureau may be misleading;
- (d) submit to the Bureau for approval the form in which he proposes to use his/her Licence or proposes to make references to the Licence;
- (e) upon suspension, failure to renew or cancellation of the Licence however determined, discontinue the use of Licence forthwith and withdraw all promotional and advertising matter which contains any reference thereto;
- (f) not make any change in the Management System which formed the basis for the grant of a Licence and which prevents the compliance with the Scheme without prior approval of the Bureau;
- (g) submit to the Bureau any amendments to the Management System Manual and Quality Plan;
- (h) document all changes made in the management system and make records of such changes available to the designated officers of the Bureau on request. A change in key personnel in relation to quality assurance, management and technological functions or senior management shall be notified to the Bureau by the licensee;
- (i) permit access to team appointed by the Bureau for purposes of assessment, audit or surveillance. The licensee shall give full details of all actions taken in response to field problems arising from allegations of defects in products or processes covered

in the Licence and allow access to the officers of the Bureau to all relevant records and documents for the purpose of verifying such details;

- (j) produce evidence of continuing operations for the products or processes covered by the Licence every three months. Licensee shall notify the Bureau in writing of discontinuance in such operations exceeding three months. Discontinuance of a Licence in excess of six months or more may lead to cancellation of Licence. In such cases, a new application shall be lodged with the Bureau and an assessment visit will be necessary prior to grant of a new Licence;
- (k) pay all financial dues to the Bureau, in the manner prescribed by it, even for the period of discontinuance or suspension of Licence; and
- (l) return the Licence along with all related documents to the Bureau in the event of it being surrendered, not renewed, suspended or cancelled.

24. SURRENDER OF LICENCE

A Licence may be surrendered by the licensee at any time by writing to the Bureau and upon surrender; the licensee shall return the Licence with all the related documents to the Bureau.

25. POWERS OF THE BUREAU

The Bureau may :

- (1) Refuse to grant or renew a Licence or extend its scope or cancel or alter so as to reduce the scope of the Licence provided that the refusal, renewal, cancellation or alteration is a recommendation of the majority of the members of the Assessment or Audit Team as to which a decision by the Head of the Bureau shall be conclusive. The refusal to renew or cancel a Licence for failure to discharge the obligations as per Section 26 shall be based on the report of assessment /audit during surveillance and regular review. Such decision shall be communicated to the applicant or licensee in writing giving detail of the reason of such decision.
- (2) Suspend a Licence if there are sufficient grounds of non-compliance of the following:
 - a) if surveillance proves nonconformity to the relevant requirements but immediate termination is not considered necessary;
 - b) if improper use of the Licence, standards mark, related documents, is not remedied to the satisfaction of the Bureau;
 - c) if there has been any contravention of the procedures set out by the Bureau;
 - d) if the licensee fails to meet financial obligations to the Bureau; and
 - e) on any other grounds specifically provided for under the procedures, rules or formally agreed between the licensee and the Bureau.
- (3) Where a Licence has been suspended or cancelled or has not been renewed on the expiry of the period of its validity, to require the licensee discontinue forthwith the use of the Licence

notwithstanding the pending of any appeal under the Act and return the Licence and related documents to the Bureau.

- (4) Where the licensee is unable, in a reasonable period of time, to rectify any deficiencies which make the licensee unable to comply with the requirements of this scheme, to cancel the Licence.
- (5) Where a licence is cancelled as per Section 26 (4), require the licensee to lodge a fresh application followed by the procedure prescribed in these regulations for the grant of a new Licence.
- (6) Revoke the suspension of Licence after satisfying itself that the licensee has taken necessary actions to remove the deficiencies within the time limits specified by the Bureau.
- (7) When the Licence is under suspension and where the licensee is unable to rectify any deficiency which makes the licensee unable to comply with the requirements of this scheme, within the time limits specified by the Bureau, cancel the Licence.

26. PROCEDURE FOR SUSPENSION OR CANCELLATION OF LICENCE

- (1) Before the decision to suspend or cancel any Licence, the Bureau shall give to the licensee a notice to that effect for not less than fourteen days of its intention to suspend or cancel the Licence.
- (2) Upon receipt of such a notice as per Section 26 (1), the licensee may submit an explanation to the Bureau within seven days from the receipt of the notice. If an explanation is submitted, the Bureau may consider the explanation and give a hearing to the licensee within fourteen days from the date of receipt of such explanation or before the expiry of the notice whichever is longer.
- (3) If no explanation is submitted, the Bureau may, on the expiry of period of the notice, suspend or cancel the Licence.
- (4) Where a Licence has been suspended or cancelled or has not been renewed on the expiry of the period of its validity, the licensee shall discontinue forthwith the use of the Licence notwithstanding the pendency of any appeal before the Appellate Board under section 17 of the Act and shall return the Licence and related documents to the Bureau.

- (5) When a Licence has been suspended or cancelled, the Bureau shall publish the particulars of the Licence so suspended or cancelled by way of Notification and appropriate entry shall be made in the Register of Licence.

27. MISUSE OF LICENCE

The licence shall be deemed to have been misused if:

- (1) The Licensee do not cease to display or otherwise use the Licence and the Bureau's Standard Mark immediately after the surrender, suspension or cancellation of the Licence;
- (2) Licensees have made a change to its Management System which has not been accepted by the Bureau and which could reasonably be expected to affect the licensees' qualification for Licence;
- (3) Licensees have failed to implement changes as advised by the Bureau; and
- (4) Any other circumstances arising which could reasonably be expected to affect adversely the Management System of the licensees.

CHAPTER - 4

MISCELLANEOUS

28. AUTHORITY TO ISSUE LICENCE AND ORDERS AND CORRECTIONS

- (1) The licence issued under this Regulation shall be imprinted with the seal of the Bureau and under the signatures of the Head of the Bureau.
- (2) All orders under this Regulation shall be issued under the authority of the Bureau and signed by the Head of the Bureau and shall be amenable for appeal.
- (3) The Head of the Bureau may, on an application being made by the applicant or Licensee, by an order in writing cause any error to be corrected in the Licence.

29. APPEALS

- (1) Any applicant or Licensee aggrieved by an order of the Bureau made under these Regulations for grant, renewal, suspension or cancellation of Licence and orders as to fee for such grant or renewal of the Licence may appeal under the provisions of Section 17 of the Act to the Appellate Board in accordance with the prescribed procedure made for the purpose.
- (2) An appeal shall be filed within 30 days of the receipt of the order against which appeal is being filed. The Appellate Board may entertain an appeal if it is satisfied that the appellant was prevented by sufficient cause from presenting the appeal within the stipulated time.
- (3) The memorandum of appeal shall be filed in two copies signed and verified by the applicant or, on their behalf, by the authorized representative with an advance copy served on the officer against whose order the appeal is being filed.
- (4) The memorandum of appeal shall specifically and succinctly disclose the grounds of appeal and filed in the office of the Bureau and an entry of filing of the appeal shall be made in the 'Register of Appeals to Appellate Board' and shall be accompanied by such fee as may be prescribed.
- (5) The appeal shall be placed before the Appellate Board who shall fix a date for hearing of the appeal, which shall not be later than 15 days from the date the appeal was placed before it and notice of hearing shall be intimated to the appellant and the Bureau.
- (6) The Appellate Board shall pass order by reversing, modifying, setting aside or upholding the order of the Bureau or its officer, after giving sufficient opportunity of hearing to the appellant or their representative and the representative of the Bureau, on the date fixed for hearing or on such date of adjourned hearing as may be fixed by the Appellate Board.
- (7) The Appellate Board may pass such interim directions on application of the appellant as may be in the interest of justice and on prayer to this effect having been made in memorandum of appeal or separately.

- (8) A certified copy of the order in appeal of the Appellate Board shall be made available to the appellant and the Office of Bureau, free of cost for compliance by both the parties.

30. REGISTER OF LICENCES

- (1) The Bureau shall maintain a separate Register of Licences in convenient format for product certification; and management system certification in accordance with the scheme's assessment or audit requirements for the products or processes involved in manufacturing the product and entry shall be made upon the grant and issue of the Licence.
- (2) Upon renewal, deletion, surrender, suspension, or cancellation of licence, by the Bureau, and on final disposal of appeal, if any, necessary entry or correction shall be entered against the licence of the licensee in the Register.