**Form No. 120**

**Annexure**

**Indemnity Bond**

Know all men by these present that we M/s.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_a lim-ited Company (Details to be furnished) having registered Office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(hereinafter referred to as the "Obliger"), which expres-sion shall include our heirs, successors, executors, administrators, representa-tives and assignees) bind ourselves to the President of India (hereinafter referred to as the Government) for due and prompt payment to Government of all and every sums that may be held to be due to the Government by virtue of the pay-ment of Drawback to us in terms of the x Simplified Brand Rate Fixation Scheme', against exports of goods referred to hereunder :

Whereas the Government has vide Ministry of Finance (Department of Revenue) Letter F. No. 609/113/88-DBK, dated the 11th October, 1988 intro-duced simplified Brand Rate Fixation Scheme (hereinafter referred to (as the Scheme') under Customs and Central Excise Duties Drawback Rules, 1971 to provide qualified manufacturer/exporters a facility of Brand Rate Fixation with-out insisting on pre-verification of the data by the concerned authority. AND WHEREAS the Obligers are desirous to export the consignment(s) as per details given below :

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| SI. No. | Description of goods for which Brand Rate sought | Details of S/ Bills first S/Bill under which the goods exported S./Bill No. and Date | Qty. | FOB Value |

AND WHEREAS the Obligers have applied for fixation of Brand rate of Draw-back for the aforesaid goods in pursuance to the said Scheme, under Customs and Central Excise Duties Drawback Rules, 1971, and whereas the Central Gov-ernment have agreed to issue a brand rate of drawback for the aforesaid goods, on the basis of brand rate application submitted by the obligers (inter alia indicat-ing consumption pattern of various inputs used in the manufacture of export goods and duties of Customs and Central Excise suffered thereon, as duly certi-fied by an independent Chartered Engineer and Chartered/Cost Accountant, in the requisite proformas) and to authorise payment of drawback by concerned Custom House(s) for the aforesaid shipment(s) of the above-mentioned goods, without effecting any pre-verification of the authenticity of the details in the said Brand Rate application, upon the obligers furnishing an undertaking to indem-nify the government of the terms appearing hereinafter.

**NOW THE CONDITIONS OF THIS BOND ARE AS FOLLOWS :**

(a) The Obligers shall faithfully comply with all the obligations to be per-formed on their part under the Scheme and fulfil all the conditions speci-fied for fixation of Brand Rate of Drawback;

(b) Obligers shall extend full co-operation, allow inspection of the manu-facturing process or produce all necessary documents to proper officer of Customs/Central Excise for ensuring quick and prompt post facto verifica-tion of the date filed in the Brand Rate application; or

(c) If on post facto verification of data/particulars by the proper Cus-toms/Central Excise Officer vis-a-vis production pattern and/or docu-mentary records, any mis-statement/ mis-declaration/suppression of fact in any respect comes to notice which has a bearing on the rate or amount of drawback admissible or Obligers fail to discharge their obligation or any part thereof, the Government shall be at liberty to withdraw or re-determine the Brand rate of Drawback to such amount or rate as may be considered admissible (the Obligers specifically agree that the decision of the Government in this regard shall be final and binding and they under-take to refund on demand and pay forthwith without any demur and hin-drance to the Government or any officer authorised by the Government in this behalf such sum as may be determined to be due to the Government.

The obligers also undertake to pay the difference of the amount of Draw-back already paid based on the rate letter issued without pre-verification of Brand Rate application and the amount payable on re-determination of the rate as aforesaid (including the difference payable in case of total withdrawal) which shall be treated as excess payment of Drawback to him and the Government shall be at liberty to adjust the amount so excess paid from any of the money payable to the obligers against pending admissible drawback claims for any commodity that might be lying with the proper Customs Officer(s) notwithstanding any other mode of recovery that may be resorted to.

The said obligers, his heirs, successors, executors, administrators, repre-sentatives and assignees further do undertake and assure and indemnify all losses, charges and expenses arising out of any legal action or legal proceedings initiated for the recovery of the said sum determined by the Directorate of Draw-back and paid to the Obligers.

The Bond executed herein is without prejudice to the provisions of recov-ery in terms of Rule 14 of Customs and Central Excise Duties Drawback Rules, 1971 read with Section 142 of the Customs Act, 1962.

The undertaking of the Obligers aforesaid shall remain in full force till all the obligations of the Obligers under this present are not fully discharged to the full and final satisfaction of the Government.

In witness thereof signed and delivered by the Obligers above named this .......................day of..............199 .

(Authorised Signatory)

Witness

(1)

(2)