



File No: 2(691)/AGR/EXM/CCP/2023
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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EXEMPTION CERTIFICATE

In pursuance of the powers conferred by Section 5 read with Section 9 of the Competition Act, 2010 (the "Act") and based on the information provided, the Competition Commission of Pakistan (the "Commission") hereby grants exemption to the relevant clauses of the agreement submitted from the application of Section 4 of the Act, as per the conditions hereunder:

PARTICULARS OF THE AGREEMENT

First Party: (Applicant)	M/s. Pakistan Tobacco Company Limited (the 'Company') having its registered office at Serena Business Complex, Khayaban-e-Suhrwardy, Islamabad.
Second Party: (Supplier)	M/s. Synthetic Products Enterprises Limited (the 'Supplier') having its registered office at 127/S, Q.I.E. Township, Kot Lakhpat, Lahore.
Type of Agreement:	Supply of Goods Agreement (the "Agreement") – the initialed copy of the draft Agreement submitted to the Commission is attached herewith
Date entered into:	(To be signed)
Validity Period of Agreement:	For a period of three (03) years from the effective date of agreement unless terminated earlier
Product(s):	VELO Can Base & VELO Can Lid



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PARTICULARS OF THE EXEMPTION GRANTED (MODIFIED)	
Exemption granted:	On clause 23 of the "Agreement" pertaining to 'Exclusivity' obligations
Granted period:	From 15 th April, 2024 till 14 th April, 2026 (02 years)
Conditions: (Revised)	<ol style="list-style-type: none">1. By virtue of exclusivity/exemption granted on the relevant clauses of the Agreement, the parties to the Agreement shall not engage directly or indirectly in any practice(s) and/or conduct(s) that are prohibited under the Competition Act, 2010;2. This Exemption is being granted only to the extent of products as specified in the "Agreement";3. The copy of agreement executed shall be submitted within 15 days of its execution;4. In case the "Agreement" (draft) as submitted to Commission is not executed within 30 days of issuance of this certificate, the same will be intimated to the Commission along with the reason;5. The Commission shall be informed if the supplier is provided with the machinery, tools, facilities & material pursuant to clause 10.1 in addition to production moulds already provided during the period Aug 2021 to Mar 2024;6. The Commission shall be informed if the supplier is granted any approval pursuant to clause 10.2 of the "Agreement";7. Within 30 days of end of each calendar year falling within the exemption period, the applicant will submit to the Commission:<ol style="list-style-type: none">a) The particulars of any permission/consent granted, if any, pursuant to Clause 23.1 of the "Agreement";b) Quantity of Export of VELO and its foreign remittance inflows in Pakistan.8. The Applicant shall immediately intimate to the Commission in case of any amendment(s) made to the "Agreement" after its execution;9. It is the responsibility of the Applicant to ensure that the other party is intimated and aware of this exemption;10. This Exemption is effective only for the territory of Pakistan;



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	<ol style="list-style-type: none">11. If renewal of this Exemption is deemed required, it will be the prime responsibility of the Applicant to seek extension at least three (3) months prior to the expiry of this exemption being granted;12. The Commission reserves the right to review and revise the conditions of this Exemption as deemed necessary;13. The Commission reserves the right to seek actual progress and data on financial and non-financial information provided in support of this exemption including the consumers' benefit envisaged and submitted by the Applicant; and14. Breach of terms of this exemption, shall have an immediate effect of cancellation of this exemption.
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Without prejudice to the generality of Section 6 of the Act, the grantee of the exemption shall inform the Commission forthwith and seek clearance for continuation of the exemption if there is any material change, *inter alia*, in: (i) the terms of the agreement; (ii) the market share of the parties to the agreement; or (iii) the circumstances in the market in which the parties are operating at the time of this exemption being granted.

Granted on this the 26th day of April 2024 at Islamabad.

Seal of the Commission