

**No. 49016**

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**Latvia  
and  
India**

**Agreement between the Government of the Republic of Latvia and the Government of the Republic of India for the promotion and protection of investments (with protocol). New Delhi, 18 February 2010**

**Entry into force:** *27 November 2010 by notification, in accordance with article 14*

**Authentic texts:** *English, Hindi and Latvian*

**Registration with the Secretariat of the United Nations:** *Latvia, 4 October 2011*

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**Lettonie  
et  
Inde**

**Accord entre le Gouvernement de la République de Lettonie et le Gouvernement de la République de l'Inde relatif à la promotion et à la protection des investissements (avec protocole). New Delhi, 18 février 2010**

**Entrée en vigueur :** *27 novembre 2010 par notification, conformément à l'article 14*

**Textes authentiques :** *anglais, hindi et letton*

**Enregistrement auprès du Secrétariat des Nations Unies :** *Lettonie, 4 octobre 2011*

[ ENGLISH TEXT – TEXTE ANGLAIS ]

**AGREEMENT BETWEEN  
THE GOVERNMENT OF THE REPUBLIC OF LATVIA AND  
THE GOVERNMENT OF THE REPUBLIC OF INDIA  
FOR THE PROMOTION AND PROTECTION OF INVESTMENTS**

The Government of the Republic of Latvia and the Government of the Republic of India (hereinafter referred to as the "Contracting Parties");

Desiring to create conditions favourable for fostering greater investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognising that the encouragement and reciprocal protection of investments of investors of one Contracting Party in the territory of the other Contracting Party on a non discriminatory basis under international agreement will be conducive to the stimulation of individual business initiative and will increase prosperity in the territory of both Contracting Parties;

Have agreed as follows:

**ARTICLE 1  
Definitions**

For the purposes of this Agreement:

- (a) "investment" means every kind of asset established or acquired including changes in the form of such investment, in accordance with the national laws and regulations of the Contracting Party in whose territory the investment is made and in particular, though not exclusively, includes:
  - (i) movable and immovable property as well as other rights such as mortgages, liens or pledges;
  - (ii) shares in and stock and debentures of a company and any other similar forms of participation in a company;
  - (iii) rights to money or to any performance under contract having a financial value;
  - (iv) intellectual property rights, in accordance with the relevant laws and regulations of the respective Contracting Parties;
  - (v) business concessions conferred by law or under contract, including concessions to search for and extract oil and other minerals;

- (b) “investor” means any natural or juridical person who has made investment in the territory of the other Contracting Party:
- (i) “natural person” means:
- in respect of the Republic of Latvia: a citizen or non-citizen in accordance with the laws and regulations of the Republic of Latvia;
- in respect of the Republic of India: persons deriving their status as Indian nationals from the law in force in India;
- (ii) “juridical person” means:
- in respect of the Republic of Latvia: commercial company (partnership or capital company), association and foundation incorporated or constituted in accordance with the laws and regulations of the Republic of Latvia, whether or not for profit;
- in respect of the Republic of India: any entity that is incorporated, constituted, set up or otherwise duly organized under the law in force in any part of India; whether or not for profit, whether privately or otherwise owned, with limited or unlimited liability, including any corporation, company, association, partnership, trust, joint venture, co-operatives or sole proprietorship;
- (c) “returns” means the monetary amounts yielded by an investment such as profit, interest, capital gains, dividends, royalties and fees;
- (d) “territory” means:
- (i) in respect of Latvia: the land territory, internal waters and territorial sea of the Republic of Latvia and the airspace above it, as well as the maritime zones beyond the territorial sea, including the seabed and subsoil, over which the Republic of Latvia exercises sovereign rights or jurisdiction in accordance with its national laws in force and international law, for the purpose of exploration and exploitation of the natural resources of such areas;
- (ii) in respect of India: the territory of the Republic of India including its territorial waters and the airspace above it and other maritime zones including the Exclusive Economic Zone and continental shelf over which the Republic of India has sovereignty, sovereign rights or exclusive jurisdiction in accordance with its laws in force, the

1982 United Nations Convention on the Law of the Sea and  
International Law.

ARTICLE 2  
Scope of the Agreement

This Agreement shall apply to all investments made by investors of either Contracting Party in the territory of the other Contracting Party, accepted as such in accordance with its laws and regulations, whether made before or after the coming into force of this Agreement, but shall not apply to any dispute concerning an investment which arose, or any claim which was settled before its entry into force.

ARTICLE 3  
Promotion and Protection of Investment

- (1) Each Contracting Party shall encourage and create favourable conditions for investors of the other Contracting Party to make investments in its territory, and admit such investments in accordance with its laws and regulations.
- (2) Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment in the territory of the other Contracting Party.
- (3) A Contracting Party shall, subject to its laws, accord within its territory protection and security to investments and shall not impair the management, maintenance, use, enjoyment or disposal of investments.

ARTICLE 4  
National Treatment and Most-Favoured-Nation Treatment

- (1) Each Contracting Party shall accord to investments of investors of the other Contracting Party, treatment which shall not be less favourable than that accorded either to investments of its own or investments of investors of any third State, whichever is more favourable.
- (2) In addition, each Contracting Party shall accord to investors of the other Contracting Party, including in respect of returns on their investments, treatment which shall not be less favourable than that accorded to investors of any third State.

(3) The provisions of paragraph (1) and (2) above shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party and to their investments and returns on investments the present or future benefit of any treatment, preference or privilege resulting from:

- (a) any membership in a free trade area, customs union, monetary union, common market and any international agreement resulting in similar arrangements, or
- (b) any international agreement or arrangement or, domestic legislation relating wholly or mainly to taxation.

## ARTICLE 5 Expropriation

(1) Investments of investors of either Contracting Party shall not be nationalised, expropriated or subjected to measures having effect equivalent to nationalisation or expropriation (hereinafter referred to as "expropriation") in the territory of the other Contracting Party except for a public purpose in accordance with law on a non-discriminatory basis and against fair and equitable compensation. Such compensation shall amount to the fair market value of the investment expropriated immediately before the expropriation or before the impending expropriation became public knowledge, whichever is the earlier, shall include interest at the normal market rate until the date of payment, shall be made without unreasonable delay, be effectively realizable and be freely transferable.

(2) The investor affected shall have right, under the law of the Contracting Party making the expropriation, to review, by a judicial or other independent authority of that Contracting Party, of his or its case and of the valuation of his or its investment in accordance with the principles set out in this Article. The Contracting Party making the expropriation shall make every endeavour to ensure that such review is carried out promptly.

(3) Where a Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its own territory, and in which investors of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article are applied to the extent necessary to ensure fair and equitable compensation in respect of their investment to such investors of the other Contracting Party who are owners of those shares.