



File No: 2(702)/AGR/EXM/CCP/2024
COMPETITION COMMISSION OF PAKISTAN
GOVERNMENT OF PAKISTAN

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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 M/s Lucky Core Industries Limited (the "Applicant") the Commission hereby grants exemption on the mentioned clauses of the "Supply and Distribution Agreement" from the application of Section 4 of the Act as per the conditions mentioned hereunder:

PARTICULARS OF THE AGREEMENT

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| First Party: | M/s. Luye Pharma Hong Kong Limited having its registered office at Flat/RM 3207, 32/F, Champion Tower, 3 Garden Road, Central Hong Kong. |
| Second Party: (Applicant) | M/s. Lucky Core Industries Limited ('Distributor') having its registered office at 5 - West Wharf, Karachi. |
| Type of Agreement: | Supply and Distribution Agreement (the "Agreement") – an initialed copy of the Agreement submitted to the Commission is attached herewith |
| Date of the Agreement: | August 31 st 2022 |
| Validity of the Agreement: | Agreement is valid for a period of five (05) years from the effective date of the "Agreement", unless terminated earlier under Clause 32 |
| Product(s)/Drugs: | Following two "products" as mentioned in Schedule-2 of the "Agreement": i. Seroquel Tablets 25mg 3*10 Blister; ii. Seroquel Tablets 100mg 3*10 Blister. |



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| PARTICULARS OF THE EXEMPTION GRANTED | |
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| Exemption granted: | <ul style="list-style-type: none">- On <u>Clause 3.1</u> pertaining to the Applicant being the exclusive distributor in the territory.- On <u>Clause 3.6 (b)</u> pertaining to restriction on launching, selling of "related products" (Similar products).- On <u>Clause 3.9</u> pertaining to restriction for M/s. Luye Pharma Hong Kong limited or its employee's promote, launch, distribute, or sell products or "related products" (similar products) in the territory. |
| Granted period: | From 17 th January, 2024 to 30 th June, 2026 |
| Conditions: | <ul style="list-style-type: none">i. By virtue of 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 Act;ii. If there is any change to the list of products covered under Schedule 2 of the "Agreement", the same will be intimated within 15 days of such decision;iii. This exemption does not entails or cover any approval on the pricing aspects of the products;iv. If M/s. Luye Pharma Hong Kong limited engages in any activity pursuant to clause 3.9 to maintain any marketing authorization, the same will be communicated to the Commission within fifteen (15) days of such decision;v. If any sub-contracting is authorized pursuant to clause 8 of the "Standard Quality Agreement" (entered into under clause 17.1 of the Agreement), the same will be communicated to the Commission within fifteen (15) days of such decision;vi. In case of any downstream arrangement and/or sub-contracting is entered into for transportation arrangements pursuant to clause 36.2 of the "Agreement", the Applicant will intimate to the Commission within fifteen (15) days of such decision along with the copy of agreement(s) entered into;vii. The Applicant shall intimate the Commission within 15 days in event of any change in regulatory regime having impact on the agreement and/ or the products that are covered under the "Agreement";viii. It is the responsibility of the Applicant to ensure that necessary approvals exists for the import and distribution of the "products" covered under the "Agreement"; |



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| | <p>ix. The Applicant shall immediately intimate the Commission in case of any amendment(s) is made to the "Agreement";</p> <p>x. For renewal of this Exemption (if required/applicable), it will be the prime responsibility of the Applicant to seek extension as per legal framework at least three (3) months prior to the expiry of this exemption;</p> <p>xi. It is the responsibility of the Applicant to ensure that the other party is aware of this exemption;</p> <p>xii. 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;</p> <p>xiii. The Commission reserves the right to review and revise the conditions of this Exemption, as deemed necessary;</p> <p>xiv. This Exemption is effective only for the "territory" of Pakistan;</p> <p>xv. Breach of terms of this exemption, will result in immediate cancelation of the exemption being granted.</p> |
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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 in the market and/or the Regulatory framework relevant to the "Agreement" and this exemption being granted.

Granted on this the 9th day of October, 2024 at Islamabad.

Seal of the Commission

Shahzad Hussain
Registrar
Competition Commission of Pakistan
Government of Pakistan
Islamabad