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[Training Material for Departmental Use]

E-BOOK



*Enforcement of
Intellectual Property Rights
at Border*

[Forms and Formats]

(Book No.04)

Note:

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Sd/-

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1. **Introduction**

1.1. For the convenience of the IPR holders, the Government has standardized the format of different types of Bonds which are commonly used during the registration of IPR by the right holder for enforcement by the Customs Authorities at the port of imports. Several Bonds and their formats, which are commonly used, have been summarized in the **Table –I** given below:-

Table- I

Sr. No.	Name of the Bond	Purpose	Format Prescribed by
1.	General Bond	This bond is to be executed at the time of registration of IPRs with Customs Authority for enforcement of their IPRs at the port of Import.	Annexure-A to the Board's Circular No. 41/2007-Customs, dated 20.10.2007
2.	Consignment Specific Bond with security at the port of interdiction of consignment allegedly infringing the rights of right holder	It is consignment specific bond and to be executed by the right holder on interdiction of imported consignment suspected to contain infringing goods.	Annexure-B to the Board's Circular No. 41/2007-Customs, dated 20.10.2007
3.	Centralized Bond	This bond is to be executed where the right holder has opted for Centralised On-line Centralized Bond Account & Security Account.	Annexure-I to the Board's Circular No. 10/2011-Customs, dated 24.02.2011
4.	Supplementary Bond with security	This bond is required to be executed when the amount of Centralized Bond and the security are not sufficient to cover the value of the goods interdicted.	Annexure-II to the Board's Circular No. 10/2011-Customs, dated 24.02.2011
5.	Indemnity Bond	This bond is to be executed to indemnify Customs officers against any claim of damages or demurrage while enforcing IPR of the right holder at Border in respect of imported goods.	Annexure-C to the Board's Circular No. 41/2007-Customs, dated 20.10.2007

2. **Formats of the Bonds as prescribed by the CBEC**

(i) **Format of General Bond**

[Prescribed by CBEC Circular No. 41/2007-Customs, dated 20.10.2007]

ANNEXURE-A

**BOND EXECUTED IN PURSUANCE OF REGISTRATION OF INTELLECTUAL
PROPERTY RIGHTS WITH INDIAN CUSTOMS**

[See Rule 5(a) and 5(b) of Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007]

[To be executed by the Right Holder(s)]
(General Bond)

KNOW ALL MEN BY THESE PRESENTS THAT I/we residing at hereinafter referred to as “Right Holder” (which expression shall include its successors / heirs, executors, administrators and legal representatives) am/are held and firmly bound unto the President of India hereinafter called the “President” (which expression shall include his successors and his representative officers like Commissioner of Customs and his authorized officers) in a sum as may be determined at the time of interdiction and suspension of release of suspect goods imported in violation of the Intellectual Property Rights (hereinafter abbreviated as “IPR”) held by me / us, to be paid to the President for which payment well and truly to be made, I / we bind myself / ourselves, my / our successors / heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with my / our seal(s) this day of 20..... .

WHEREAS

The Commissioner of Customs or his authorized Officer at (hereinafter called the “Proper Officer”) has agreed to register the IPR held by me/us and to suspend clearance of goods suspected to be infringing the IPR held by me/us, depending on the information furnished by me/us and on the basis of the declarations made by the Importers in the course of importation, I/we the Right Holder hereby agree to furnish such bond, security and surety, as may be prescribed by the Proper Officer, in terms of Rule 5 (a) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007 and also agree to indemnify the Customs as detailed under Rule 5(b) of the *ibid* Rules.

NOW, IT IS HEREBY AGREED AND DECLARED that –

- (i) The Right holder shall execute proper consignment specific bond(s) with the proper officer of customs at the port/airport/land customs station, where suspect goods have been interdicted and clearances of the same have to be suspended, along with such amount of surety and security, as may be determined at that time in terms of Rule 5(a) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007 within three days from the date of interdiction of the import consignments failing which the consignment shall be released.
- (ii) The Right Holder shall keep the Customs abreast of validity of registration obtained by him under the IPR laws namely The Copyright Act, 1957; The Trade Marks Act, 1999; The Patents Act, 1970; The Designs Act, 2000 and The Geographical Indications of Goods (Registration and Protection) Act, 1999; expiry of the term of registration and renewal thereof, if any; cancellation; grant of compulsory licence in accordance with the law etc
- (iii) The Right holder, having recognized limitations of international trade and understood the general functioning of Customs, shall share the trends and information with Customs

on an on-going basis, about suspected imports of infringing goods violating the IPR laws, as may be required to interdict consignments and to suspend the clearance thereof .

- (iv) The Right Holder undertakes to protect the importer, consignee and owner of the goods as well as the competent authorities against all liabilities that are incidental and ancillary to the act of suspension of clearance of allegedly infringing goods, in case it is established that the suspension is vexatious.
- (v) The Right Holder shall bear all the costs towards sampling, destruction, demurrage and detention charges incurred till the time of destruction or disposal of such infringing goods, upon being confirmed.
- (vi) The Right Holder shall join the proceedings as per the time lines prescribed in terms of the ibid Rules, failing which, they agree, to not to object to the release of the goods.
- (vii) This bond shall remain in force for a period of five years from the date of completion of registration under Rule 4(2) and the liability of the Right holder shall be in respect of all such interdicted consignments, whose clearance has been suspended by the Customs in bonafide exercise of their duties.
- (viii) The President or the Proper Officer, without prejudice to any other mode of recovery may, inter alia, adjust the security deposit / securities in part or full towards the dues arising out of clause (iv) and (v) supra.
- (ix) *This bond shall be enforceable against the surety notwithstanding that proceedings have not been undertaken against me/us.

IN THE WITNESS WHEREOF

the Right Holder has herein set and subscribed its hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by the Right Holder at in the presence of :-

1.....

2.....

XXXXXXXXXXXXXXXXXXXX

Accepted

For and on behalf of the President of India

(Signature of the Proper Officer with Official Stamp and Seal)

Note: * Mandatory in case any surety has been prescribed. Strike off, if irrelevant.

(ii) Format of Consignment-Specific Bond

[Prescribed by CBEC Circular No. 41/2007-Customs, dated 20.10.2007]

ANNEXURE-B

**BOND EXECUTED IN PURSUANCE OF REGISTRATION OF INTELLECTUAL
PROPERTY RIGHTS WITH INDIAN CUSTOMS**

See Rule 5(a) of Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007

[To be executed by the Right Holder(s)]
(Bond with Provision for Security Deposit and Surety)

KNOW ALL MEN BY THESE PRESENTS THAT I/we

..... residing at hereinafter referred to as “Right Holder” (which expression shall include its successors / heirs, executors, administrators and legal representatives) am/are held and firmly bound unto the President of India hereinafter called the “President” (which expression shall include his successors and his representative Officers like Commissioner of Customs and his authorized officers) in the sum of Rs(Rupees only) to be paid to the President for which payment well and truly to be made, I /we bind myself /ourselves, my /our successors/heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with my / our seal(s) this day of 20.....

WHEREAS

The Commissioner of Customs or his authorized Officer at(hereinafter called the “Proper Officer”) has agreed to register the intellectual property right (hereinafter abbreviated as “IPR”) held by me/us and to suspend clearance of goods suspected to be infringing the IPR held by me/us, depending on the information furnished by me/us and on the basis of the declarations made by the Importers in the course of importation, the Right Holder hereby agrees to furnish such bond, security and surety, hereinafter specified , in terms of Rule 5 (a) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007.

The Right Holder has deposited with the Proper Officer at The securities as mentioned in the Schedule hereunder written of the face value of Rs (Rupeesonly) endorsed in favour ofas security for the due observance and performance of the terms of conditions on the part of the Right Holder, prescribed as per the ibid Rules.

NOW, IT IS HEREBY AGREED AND DECLARED that –

- (i) The Right Holder shall keep the Customs abreast of validity of registration obtained by him under the IPR laws namely The Copyright Act, 1957; The Trade Marks Act, 1999; The Patents Act, 1970; The Designs Act, 2000 and The Geographical Indications of Goods (Registration and Protection) Act, 1999; expiry of the term of registration and renewal thereof, if any; cancellation; grant of compulsory licence in accordance with the law etc.
- (ii) The Right holder, having recognized limitations of international trade and understood general functioning of Customs, shall share the trends and information with Customs on

an on-going basis, about suspected imports of infringing goods violating the IPR laws, as may be required to interdict consignments and to suspend the clearance.

- (iii) The Right Holder undertakes to protect the importer, consignee and the owner of the goods and the competent authorities against all liabilities that are incidental and ancillary to the act of suspension of clearance of allegedly infringing goods, in case it is established that the suspension is vexatious.
- (iv) The Right Holder shall bear all the costs towards sampling, destruction, demurrage and detention charges incurred till the time of destruction or disposal of such infringing goods, upon being confirmed.
- (v) The Right Holder shall join the proceedings as per the time lines prescribed in terms of the *ibid* Rules, failing which, they agree, to not to object to the release of the goods.
- (vi) This bond shall remain in force for a period of five years from the date of completion of registration and the liability of the Right holder shall be in respect of all such interdicted consignments, whose clearance has been suspended by the Customs in bona fide exercise of their duties.
- (vii) The President or the Proper Officer, without prejudice to any other mode of recovery may, inter alia, adjust the security deposit / securities in part or full towards the dues arising out of clause (iii) and (iv) supra.
- (viii) *This bond shall be enforceable against the surety notwithstanding that proceedings have not been undertaken against me/us.

The Schedule of Securities above referred to [Particulars of the amount deposited, along with consignments, if any]

IN THE WITNESS WHEREOF

the Right Holder (and the Surety)* has herein set and subscribed its hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by the Right Holder at

In the Presence of :-

- 1.....
- 2.....

*SIGNED AND DELIVERED by the Surety at

In the presence of :-

- 1.....
- 2.....

Accepted

For and on behalf of the President of India
(Signature of the Proper Officer with Official Stamp and Seal)

In the presence of :-

1.....

2.....

Note: * Mandatory in case any surety has been prescribed. Strike off, if irrelevant.

(iii) Format of Centralized Bond with Provision for Security Deposit

[Prescribed by CBEC Circular No. 10/2011-Customs, dated 24.02.2011]

ANNEXURE-I

(Centralized Bond with Provision for Security Deposit)

BOND EXECUTED IN PURSUANCE OF REGISTRATION OF INTELLECTUAL PROPERTY RIGHTS WITH INDIAN CUSTOMS

[See Rule 5(a) of Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007]

[To be executed by the Right Holder(s)]

KNOW ALL MEN BY THESE PRESENTS THAT

I/weresiding at hereinafter referred to as "Right Holder" (which expression shall include its successors / heirs, executors, administrators and legal representatives) am/are held and firmly bound unto the President of India hereinafter called the "President" (which expression shall include his successors and his representative Officers like Commissioner of Customs and his authorized officers) in the sum of Rs (Rupees.....only) to be paid to the President for which payment well and truly to be made, I / we bindmyself / ourselves, my / our successors / heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with my / our seal(s) this day of 20.....
.....

WHEREAS

The Commissioner of Customs or his authorized Officer at (hereinafter called the "Proper Officer") has agreed to register the intellectual property right (hereinafter abbreviated as "IPR") held by me/us and to suspend clearance of goods suspected to be infringing the IPR held by me/us, depending on the information furnished by me/us and on the basis of the declarations made by the Importers in the course of importation, the Right Holder hereby agrees to furnish such bond and security, hereinafter specified, in terms of Rule 5 (a) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007.

The Right Holder has deposited with the Proper Officer at, the securities as mentioned in the Schedule hereunder written of the face value of Rs (Rupees..... only) endorsed in favour of as security for the due observance and performance of the terms of conditions on the part of the Right Holder, prescribed as per the ibid Rules.

NOW, IT IS HEREBY AGREED AND DECLARED that –

- (i) The Right Holder shall keep the Customs abreast of validity of registration obtained by him under the IPR laws namely The Copyright Act, 1957; The Trade Marks Act, 1999; The Patents Act, 1970; The Designs Act, 2000 and The Geographical Indications of Goods (Registration and Protection) Act, 1999; expiry of the term of registration and renewal thereof, if any; cancellation; grant of compulsory licence in accordance with the law etc.
- (ii) The Right holder, having recognized limitations of international trade and understood general functioning of Customs, shall share the trends and information with Customs on an on-going basis, about suspected imports of infringing goods violating the IPR laws, as may be required to interdict consignments and to suspend the clearance.
- (iii) The Right Holder undertakes to protect the importer, consignee and the owner of the goods and the competent authorities against all liabilities that are incidental and ancillary to the act of suspension of clearance of allegedly infringing goods, in case it is established that the suspension is vexatious.
- (iv) The Right Holder shall bear all the costs towards sampling, destruction, demurrage and detention charges incurred till the time of destruction or disposal of such infringing goods, upon being confirmed.
- (v) The Right Holder shall join the proceedings as per the time lines prescribed in terms of the ibid Rules, failing which, they agree, to not to object to the release of the goods.
- (vi) The President or the Proper Officer, without prejudice to any other mode of recovery may, inter alia, adjust the security deposit / securities in part or full towards the dues arising out of clause (iii) and (iv) supra.
- (vii) In case the proceedings are not final, the right holder agrees to renew the bank guarantee before 15 days of expiry of the bank guarantee, failing which, the bank guarantee shall be encashed by the department.

The Schedule of Securities above referred to [Particulars of the amount deposited, along with consignments, if any]

IN THE WITNESS WHEREOF the Right Holder has herein set and subscribed its hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by the Right Holder at.....

In the Presence of :-

- 1.....
- 2.....
- XXXXXXXXXXXXXXXXXX

Accepted

For and on behalf of the President of India
(Signature of the Proper Officer with Official Stamp and Seal)

(iv) Format of Supplementary Bond with Provision for Security Deposit

[Prescribed by CBEC Circular No. 10/2011-Customs, 24.02.2011]

ANNEXURE - II

(Supplementary Bond with Provision for Security Deposit)

BOND EXECUTED IN PURSUANCE OF REGISTRATION OF INTELLECTUAL PROPERTY RIGHTS WITH INDIAN CUSTOMS

[See Rule 5(a) of Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007]

[To be executed by the Right Holder(s)]

KNOW ALL MEN BY THESE PRESENTS THAT the Proper Officer of Customs has been pleased to accept on behalf of the President of India the Centralized bond executed by us vide letter dated.....and assigned the Bond Registration Number (BRN)....., in respect of the IPRs registered with the Custom House and UPRNs.....andso generated against them,

And

Whereas the amount bound by myself / ourselves is inadequate to cover the suspension of clearances of any suspect infringing future consignments and / or any suspect consignment already interdicted by any customs formation in India, I/we residing at.....hereinafter referred to as "Right Holder" (which expression shall include its successors / heirs, executors, administrators and legal representatives) am/are held and firmly bound unto the President of India hereinafter called the "President" (which expression shall include his successors and his representative Officers like Commissioner of Customs and his authorized officers) in the sum of Rs..... (Rupees..... only), in addition to any amount bound earlier, to be paid to the President for which payment well and truly to be made, I / we bind myself / ourselves, my / our successors / heirs, executors, administrators and legal representatives firmly by these presents.

Sealed with my / our seal(s) this day of20.....

WHEREAS

The Commissioner of Customs or his authorized Officer at (hereinafter called the "Proper Officer") has agreed to register the intellectual property right (hereinafter abbreviated as "IPR") held by me/us and to suspend clearance of goods suspected to be infringing the IPR held by me/us, depending on the information furnished by me/us and on the basis of the declarations made by the Importers in the course of importation, the Right Holder hereby agrees to furnish such bond and security, hereinafter specified, in terms of Rule 5 (a) of the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007.

The Right Holder has deposited with the Proper Officer at , the additional securities as mentioned in the Schedule hereunder written of the face value of Rs.....(Rupees.....only) endorsed in favour of as security for the due observance and performance of the terms of conditions on the part of the Right Holder, prescribed as per the ibid Rules.

NOW, IT IS HEREBY AGREED AND DECLARED that –

- (i) The Right Holder shall keep the Customs abreast of validity of registration obtained by him under the IPR laws namely The Copyright Act, 1957; The Trade Marks Act, 1999; The Patents Act, 1970; The Designs Act, 2000 and The Geographical Indications of Goods (Registration and Protection) Act, 1999; expiry of the term of registration and renewal thereof, if any; cancellation; grant of compulsory licence in accordance with the law etc.
- (ii) The Right holder, having recognized limitations of international trade and understood general functioning of Customs, shall share the trends and information with Customs on an on-going basis, about suspected imports of infringing goods violating the IPR laws, as may be required to interdict consignments and to suspend the clearance.
- (iii) The Right Holder undertakes to protect the importer, consignee and the owner of the goods and the competent authorities against all liabilities that are incidental and ancillary to the act of suspension of clearance of allegedly infringing goods, in case it is established that the suspension is vexatious.
- (iv) The Right Holder shall bear all the costs towards sampling, destruction, demurrage and detention charges incurred till the time of destruction or disposal of such infringing goods, upon being confirmed.
- (v) The Right Holder shall join the proceedings as per the time lines prescribed in terms of the ibid Rules, failing which, they agree, to not to object to the release of the goods.
- (vi) The President or the Proper Officer, without prejudice to any other mode of recovery may, inter alia, adjust the security deposit / securities in part or full towards the dues arising out of clause (iii) and (iv) supra.
- (vii) In case the proceedings are not final, the right holder agrees to renew the bank guarantee before 15 days of expiry of the bank guarantee, failing which, the bank guarantee shall be encashed by the department.

The Schedule of Securities above referred to [Particulars of the amount deposited, along with consignments, if any]

IN THE WITNESS WHEREOF the Right Holder has herein set and subscribed its hands and seals the day, month and year first above written.

SIGNED AND DELIVERED by the Right Holder at.....

In the Presence of :-

1.....

2.....

XXXXXXXXXXXXXXXX

Accepted

For and on behalf of the President of India

(Signature of the Proper Officer with Official Stamp and Seal)

(v) Format of Indemnity Bond to be executed by the Right Holder(s)

[Prescribed by CBEC Circular No. 41/2007-Customs, dated 20.10.2007]

ANNEXURE-C

**INDEMNITY BOND EXECUTED IN PURSUANCE OF REGISTRATION OF
INTELLECTUAL PROPERTY RIGHTS WITH INDIAN CUSTOMS**

[See Rule 5(b) of Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007]

[To be Executed by the Right holder(s)]

1. Whereas,(name & address)..... is the right holder/owner of the Copyright/Trade Mark/Patent/Design/Geographical Indication and are duly registered with..... (indicate the authority with whom it was registered)..... (Place) and have decided to seek protection from the Indian Customs of the registered rights against the imported infringing goods that are violating of the Intellectual Property Laws in India.

2. And whereas, on our application, the Indian Customs have obliged to suspend the clearance of the suspected infringing goods as set out in the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007, whereby undertake in terms of Rule 5(b) of the said Rules to indemnify the Union of India, represented by Commissioner of Customs(specific formation) or any of his authorized Officer(s) from any damages incidental and ancillary to such suspension of clearance and any further action preventing distribution and circulation of infringing goods, on our behalf, after importation.

3. Further, we indemnify the Union of India, represented by Commissioner of Customs(specific formation) or any of his authorized Officer(s) from any future liabilities, in case any third party other than.....(name and address) proves before any competent authority or any court of law in India or outside, that they are entitled legally to import, distribute and/or circulate the impugned goods sought to be protected under the said Rules by us. We also undertake to bear all such expenses and make good any losses that might be incurred in relation to the measures initiated and actions taken on the basis of our application under the said Rules.

Place:

Signature of the Right Holder

Date:

Witnesses: (i)

(ii)

(Signature, Name & Address)

Note: Strike off the irrelevant part(s).
