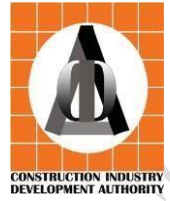




CIDA/DEV/IMSR/WI/25



Ministry of Urban Development and Housing

Guidelines for Registration of Importers, Manufacturers and Suppliers of Construction Materials and Components

Construction Industry Development Authority (CIDA)

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Publication No. CIDA/REG/11(E)

Annexure 01

**GUIDELINES FOR REGISTRATION OF IMPORTERS, MANUFACTURERS AND SUPPLIERS OF
CONSTRUCTION MATERIALS AND COMPONENTS**

CIDA Publication No: CIDA/ REG/ 11(E)

1st Edition – September 2023

ISBN 978-624-5788-19-4

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Ministry of Urban Development and Housing



**Guidelines for Registration of Importers, Manufacturers
and Suppliers of Construction Materials and Components**



**CONSTRUCTION INDUSTRY DEVELOPMENT
AUTHORITY (CIDA)**

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REGISTRATION OF IMPORTERS, MANUFACTURERS AND SUPPLIERS OF CONSTRUCTION MATERIALS AND COMPONENTS

1. INTRODUCTION

This document describes the requirements for registration of importers, manufacturers and suppliers (IMS) of construction materials and components (CMC) which are listed in the Annexure-1. The IMS Registration System (IMSRS) forms part of the Construction Industry Development Authority's (CIDA) programme to assure the quality and performance in the supply of materials and components required by the construction industry. It has been developed within the framework in accordance with the extra ordinary gazette no 2336/46 dated 14.06.2023 under the Construction Industry Development Act No 33 of 2014

2. BENEFITS OF REGISTRATION

The IMS registration will enhance the opportunities, recognition and prestige of the material suppliers of the construction industry. This registration is expected to be mandatory to supply construction materials for state sector projects once the IMSRS is fully established and time tested. Further, the CIDA registered suppliers are likely to be recognized by the professionals and other stakeholders in the construction industry.

The registration will also be beneficial to manufacturers, importers and suppliers of CMC which are not covered by a Sri Lanka Standard.

3. REGISTRATION

3.1 Eligibility

The IMS applying for registration with Authority shall;

3.1.1 be registered in Sri Lanka for the purpose of carrying out the business of import/ manufacture/ supply of construction materials and components either with the Registrar of Companies under the Companies Act No.07 of 2007 or with the Divisional Secretariats under Business Names Ordinance/Provincial Business Names Statutes.

3.1.2 and not be included in any list of blacklisted or suspended operations within the last 3 years by the Government of Sri Lanka.

3.1.3 and not be legally insolvent or declared bankrupt at the time of application.

3.2 Categories

Suppliers of construction material and components who come within the purview of the following categories are considered as those who could seek registration under the proposed scheme initiated by CIDA.

3.2.1 Basic areas

3.2.1.1 Importer (IM)

Importers of construction materials, products and components.

3.2.1.2 Manufacturer (M)

Manufacturers of construction materials, products and components in their own establishments

3.2.1.3 Suppliers (S)

Suppliers of construction materials, products and components outsourced from manufacturer / importer

3.2.2 Registration groups

The registration categories will be grouped under following 02 segments

3.2.2.1 Importers of Construction materials & components (IM)

3.2.2.2 Manufactures of Construction materials & components (M)

3.2.2.3 Suppliers of Construction materials & components (S)

Note: Registered suppliers under above (3.2.2.2) category are not required to register under above (3.2.2.1) for the same items.

3.3 Basic steps in Registration

3.3.1 It is necessary to submit the duly perfected registration application with documents pertaining to Business Registration and relevant documents to support the key areas of evaluation as specified in section 4 along with the processing fees, to the Information Centre of the Authority. A preliminary screening will be done to check whether the application form has been correctly prepared and whether the all required documents have been submitted.

3.3.2 A minimum period of two weeks commencing from the date of submission of duly filled application will be taken to process an application. If it is observed that the information submitted is not sufficient for evaluation, the applicant will be informed in writing of the needs to produce either originals of the documents or additional documents within two weeks period. If no response is received from the applicant, the application will be processed and accepted or rejected according to the available (as submitted) information.

3.3.3 If all the documents are in order, the assessed application will be sent to the Registration Panel (within two weeks), for scrutinizing and authorizing.

- 3.3.4** The evaluation process will be carried out for grading in accordance with the criterion given in this document.
- 3.3.5** After the processing of the Application and establishing the grade, the Applicant will be registered with a registration number, and a certificate of registration will be issued, after paying registration fee as specified in Section 4.0.
- 3.3.6** Such registration will be valid for a period of 03 years, and released per year basis, subject to an annual review of quality/ test reports, audited statements and payment of annual registration fee.
- 3.3.7** The registration and grading shall be renewed one month prior to the expiry of the validity period which is 03 years, after a performance evaluation, if required.
- 3.3.8** IMS applying for registration in multiple imports, product and supply categories as listed in the Booklets shall submit separate applications along with relevant documents. However, if a respective import, product or supply given in an application includes different brands, all such brands should be stated in the application and the registration would be in respect of such brands only.
- 3.3.9** In the event the registration is lapsed, re-registration could be obtained by submitting a new application. Registration will not be revalidated with retrospective effect.

3.4 Grading and Registration criteria

3.4.1 The Marking schemes

The total marks in Table (a) will be allocated as applicable based on the weightings and the marking criteria mentioned in Tables (b) and (c) to (e), respectively.

Suppliers' perceived contribution of performance to efficient and cost-effective CMC supplies are evaluated and marks allocated in terms of the performance indicators given in Table (b). They have been ranked according to their importance (for evaluation of performance) so that adequate weight age could be given for more important performance indicators in allocating marks.

Table (a): Total minimum marks required

Grade	Total minimum marks
IM/M/S-1	75
IM/M/S-2	30
IM/M/S-3	5

Table (b): Weightings for Evaluation of Construction Materials

Performance Indicator	Weighting %
1. Quality	50
2. Performance	30
3. Financial Capacity	20

Table (c) to (e) represent key performance areas where emphasis will be given to the quality and service aspects of the industry. Proof documents in relation to these items shall be submitted for evaluation along with the Applications.

Table (c): Quality

Criterion	Total Marks (100)	
	Other than items such as sand, soil and quarry products)	Items such as sand, soil and quarry products)
1. Certified SLS	45	20
(or Certified only to recognized international standards)	(30)	(10)
2. Manufactured to SLS	15	20
(or Manufactured only to recognized international standards),	(10)	(10)
3. System certification	25	5
4. In-house testing facility	10	5
5. Ability to provide test reports	5	50

Table (d): Business Capacity

Criterion	Total Marks (100)
1. Service records	
1.1 *More than 2 years in service for a given product	60
1.2 *One-two years for a given products	(40)
1.3 * Less than one year	(20)
2. Sales during last 03 years - Average annual Sales in Millions LKR	
2.1 *Above 5.0	40
2.2 *Between 1.0 and 5.0	30
2.3 *Less than 1.0	15

**Only one case (out of 1.1/1.2 /1.3 & 2.1/ 2.2/ 2.3) is applicable.*

Table (e): Financial Capacity

Criterion	Total Marks (100)
1.0 Availability of Audit Reports	
1.1 *For the last 03 years (Complete)	30
1.2 *Immediate past year	(20)
1.3 *Reports before the immediate past year (Per year)	(5)
2.0 Annual Turnover based on Audit Reports	
2.1 *Above 10 M (equal and above)	35
2.2 *4 M to 10 M $4M \leq x \leq 10M$	(20)
2.3 *1 M to 4M (Same as above)	(10)
3.0 Positive Net Worth as a percentage of Total Assets* (based on Audit Reports)	
3.1 *Equal to or above 50%	35
3.2 *50% to 25%	(20)
3.3 *25% to 10%	(10)

**Only one case (out of 1.1/1.2 /1.3, 2.1/ 2.2/ 2.3 & 3.1/3.2/3.3) is applicable.*

Notes:

- (1) The total marks in Table (a) will be allocated as applicable based on the weightings and the marking criteria mentioned in Tables (b) and (c) to (e), respectively.
- (2) Business Capability criterion in Table (d) is based on quantities, and supporting documents for verifications are required.
- (3) In Table (c), construction materials need to be supported by at least one quality criterion listed therein. The specific mandatory requirement of the quality criteria for each construction material listed published as Annex 02
- (4) In the Tables (c) to (e) given above, the marks indicated are the maximum marks obtainable for a given criterion.
- (5) Marks given in parenthesis in the Table (c) are alternatives.
- (6) Proof documents in relation to item in Table (c) to (e) shall be submitted for evaluation along with the applications.

3.4.2 Performance Assessment

For purposes of registration, continuance of registration, grading/upgrading of supplier and in instances where deregistration is contemplated, a performance assessment will be undertaken by CIDA.

After the assessment, CIDA will issue a report with the preliminary findings to the applicant. If a supplier is not in full agreement with the findings of the surveillance, he may intimate the issues to the Director (Development), CIDA. If a resolution cannot be agreed upon, the supplier may lodge an appeal as per 6 below.

4. FEES

Application processing fee of Rs.1000.00 is applicable for all grades. Registration fees for different grades are given in **Tables (f), (g) and (h)**.

Table (f): Fee for Registration, renewal or upgrading of registration for Grades suppliers.

Grade and applicable supplier category	Annual Registration fee (Excluding VAT in Rs.)
S-1	22,000.00
S-2	18,000.00
S-3	15,000.00

Charge 50% of the fee for registration of any additional category within the group currently 12 such groups have been identified or within same product types.

Eg:

- Cement - OPC, Blended Hg(BHC), PLC
- Steel - TOR, TUBEetc

Table (g): Fee for Registration, renewal or upgrading of registration & Grades of importers, manufactures

Grade and applicable Importer Manufacturer category	Annual Registration fee (Excluding VAT in Rs.)
IM/M-1	40,000.00

IM/M-2	36,000.00
IM/M-3	30,000.00

For urgent processing of applications under special circumstances an additional payment of Rs.5000.00 will be levied.

Cost of performance assessment (when required) will be calculated by the Authority for each such case of renewal & upgrading of registration. The cost shall be reimbursed by the applicant prior to such renewal or upgrading of registration

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Table (h): Cost of site visits

<i>Description</i>	<i>Cost</i>
1. Transport	To be provided by the applicant
2. Per-diem	Rs.4000/= per day per person
3. Food and lodging	To be provided by the applicant

Note: The overall cost of the visit will be computed on the above basis and will be informed to the supplier for prior payment.

5. DEREGISTRATION

A supplier may be subject to following disciplinary actions against the offence depicted therein.

REGISTRATION OFFENCE	ACTION
<p>(a) Delay in payment of annual registration fee (within the approved 3 years period).</p>	Charge the arrears applicable for the grades.
<p>(b) Delay in renewal of registration (after 3 years)</p>	<p>I Charge the arrears applicable for the Grades.</p> <p>II Cancel the registration for the lapsed period.</p>
<p>(c) Submission of false documentation or fraudulently altered documentation for registration.</p>	<p>Suspend the registration until the inquiry is over. In case of new applications the application would stand rejected.</p> <p>If the case is proven suspension of registration. Not eligible for registration within a period of 3 years.</p> <p>(In the case of submission of fraudulent documents, the above disciplinary actions are in addition to normal legal processes that may be pursued by aggrieved parties)</p>
<p>(d) Tampering or unauthorized alteration to the Registration Certificate.</p> <p>i. <u>1st Instance</u></p> <p>ii. <u>2nd Instance</u></p>	<p>Suspend the registration for one year.</p> <p>Cancellation of the registration. Not eligible for registration within a period of 2 years</p>

Note: - for 1. (b) -Renewal will be reminded by CIDA, one month before the date of renewal.

- If the renewal is not activated, the name will be removed from the list one month after the due date of renewal.

Following deregistration, CIDA will notify the supplier and make the relevant adversary entry in the list of registered suppliers and other compilations.

6. APPEALS

A supplier/applicant may appeal in situations:

- Disputes regarding the assessments/evaluation.
- Rejection of an application for registration / grading
- Disputed findings of surveillance
- De-registration

to the Director General, CIDA within one month after receiving the outcome of findings with respect to any of the situations above in terms of the Clause No.53 of the Act No.33 of 2014. The appeal should be supported with a cash deposit equivalent to twice the annual registration fee applicable to the grade contested. Director General, CIDA will refer this to the Appeals Board to review such appeals. The appeals should be made within a period of one month from the date of award of such Grading. If the appeal is allowed, the deposit will be refunded or if otherwise forfeited.

The supplier should provide details of the dispute together with any supporting documentation in his appeal, addressed to the Director General, CIDA.

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