



File No: 2(451)/AGR/EXM/CCP/2024
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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EXEMPTION CERTIFICATE GRANTED U/S 5 READ WITH
SECTION 9 (1) (A) & (C) OF THE COMPETITION ACT, 2010
(ACT NO. XIX OF 2010)

<u>PARTICULARS OF THE AGREEMENT</u>	
First Party: (“Applicant”)	M/s. AGC (Private) Limited – ‘AGC’ having its registered office at State Life Building 1B, I.I. Chundrigar Road, Karachi.
Second Party:	M/s. Eli Lilly Pakistan (Private) Limited – ‘Lilly’ having its registered office at 5-A, 5 th Office Floor, Al-Tijarah Centre, 32-1-A Block-6, P.E.C.H.S, Main Shahrah-e-Faisal, Karachi.
Type of Agreement:	Services Agreement (General Services) - the “Agreement” – (Copy enclosed)
Date of Agreement:	4 th April, 2023.
Validity Period of the Agreement:	As stipulated in Clause 2.1 of the “Agreement”, the agreement's initial term ended on 31 st December 2024 and was subsequently extended from 1 st January 2025 to 31 st December 2025.
Service(s) covered under Agreement:	As defined in Schedule-1 of the “Agreement”.



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In exercise of the powers conferred under Section 5 read with Section 9 (1) (a) and (c) of the Competition Act, 2010 (the "Act") and based on the information provided by M/s. AGC (Private) Limited (the "Applicant"), this exemption is granted to the following clause of the Services Agreement (the "Agreement") from the application of Section 4 of the Act subject to the conditions specified hereunder:

PARTICULARS OF THE EXEMPTION GRANTED	
Exemption granted:	▪ On Article 5.1 – exclusive appointment of the service provider.
Granted period:	From 5 th September, 2024 to 31 st December, 2025.
Conditions:	<ol style="list-style-type: none">1. The Applicant shall ensure that it does not engage in any anticompetitive behaviour and/or practices as outlined in Chapter II of the Act including but not limited to:<ol style="list-style-type: none">i. Abuse of dominant position U/S 3;ii. Prohibited agreements U/S 4;iii. Deceptive marketing practices U/S 10; andiv. Any mergers or acquisition in violation of Section 11.2. The Applicant shall notify the Commission of any amendment(s) to the "Agreement", particularly regarding the clause exempted under this certificate pursuant to Section 5 of the Act, within fifteen (15) days of such change, and provide a copy of the amended agreement;3. The exemption granted is subject to the condition that it is not used as a permission for transfer pricing or evade the regulatory restrictions, if any against transfer pricing;4. The Applicant shall ensure that its conduct does not result in market foreclosure;5. It is the responsibility of the Applicant to ensure compliance with all government policies and other directives, as applicable and issued for compliance in the territory;6. The Commission reserves the right to verify actual progress against the financial and non-financial commitments submitted in support of this exemption, including demonstrable evidence of benefits as outlined below:<ol style="list-style-type: none">i. Improvement in overall distribution and supply of medicines;ii. Lower prices, improved product quality, and wider choices for consumers; andiii. Maintaining the current pricing structure.7. The Applicant shall submit a quantifiable compliance report on 30th June, 2025 against each commitment made through its submissions, which are reproduced in Condition-6 above;8. The Commission reserves the right to review and revise the conditions of this Exemption, as deemed necessary;9. Breach of terms of this exemption, shall have an immediate effect of cancellation of this exemption; and



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PARTICULARS OF THE EXEMPTION GRANTED	
Conditions:	10. The Applicant shall submit an application for grant of extension in exemption at least three (3) months prior to expiry of this exemption certificate, in case of having an ongoing "Agreement" with restrictive covenants;

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 products and/or services covered under the "Agreement"; or (iii) the regulatory or policy framework in the relevant market in which the parties are operating.

Granted on the 27th day of March, 2025 at Islamabad.

Seal of the Commission

Shanzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad