



File No: 2(21)/AGR/EXM/CCP/2023
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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RENEWED EXEMPTION CERTIFICATE

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

PARTICULARS OF THE AGREEMENT

First Party: ("Applicant")	M/s. Hino Motors Limited 'HML' having its registered office at 1-1, Hinodai 3-chome, Hino-shi, Tokyo, Japan (hereinafter referred to as "Licensor").
Second Party: ("Applicant")	M/s. Hinopak Motors Limited 'HPML' having its registered office at D-2, S.I.T.E, Manghopir Road, P.O.Box#10714, Karachi-75700, Pakistan (hereinafter referred as to as "Licensee").
Type of Agreement:	Technical Cooperation Agreement (the "Agreement"); Initialed copy of the Agreement submitted to the Commission is attached herewith.
Date entered into:	1 st April 2023
Validity Period of the Agreement:	31 st March 2026
Product(s) covered under Agreement:	"Licensed products" as defined in Article 1(3) of the "Agreement".



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PARTICULARS OF THE EXEMPTION GRANTED	
Exemption granted:	On Article 2 of the Agreement pertaining to manufacturing license in territory with non-transferable, non-assignable and non-compete restrictions with Hino brand.
Granted period:	From 1 st April 2023 till 30 th June 2025
Conditions:	<ol style="list-style-type: none">i. 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 is prohibited under the Competition Act, 2010;ii. The exemption is being granted to the extent of 'Products' as defined under Article 1(3) of the "Agreement". In case of any change to the list of products, the same shall be communicated to the Commission within 15 days of such decision;iii. In case of any approval granted to the Licensee pursuant to Article 2-3 of the "Agreement", the same will be intimated to the Commission within 15 days of such decision;iv. In case of appointment of a local supplier by the Licensee pursuant to Article 12-1, the same will be intimated to the Commission within 15 days of such decision;v. Any directive/order (including interim order) in CP no. D-238 of 2024 before the Honourable Sindh High Court that has implications on the "Agreement" will be communicated within 15 days of such order/decision/directives;vi. It is the responsibility of the Applicants to ensure compliance with the Auto Industry Development & Export Policy and other legal/regulatory requirements;vii. The exemption does not entail any pricing aspects of 'products' covered under the "Agreement";viii. The Applicants shall intimate to the Commission in case of any amendment(s) or termination of the "Agreement";ix. The Applicants will intimate the Commission in case of any substantial change in the relevant market of products covered under the "Agreement";x. For renewal of this Exemption (if required), it will be the prime responsibility of the Applicants to seek extension as per relevant framework, at least three (3) months prior to the expiry of this exemption;xi. 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 benefits as envisaged and submitted by the Applicants;xii. The Commission reserves the right to review and revise the conditions of this Exemption, as deemed necessary;xiii. This Exemption is effective only for the territory of Pakistan;xiv. 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 products covered under the Agreement; or (iii) the circumstances and/or regulatory framework in the relevant market in which the parties are operating.

Granted on the 9th day of August 2024 at Islamabad.

Shahzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad

Seal of the Commission