

18

**AGREEMENT
ON SOCIAL SECURITY
BETWEEN
THE REPUBLIC OF INDIA
AND
THE CZECH REPUBLIC**

THE REPUBLIC OF INDIA

AND

THE CZECH REPUBLIC,

The Republic of India and the Czech Republic, hereinafter referred to as the —
Contracting States, wishing to arrange the mutual relations between the two
states in the field of social security, have agreed as follows:

PART I
GENERAL PROVISIONS

Article 1
Definitions

1. For the implementation of this Agreement:
 - a) The term "India" means the Republic of India,
The term " the Czech Republic" means the Czech Republic.
 - b) The term "national" means,

as regards India, a national of the Republic of India,
as regards the Czech Republic, a national of the Czech Republic.
 - c) The term "legislation" means the laws and regulations specified in Article 2.
 - d) The term "competent authority" means,

as regards India, the Ministry of Overseas Indian Affairs,
as regards the Czech Republic, the Ministry of Labour and Social Affairs.
 - e) The term "agency" means
the body responsible for the implementation of the laws specified in Article 2
 - f) The term "insurance period" means
any period of contributions under the legislation of a Contracting State, as well as any period recognized as equivalent to a period of contribution under that legislation.
 - g) The term "benefit" means
any pension or benefit in cash, supplements or increases thereto, including those arising from indexation or a change in the method of calculation applicable under the legislation specified in Article 2.
2. Any term not defined in paragraph 1 of this Article shall have the meaning assigned to it in the applicable legislation.

Article 2
Material Scope

1. This Agreement shall apply to all legislations concerning,
 - (a) as regards the Czech Republic, to:
 - (i) pension insurance
and, as regards Part II only,
 - (ii) liability for payment of social security and state employment policy contributions;
 - (b) as regards India, to:
 - (i) old-age and survivors' pension for employed persons,
 - (ii) the Permanent Total Disability pension for employed persons
and, as regards Part II only,
 - (iii) the social security for employed persons.
2. This Agreement shall also apply to all legislation which will amend or extend the legislation specified in paragraph 1 of this Article.

It shall apply to any legislation which will extend the existing schemes to new categories of beneficiaries, unless, in this respect, the Contracting State which has amended its legislation notifies within six months of the official publication of the said legislation the other Contracting State of its objections to the inclusion of such new categories of beneficiaries under the scope of this Agreement.

This Agreement shall not apply to legislations that establish a new social security branch, unless the competent authorities of the Contracting States agree on this application.

Article 3
Personal Scope

Unless otherwise specified, this Agreement shall apply to all persons who are or have been subject to the legislation of either of the Contracting States, and other persons who derive rights from such person.

Article 4
Equality of Treatment

Unless otherwise provided in this Agreement, in applying the legislation of a Contracting State, the persons specified in Article 3 shall receive equal treatment with nationals of that Contracting State.

Article 5
Export of Benefits

1. Unless otherwise specified in this Agreement, a Contracting State shall not reduce or modify benefits acquired under its legislation solely on the ground that the beneficiary stays or resides in the territory of the other Contracting State.
2. Benefits due by virtue of the legislation of the Contracting State and under this Agreement shall be paid to beneficiaries in a third state under the same conditions as specified in the respective national legislation for payments to beneficiaries in the third states.

Article 6
Assimilation of Facts

Events that have legal effect on entitlement, reduction, suspension or benefit amount and which occurred in the territory of the other Contracting State, shall be taken into account as if they had taken place in the territory of the first Contracting State.

PART II
PROVISIONS CONCERNING THE APPLICABLE LEGISLATION

Article 7
General Provision

Unless otherwise provided in Articles 8-10 of this Agreement, a person who works as an employee in the territory of a Contracting State shall, with respect to that employment, be subject only to the legislation of that Contracting State.

Article 8
Special Provisions

1. Where a person in the service of an employer having a registered office in the territory of one Contracting State is sent by that employer to work on that employer's behalf in the territory of the other Contracting State, only the legislation on compulsory insurance of the first Contracting State shall continue to apply with regard to that employment as though the employee were still employed in the territory of the first Contracting State provided that the anticipated duration of posting does not exceed 5 years. For the purpose of applying this Article, an employer and an affiliated or subsidiary company of the employer, as defined under the national legislation of the Contracting State from which the person was sent, shall be considered as one and the same.
2. Paragraph 1 of this Article shall also apply where a person who has been sent by his employer from the territory of one Contracting State to the territory of a third state is subsequently sent by that employer from the territory of the third state to the territory of the other Contracting State.
3. Persons who are members of the travelling or flying personnel of an enterprise which, for hire or reward or on its own account, operates international transport services for passengers or goods and has its registered office in the territory of a Contracting State shall be subject to the legislation of that Contracting State.
4. A person who works as an employee on board a ship that flies the flag of a Contracting State, shall be subject to the legislation of that Contracting State.

Article 9

Civil Servants, Members of Diplomatic Missions and Consular Posts

1. Civil servants or persons treated as such according to the legislation of one Contracting State to whom paragraph 2 of this Article does not apply and who are sent to work in the territory of the other Contracting State are subject only to the legislation of the first Contracting State.
2. Nothing in this Agreement shall affect the provisions of the Vienna Convention on Diplomatic Relations of April 18, 1961, or of the Vienna Convention on Consular Relations of April 24, 1963.

Article 10

Exceptions

At the joint request of an employee and his employer, the competent authorities or the agencies designated by them of the two Contracting States may agree to grant an exception to the provisions of this Part with respect to individual persons or categories of persons, provided that any affected person shall be subject to the legislation of one Contracting State.

PART III PROVISIONS ON BENEFITS

Article 11

Aggregation of Insurance Periods

1. When insurance periods have been completed under the legislation of the two Contracting States, the agency of each Contracting State shall, in determining eligibility for benefits under the legislation which it applies, take into account, if necessary, insurance periods completed under the legislation of the other Contracting State, provided that such insurance periods do not overlap with insurance periods under its legislation.
2. In relations between the Contracting States the liabilities arising from social security instruments with third states will be taken into account in so far as these instruments determine aggregation of insurance periods for entitlement to pension.

Article 12
Calculation of Benefits

1. If a person is entitled to a benefit under the legislation of one Contracting State without taking into account the insurance periods completed under the legislation of the other Contracting State, the agency of the first Contracting State shall determine the benefits on the basis of the insurance periods completed exclusively under its legislation.
2. If, under the legislation of one Contracting State, the right to benefits can be acquired only with regard to insurance periods completed under the legislation of the other Contracting State or the third state within the meaning of Article 11, then the agency of the first Contracting State:
 - (a) shall calculate the theoretical amount of the benefit which could have been claimed provided that all insurance periods had been completed under its legislation; and
 - (b) then - on the basis of the theoretical amount calculated in accordance with subparagraph (a) - determine the amount of the benefit payable by applying the ratio of the duration of the insurance periods completed under its legislation to the total insurance periods.

Article 13
Periods less than One Year

If the period of insurance completed under the legislation of one Contracting State is less than one year and does not result in any right to benefits, then the agency of this Contracting State will not award the benefit.

Article 14
Special Provisions relating to the Czech Republic

1. In order to determine the basis for calculation of the benefit according to Article 12 of this Agreement, the Czech agency shall take into account only income earned during the insurance periods completed under the legislation, which it applies. The agency shall consider this income - indexed and averaged according to the legislation which it applies - as gained during the insurance periods that are taken into account for the calculation of the theoretical amount of the benefit.

2. If, under the Czech legislation, the conditions for entitlement to benefits are satisfied without taking into account the insurance periods completed under the legislation of India, the Czech agency shall exercise both method of calculation described in Article 12 paragraphs 1 and 2 and the person concerned shall be entitled to the highest amount calculated.
3. A person whose invalidity began before he or she reached age 18 and who has not participated in the insurance scheme of the Czech Republic for the necessary period shall acquire the right to a invalidity pension only if that person is a permanent resident of the Czech Republic.
4. The Czech competent authority may, in the interest of categories of beneficiaries, limit the application of the provision of Article 6.

Article 15
Special Provisions relating to India

1. If the Indian legislation subordinates the granting of certain old-age, survivors' and disability benefits to the condition that the insurance periods are to be completed in a given occupation, only insurance periods completed or recognized as equivalent in the same occupation in the Czech Republic shall be totalized for admission to entitlement to these benefits.
2. If the Indian legislation subordinates the granting of certain benefits to the condition that the insurance periods are to be completed in a given occupation, and when these periods did not result in entitlement to the said benefits, the said periods shall be considered valid for the determination of the benefits provided for in the general scheme of employed persons.

PART IV
MISCELLANEOUS PROVISIONS

Article 16
Administrative Arrangement

1. The competent authorities of the Contracting States shall conclude an Administrative Arrangement that sets out the measures necessary for the implementation of this Agreement.

2. The liaison bodies of each Contracting State shall be designated in the Administrative Arrangement.

Article 17
Administrative Collaboration

1. For the implementation of this Agreement, the competent authorities as well as the competent agencies of both Contracting States shall assist each other with regard to the determination of entitlement to or payment of any benefit under this Agreement as they would for the application of their own legislation. The assistance referred to in this Article shall be provided without mutual reimbursement of costs.
2. Where the legislation of one Contracting State provides that any document which is submitted to the competent authority or agency of that Contracting State shall be exempted, wholly or partly, from fees or charges, including consular and administrative fees, the exemption shall also apply to corresponding documents which are submitted to the competent authority or agency of the other Contracting State in the application of this Agreement.
3. Documents and certificates which must be produced for the implementation of this Agreement shall be exempt from authentication by diplomatic or consular authorities. Copies of documents which are certified as true and exact copies by an agency of one Contracting State shall be accepted as true and exact copies by the agency of the other Contracting State, without further certification.
4. For the implementation of this Agreement, the competent authorities and agencies of the Contracting States may communicate directly with each other as well as with any person, regardless of the residence of such persons. Such communication may be made in one of the languages used for the official purposes of the Contracting States.

An application or document may not be rejected by the competent authority or agency of a Contracting State solely because it is in an official language of the other Contracting State.

Article 18
Claims, Notices and Appeals

1. Claims, notices or appeals which, according to the legislation of one of the Contracting States, should have been submitted within a specified period to the authority or agency of that Contracting State, shall be considered to be filed on time and on the given date if they are presented within the same specified period to an authority or agency of the other Contracting State. In this case, the claims, notices or appeals must be sent without delay to the competent authority or agency of the former Contracting State.
2. An application for benefits under the legislation of one Contracting State shall be deemed to be also an application for a benefit of same nature under the legislation of the other Contracting State provided that the applicant so wishes and provides information indicating that insurance periods have been completed under the legislation of the other Contracting State.

Article 19
Confidentiality of Information

Unless otherwise required by the national laws and regulations of a Contracting State, information about an individual which is transmitted in accordance with this Agreement to the competent authority or agency of that Contracting State by the competent authority or agency of the other Contracting State shall be used exclusively for purposes of implementing this Agreement and the legislation to which this Agreement applies. Such information received by a competent authority or agency of a Contracting State shall be governed by the national laws and regulations of that Contracting State for the protection of privacy and confidentiality of personal data

Article 20
Payment of Benefits

1. Payments into the other Contracting State arising from this Agreement shall be effected in freely convertible currency.
2. In the event that a Contracting State imposes currency controls or other similar measures that restrict payments, remittance or transfers of funds or financial instruments to persons who are outside the Contracting State, it

shall, without delay, take appropriate measures to ensure the payment of any amount that must be paid in accordance with this Agreement.

Article 21
Resolution of Disputes

Disputes which arise in interpreting or applying this Agreement shall be resolved, to the extent possible, by the competent authorities.

PART V
TRANSITIONAL AND FINAL PROVISIONS

Article 22
Transitional Provisions

1. This Agreement shall not create any entitlement to benefits for any period prior to its entry into force.
2. This Agreement shall also apply to events, which occurred prior to its entry into force.
3. All insurance periods completed under the legislation of one of the Contracting States prior to the date on which this Agreement enters into force shall be taken into consideration in determining entitlement to any benefit in accordance with the provisions of this Agreement.
4. This Agreement shall not apply to rights that were liquidated by the granting of a lump sum payment or the reimbursement of contributions.
5. In applying Article 8 in case of persons who were sent to a Contracting State prior to the date of entry into force of this Agreement, the periods of employment referred to in that Article shall be considered to begin on that date.

Article 23
Revision of Benefits

The entitlement of interested persons who, prior to the entry into force of this Agreement, obtained the payment of a benefit shall be revised upon application by those persons, in accordance with the provisions of this Agreement. In no

case shall such a revision result in a reduction of the prior entitlement of the interested persons.

Article 24
Ratification and Entry into Force

1. This Agreement is subject to ratification.
2. This Agreement shall enter into force on the first day of the month following the month in which the documents of ratifications had been exchanged.

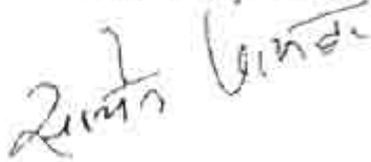
Article 25
Duration and Termination of the Agreement

1. This Agreement shall remain in force without any limitation on its duration.
2. This agreement may be terminated by either of the Contracting States giving a twelve months notice in writing to the other Contracting State.
3. If this Agreement is terminated, rights regarding entitlement to or payment of benefits acquired under it shall be retained. The Contracting States shall make arrangements to deal with rights in the process of being acquired.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto, have signed this Agreement.

Done at Prague on 9 June 2010, in duplicate, each in the Hindi, Czech and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

For the Republic of India



For the Czech Republic

