



GOVERNMENT OF SRI LANKA

# SOP

## Standard Operating Procedures

For Automobile Manufacturing/Assembling Industry  
& Automobile Components Manufacturing Industry of  
Sri Lanka



MINISTRY OF INDUSTRIES



# SOP

## Standard Operating Procedures

For Automobile Manufacturing/Assembling  
Industry & Automobile Components  
Manufacturing Industry of Sri Lanka

**Version 1.0**

11<sup>th</sup> January 2021

(Approved by the Cabinet of Ministers)

**Ministry of Industries**

[www.industry.gov.lk](http://www.industry.gov.lk)



**ශ්‍රී ලංකා ජනාධිපති**  
**இலங்கை சனாதிபதி**  
**President of Sri Lanka**

**ගූහපාතුම් පණිවිඩය**

වාහන එකලස් කිරීමේ සහ වාහන අමතර උපාංග නිෂ්පාදනය කිරීමේ කර්මාන්ත පිළිබඳ සම්මත මෙහෙයුම් පටිපාටිය එළිදැක්වීමේ අවස්ථාව මෙරට වාහන නිෂ්පාදන කර්මාන්තයේ ජයග්‍රාහී පියවරකි. දේශීය ව්‍යාපාරිකයා සේම කර්මාන්ත නඟා සිටුවමින් දේශීය ආර්ථිකයක් වෙනුවෙන් රජය දී ඇති ප්‍රමුඛතාවය ද ඉන් තහවුරු කෙරේ.

ආර්ථිකයේ අයිතිය ජනතාවට භාර කෙරෙන ජනතා කේන්ද්‍රීය ආර්ථිකයක් තුළින් ජනතාවට ඉහළ ජීවන මට්ටමක් අත්කර දීම “සෞභාග්‍යයේ දැක්මේ” ඉලක්කයයි. ඒ සඳහා දේශීය සම්පත් ආරක්ෂා කර ගැනීමට සේම, දේශීය ව්‍යවසායකත්වයක් ගොඩනැගීම කෙටි සහ දීර්ඝ කාලීන සැලසුම් ක්‍රියාත්මක කර තිබේ.

ආර්ථික ඉලක්ක සාධනයෙහිලා නූතන තාක්ෂණය අත්‍යාවශ්‍ය සාධකයකි. එබැවින් තාක්ෂණික නව්‍යකරණය ඔස්සේ දෙස් විදෙස් වෙළෙඳපොළේ ඉල්ලුමක් ඇති අන්තර්ජාතික ප්‍රමිතීන්ට අනුකූල නිෂ්පාදන බිහිකිරීමට අවශ්‍ය ආයතනික විධිවිධාන නොපමාව සැලසිය යුතුය.

නව මෙහෙයුම් පටිපාටිය එළිදැක්වීම සමග දේශීයව වාහන උපාංග නිෂ්පාදනයට පුළුල් වෙළෙඳපොළක් නිර්මාණය කෙරෙනු ඇත. දේශීය රථවාහන සන්නාමවලට ජාත්‍යන්තර වෙළෙඳපොළ ජය ගැනීමටත් ඉන් අවස්ථාව සැලසේ. එසේම විදේශ විනිමය ඉතිරි කර ගැනීමට කර්මාන්ත අමාත්‍යාංශය දරන ප්‍රයත්නය අපගේ ආර්ථික ඉලක්ක සපුරා ගැනීමට පිටිවහලකි.

ජාත්‍යන්තර ප්‍රමිතීන්ට අනුකූලව සැකසූ සම්මත මෙහෙයුම් පටිපාටිය එළිදැක්වීම අපේ රටේ කර්මාන්ත ක්ෂේත්‍රයේ ඉදිරි වර්ධනයට ඉවහල් වනු දැකීම අපගේ අපේක්ෂාවයි.

ගෝඨාභය රාජපක්ෂ

2021 මාර්තු මස 12 වන දින



**ශ්‍රී ලංකා අග්‍රාමාත්‍ය**  
**இலங்கையின் பிரதம மந்திரி**  
**Prime Minister of Sri Lanka**

2021 මාර්තු 12

**සුභාශීඝන පඬිවිඩය**

මෙරට වාහන එකලස් කිරීමේ හා අමතර උපාංග නිෂ්පාදනය කිරීමේ කර්මාන්තයන්ට අදාළ සම්මත මෙහෙයුම් පටිපාටියක් (Standard Operating Procedures) එළිදැක්වීමට කර්මාන්ත අමාත්‍යාංශයට හැකිවීම සතුටට කරුණකි.

'සෞභාග්‍යයේ දැක්ම' ප්‍රතිපත්ති ප්‍රකාශනය යථාර්ථයක් කිරීමේදී කර්මාන්ත අමාත්‍යාංශයට පැවරී ඇති සුවිශේෂී ප්‍රමුඛතා මනාව හඳුනාගෙන ඇති කර්මාන්ත අමාත්‍ය විමල් වීරවංශ මහතා ශ්‍රී ලංකාවේ වාහන නිෂ්පාදනය, එකලස් කිරීම සහ වාහන උපාංග නිපදවීම පිළිබඳ සම්මත මෙහෙයුම් පටිපාටියක අවශ්‍යතාව අමාත්‍ය මණ්ඩලයට පෙන්වා දුන්නේ එමඟින් ජාතික ආර්ථිකය ශක්තිමත් කරන ආකාරය පැහැදිලි කරමිනි.

අමාත්‍ය මණ්ඩල අනුමැතිය ලැබී කෙටි කලක් ඇතුළත මෙම ජාත්‍යන්තර ප්‍රමිතීන්ට අනුකූලව සැකසූ 'සම්මත මෙහෙයුම් පටිපාටිය' එළිදැක්වෙන්නේ කර්මාන්ත ක්ෂේත්‍රයේ හැරවුම් ලක්ෂයක් සනිටුහන් කරමිනි. එමඟින් රටට අත්වන ප්‍රතිලාභ සුවිශාල ය.

ගෙවීයා වසර 10 පුරා වාහන ආනයනය සඳහා ආයතන වශයෙන් වසරකට රුපියල් බිලියන 1820ක විදේශ විනිමය ප්‍රමාණයක් වූයේ වී තිබුණ ද, මේ සමඟ වාහන එකලස් කිරීමේ කර්මාන්තය සක්‍රීය වීම තුළින් වසරකට රුපියල් බිලියන 300ක ප්‍රමාණයක් ඉතිරි වීම රජයක් ලෙස ලබන ජයග්‍රහණයකි.

අවම වශයෙන් රට වාහන එකලස් කිරීමේදී 35%ක දේශීය අගය එකතු කිරීමක් කරන ලොව පිළිගත් රටවාහන සමාගම්වලට විශේෂ බදු සහන ලබාදීම හරහා දේශීය වාහන උපාංග කර්මාන්තය ද සක්‍රීය වනු ඇත. ඉන් දේශීය වාහන උපාංග කර්මාන්තයට පුළුල් වෙළඳපොළක් ද නිර්මාණය වනු ඇත. මෙසේ මෙරට වාහන නිෂ්පාදන කර්මාන්තය සම්මත මෙහෙයුම් පටිපාටියක් අනුව මෙහෙය වූ විට විදේශීය රට වාහන වෙළෙඳපොළට පිවිසීමට ක්ෂේත්‍රයේ ව්‍යවසායකයන්ට හැකිවනු ඇතැයි අපේක්ෂා කරන අතර, ඉන් වසරකට රුපියල් බිලියන 900 - 1300ක අපනයන වෙළෙඳපොළ අවස්ථා හිමි වීමට නියමිත ය.

අප 'මෙහි ඉන් ශ්‍රී ලංකා' සන්නාමය සහිත රටවාහන, ජාත්‍යන්තර වෙළෙඳපොළෙහි අවස්ථා හිමි කරගැනීමේ ජයග්‍රහණය ලබා ගත යුතුව ඇත. ඒ දිනය තුදුරු දිනයකදීම උදාකරගැනීමට රට වාහන නිෂ්පාදන ක්ෂේත්‍රයේ සියලු පාර්ශව කැපවී කටයුතු කරනු ඇතැයි අපේක්ෂා කරන අතර ඔවුනට ඒ සඳහා අවශ්‍ය ශක්තිය ජෛවික ලැබෙතැයි ප්‍රාර්ථනා කරමි.

*ශ්‍රී ලංකා*

මහින්ද රාජපක්ෂ,  
 ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ,  
 අග්‍රාමාත්‍ය,

මහේ අමාත්‍යතුමා  
 Hon. Minister  
 Tel: 011-2435248  
 Fax: 011-2390885  
 අමාත්‍ය ලේකම් කාර්යාලය  
 Hon. Minister's Secretary  
 Tel: 011-2436123  
 Tel: 011-2431674  
 Fax: 011-2390885



අමාත්‍යාංශ  
 කොට්ඨාස  
 Ministry  
 011-2327554  
 011-2392149  
 Fax: 011-2390941  
 විද්‍යුත් තැපෑල  
 විකේන්ද්‍රණය  
 E-mail  
 wimal.min@gmail.com

**විමල් වීරවංශ (පා.ම.)**  
**කර්මාන්ත අමාත්‍ය**  
**බීම්බල් බේරවන්ස (B.A.ඉ.)**  
**කෘත්‍යෝග්‍යයේ අමාත්‍ය**  
**WIMAL WEERAWANSHA (M.P.)**  
**MINISTER OF INDUSTRIES**

කර්මාන්ත අමාත්‍යාංශය  
 කෘත්‍යෝග්‍යයේ අමාත්‍යාංශය  
 MINISTRY OF INDUSTRIES

කා.පො. 570, 73/1, ගාලු පාර, කොළඹ 03, ශ්‍රී ලංකාව, දු.බ. කි.මී. 570, 73/1, කාගම් වීදිය, කොළඹ 03, ශ්‍රී ලංකාව  
 P.O.Box 570, 73/1, Galle Road, Colombo 03, Sri Lanka

මගේ අංකය  
 எனது இல  
 My No.

ඔබේ අංකය  
 உமது இல  
 Your No.

දිනය  
 திகதி  
 Date  
 2021.03.12

**"සම්මත මෙහෙයුම් පටිපාටිය (SOP) මෙරට කර්මාන්ත ක්ෂේත්‍රයේ හැරවුම් ලක්ෂණයක් වනු ඇත."**

වාහන ආගන්තුක සඳහා වසරකට රුපියල් බිලියන 1820ක විදේශ විනිමය ප්‍රමාණයක් පිරවටට ඇදී යාම මෙන්ම කොරෝනා වසංගතය හේතුවෙන් වාහන ආගන්තුක තත්ත්ව වීම යන කරුණු දෙකම සැලකිල්ලට ගනිමින් වාහන රක්ලස් කිරීමේ හා අමතර උපාංග නිපදවීමේ කර්මාන්තයට බලාගැන්වීමේ පියවරකට යාමට අප තීරණය කරනු ලැබුයේ එය නිෂ්පාදන ශීලී ලංකාවේ කර්මාන්ත ක්ෂේත්‍රයේ හැරවුම් ලක්ෂණයක් වනු ඇති බවට වන විශ්වාසය මත ය. ඉහත කර්මාන්තයට බලාගැන්වීමේදී ප්‍රධානතම අවධානයක් සපුරාලිය යුතු බව අදාළ කර්මාන්ත ක්ෂේත්‍රයන්හි වෘත්තිකයෝ පෙන්වා දුන්හ. ඒ ජාත්‍යන්තරව පිළිගත් ශීලී ලංකාවේ වාහන නිෂ්පාදනය, රක්ලස් කිරීම සහ වාහන උපාංග නිපදවීම පිළිබඳ සම්මත මෙහෙයුම් පටිපාටියක (Standard Operating Procedures) අවධානයක් යොමු කිරීමයි.

ඒ අනුව අප කර්මාන්ත අමාත්‍යාංශය ලෙස ශ්‍රී ලංකාවේ වාහන නිෂ්පාදන ක්ෂේත්‍රයේ සියලු ප්‍රවීණතාවයන් අදහස් ද යොමුකළ කර්මාන්ත සැකැස්ම සම්මත මෙහෙයුම් පටිපාටියට (SOP) අමාත්‍ය මණ්ඩලයේ අනුමැතිය හිමිව තිබේ. අද දින රෙගුලාසිවලට එම සම්මත මෙහෙයුම් පටිපාටිය නමින් ඔනෑම දේශීය හා විදේශීය ආයෝජකයකුට මෙරට වාහන නිෂ්පාදන කර්මාන්ත ක්ෂේත්‍රයට විශ්වාසනීයතාවයකින් යුතුව ආයෝජනය කිරීමේ හැකියාව ලැබෙනු ඇත.

එසේ දෙසි විටත් වාහන රක්ලස් කිරීමේ සමාගම් මෙරට තුළ වාහන රක්ලස් කිරීම ඇරඹූ විට මුහුණත් දේශීය අගය කිරීමට සෘජුවම බඳු සහන ලබා දීම මෙහි සුවිශේෂීතාව වන අතර ඊට අදාළ 'දේශීය අගයරක්කු කිරීමේ සූත්‍රය සහ තහාසය' මෙම 'සම්මත මෙහෙයුම් පටිපාටිය' තුළ අන්තර්ගත ය. දේශීය අගය රක්කු කිරීම තුළින් වාහන උපාංග නිපදවීමේ කර්මාන්තය වේගවත්ව ප්‍රවර්ධනය වනු ඇත. මේ යටතේ වාහන උපාංග නිපදවීමට අදාළ පවර ඇතුළු රේගු නිෂ්පාදන කර්මාන්ත, ලෙසින හා ලෙසින නොවන නිෂ්පාදන කර්මාන්ත, ඉලෙක්ට්‍රොනික නිෂ්පාදන කර්මාන්ත, පොතුවා වශයෙන් ආරම්භ කිරීමේ හැකියාව වැඩිවීමයි.

මෙරට වාහන රක්ලස් කිරීමේ සහ අමතර උපාංග නිපදවීමේ කර්මාන්ත එසේ සක්‍රීය වීමත් සමඟ ක්ෂේත්‍රයට අදාළ නවීන තාක්ෂණය ඊට තුළට ගලා ඒමට සමහාමීව විශ්වාසීය ලෙස හා තාක්ෂණ ආගන්තුක අදාළ ක්ෂේත්‍රයේ පර්යේෂණ හා සංවර්ධන අංශ ද වර්ධනය වනු ඇත්තේ නව නිපැයුම් ද සමගිනි. එහිදී ක්ෂේත්‍රයේ ඉංජිනේරු හා තාක්ෂණ උපාධිධාරීන් ඇතුළු 20,000කට සමඟ යැයි අපේක්ෂාවක් කර්මාන්ත වීමට තිබේ.

මේ සියලු සියලුම සමඟ ඉදිරියට යමින් නුදුරු අනාගතයේ දී 'මේඩ් ඉන් ශ්‍රී ලංකා' සන්නාමය සහිත වාහන, වාහන උපාංග අවශ්‍යතාවයට ද දොරටු විවර වනු ඇත. ඉන් වසරකට රුපියල් බිලියන 1000 ඉක්ම වූ විදේශ විනිමය ප්‍රමාණයක් උපයා ගැනීමේ සුබ සිහිනය යටතරයක් කර ගැනීමට රක්කු කැපවීමට ශ්‍රී ලංකාවේ වාහන රක්ලස් කිරීමේ හා උපාංග නිපදවීමේ කර්මාන්ත ක්ෂේත්‍රයේ සියලු පිරිස් වෙත අපේක්ෂා යොමු කෙරේ.

විමල් වීරවංශ (පා.ම.)  
 කර්මාන්ත අමාත්‍ය  
 2021.03.12 දින දෙවැනි.

මැති අමාත්‍යතුමා  
සභාව. කොට්ඨාස  
on: Minister

011-2435248  
Fax : 011-2390885



අමාත්‍යාංශ  
සභාව. කොට්ඨාස  
Ministry

011-2392149  
011-2392150  
Fax : 011-2390941

ලේකම්  
පාලක(ය)  
secretary

011-2436123  
011-2436124  
Fax : 011-2449402

විද්‍යුත් තැපෑල  
විකේන්ද්‍රණය  
E-mail

secretarymid@gmail.com

## කර්මාන්ත අමාත්‍යාංශය கைத்தொழில் அமைச்சு MINISTRY OF INDUSTRIES

නැ. අං. 570, 73/1, ගාලු පාර, කොළඹ 03, ශ්‍රී ලංකාව. ශ්‍රී ලංකාව. 570, 73 / 1, ගාලු පාර, කොළඹ 03, ශ්‍රී ලංකාව.  
P. O. Box 570, 73/1, Galle Road, Colombo 03, Sri Lanka

ගැහැණු අංකය  
අං. 570, 73/1  
By No.

ඔබේ අංකය  
අ. අං. 570, 73/1  
Your No.

දිනය  
දිනය  
Date

### ලේකම්තුමාගේ සුභ පැතුම් පණිවිඩය

17 වන සියවසේ සිදුවූ කාර්මික විප්ලවයත් සමඟ නව තාක්ෂණික සොයා ගැනීම් රැසක් ලොවට දායාද කිරීමට මානවයා සමත් විය. ඒ අතර වාණිජ චන්ද්‍රිම සොයා ගැනීමත් සමඟම ප්‍රවාහන කේන්ද්‍රයේ දැවැන්ත විප්ලවයක අනාගත පෙරහිමිති දක්නට හැකියාව ලැබිණි. පොසිල ඉන්ධන භාවිතය පහසු වීමත් සමඟ ප්‍රෙට්‍රල් සහ ඩීසල් මගින් ධාවනය කෙරෙන මෝටර් රථ චන්ද්‍රිම නිර්මාණය විය. වර්තමානය වන විට ලෝකයම පරිසර සුරක්ෂිතතාවය කෙරෙහි වැඩි අවධානයක් යොමු කර ඇති අතර විද්‍යුත් හා හයිඩ්‍රිජන් මගින් ධ්‍රැල ගැන්වෙන රථ වාහන හඳුන්වාදීමට වැඩි නැඹුරුතාවයක් දක්වා ඇත.

**“සෞභාග්‍යයේ දැක්ම”** නම් වූ රජයේ ජාතික ආර්ථික ප්‍රතිපත්තිය තුළත් ශක්තිමත් දේශීය ආර්ථිකයක් ගොඩනැංවීමේ මුඛ්‍ය පරමාර්ථය යථාර්ථයක් බවට පත් වන අවස්ථාවක් වශයෙන් මෝටර් රථ චක්‍රලක් කිරීම හා උපාංග කොටස් නිෂ්පාදන කර්මාන්තය සඳහා වූ **“සම්මත මෙහෙයුම් පටිපාටිය”** හැඳින්විය හැක. මෙය ශ්‍රී ලංකා ආර්ථිකයේ හැරවුම් ලක්ෂ්‍යය බවට අනාගතයේ පත්වන ඇතැම් විශ්වාසය තැබිය හැක. මෙම ජාතික කර්තව්‍යයේදී මුලිකත්වය ගෙන කටයුතු කිරීමට හැකිවීම කර්මාන්ත අමාත්‍යාංශය ලැබූ සුවිශේෂ ජයග්‍රණයක් බව ප්‍රකාශ කල යුතුය.

ඒ තුළින් ශ්‍රී ලාංකීය ජනතාවගේ ජීවන මට්ටම ඉහළ නංවන්නාවූද, ඉහළ වකතුකළ අයගේ සහිත නිෂ්පාදන ඕනිකරන්නා වූද සවිමත් වාණිජ අංශයකින් සමන්විත වූ ද ධරණීය හා තරඟකාරීත්වයකින් හෙබි නිෂ්පාදන ආයතනයක් හි අභිවෘද්ධිය සඳහා හිතකාමීවන පරිසරයක් නිර්මාණය කිරීමට හැකියාව ලැබෙනු ඇත.

රටක ආයෝජන අවස්ථා පුළුල්වීම කෙරෙහි වරට පවත්නා ආර්ථික ප්‍රතිපත්තිය සැලකිය යුතු දායකත්වයක් ගනී. මෝටර් රථ කර්මාන්තය සඳහා වූ **“සම්මත මෙහෙයුම් පටිපාටිය”** විශ්වසනීය ආයෝජනයක් සඳහා මග වීවර කරවන්නකි. ඒ අනුව මෙම **“සම්මත මෙහෙයුම් පටිපාටිය”** මගින් වාහන චක්‍රලක් කිරීමේ කේන්ද්‍රයට හා උපාංග කොටස් නිෂ්පාදන කේන්ද්‍රයට ප්‍රවේශ වන ආයෝජකයින් නව ප්‍රතිපත්ති මාලාවකින් සුරක්ෂිත කෙරෙනු ඇත.

වඩාළුත් **“ශ්‍රී ලංකාවේ නිපදවන ලදී”** යන සන්නාමය සිය නිෂ්පාදනයන්හි සටහන් කරන්නට ලැදි සියළු දේශීය හා විදේශීය ආයෝජකයින්ට, නව නිපැයුම්කරුවන්ට, ඉංජිනේරුවන්ට හා සියළු ලක් වැසියන්ට මේ සමඟ වකතු වන ලෙසට ගෞරවයෙන් ආරාධනා කරන අතර, මෙම කර්තව්‍යය සාර්ථක කර ගැනීමට ශක්තිය හා ධෛර්යය ලැබේවායි ප්‍රාර්ථනා කරමි.



ඒ. ඩී. ඩේ. අනුෂ්ඨ පැලෑටි

ලේකම්

2021 මාර්තු 15 වන දින



## Acknowledgements

This SOP has been prepared by the Policy Development Division of the Ministry of Industries in close collaboration with stakeholders of the Sri Lankan Automobile Industry; Namely, the Automobile Assembly Industry, Automobile Component Manufacturing industry, Automobile Service Industry, Intellectuals from Finance and Automobile Engineering Sector from the public and private sector.

Version 1.0 was presented for Approval after many rounds of discussions and much fact finding and corrections as seen required, to enable and empower the industrialists to develop the Sri Lankan Economy via the inclusion of the Automobile Manufacturing and Automobile Engineering technology.



## Content

|                                                                                                                                        |      |
|----------------------------------------------------------------------------------------------------------------------------------------|------|
| Acknowledgements .....                                                                                                                 | ii   |
| List of Tables .....                                                                                                                   | vi   |
| List of Figures.....                                                                                                                   | vii  |
| ABBREVIATIONS.....                                                                                                                     | viii |
| 1. Introduction.....                                                                                                                   | 1    |
| 1.1 Objective.....                                                                                                                     | 2    |
| 1.2 Definitions.....                                                                                                                   | 2    |
| 1.2.1 Assembler.....                                                                                                                   | 2    |
| 1.2.2 Bill of Materials (BOM).....                                                                                                     | 3    |
| 1.2.3 Cabinet Appointed Committee on LVA Determination (CAC).....                                                                      | 3    |
| 1.2.4 CBU (Completely Built Unit).....                                                                                                 | 4    |
| 1.2.5 CKD (Completely Knocked Down).....                                                                                               | 4    |
| 1.2.6 Component Manufacturers.....                                                                                                     | 6    |
| 1.2.7 Excise Tax Officer.....                                                                                                          | 6    |
| 1.2.8 Fossil Fuel.....                                                                                                                 | 6    |
| 1.2.9 Green Energy.....                                                                                                                | 6    |
| 1.2.10 Inspection Team.....                                                                                                            | 7    |
| 1.2.11 Motor Vehicles (Automobiles).....                                                                                               | 7    |
| 1.2.12 Prototype Vehicle.....                                                                                                          | 7    |
| 1.2.13 Raw Materials.....                                                                                                              | 7    |
| 1.2.14 Parts and Components.....                                                                                                       | 7    |
| 1.2.15 SKD (Semi Knocked Down).....                                                                                                    | 8    |
| 1.2.16 Technical Drawings.....                                                                                                         | 8    |
| 1.2.17 Vehicle Model.....                                                                                                              | 8    |
| 1.2.18 Vehicle Variant.....                                                                                                            | 8    |
| 1.2.19 XID (Excise Duty) rate.....                                                                                                     | 8    |
| 1.3 Ex-Factory Value / Manufacturing Cost (per unit).....                                                                              | 9    |
| 1.4 Sales Price (per unit).....                                                                                                        | 10   |
| 1.5. Level of DVA.....                                                                                                                 | 10   |
| 1.6 Applicable XID rate, based on the Level of DVA.....                                                                                | 11   |
| 1.6.1 The XID Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles.....                               | 11   |
| 1.6.2. Conditions of Excise Duty Concession Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles..... | 13   |



|                                                                                                                                     |    |
|-------------------------------------------------------------------------------------------------------------------------------------|----|
| 1.6.3. The XID Matrix for Motorcycles and Electric Three wheelers .....                                                             | 14 |
| 1.6.4. Conditions of Excise Duty Concession Matrix for Motorcycles and Electric Three wheelers.....                                 | 16 |
| 2. Approval for Vehicle Model and XID Rate .....                                                                                    | 19 |
| 2.1. Automobile Assembler/Manufacturer .....                                                                                        | 19 |
| 2.1.1. Submit a Concept Proposal .....                                                                                              | 19 |
| 3. Registration .....                                                                                                               | 22 |
| 3.Registration .....                                                                                                                | 24 |
| 3.1. Registration at DMT.....                                                                                                       | 24 |
| 3.1.1. Garage (Factory/ Assembling Plant /Manufacturing Plant).....                                                                 | 24 |
| 3.1.2. Prototype Vehicle Registration.....                                                                                          | 25 |
| 3.2. Registration at BOI.....                                                                                                       | 27 |
| 3.2.1. Project Registration at BOI .....                                                                                            | 27 |
| 3.3. Registration at Sri Lanka Customs .....                                                                                        | 29 |
| 3.3.1. Registration at Excise (Special Provision) Division .....                                                                    | 29 |
| 3.4. Registration at MI and IDB (Registration at IDB is required with respect to Automobile Components Manufacturing Industry)..... | 30 |
| 3.4.1. Industry Registration Automobile Manufacturing/Assembling Industry & Automobile Components Manufacturing Industry .....      | 30 |
| 3.4.2. Scheme of Domestic Value Addition .....                                                                                      | 33 |
| 4. Importation of Components.....                                                                                                   | 34 |
| 4.Importation of Components.....                                                                                                    | 36 |
| 4.1. Manufacture-In-Bond Facility.....                                                                                              | 36 |
| 4.1.1. Obtain Manufacturing Bond Facility.....                                                                                      | 36 |
| 4.2. Duty Payable (Without Bond Facility) Method.....                                                                               | 38 |
| 4.2.1. Import Components for Assembling CBU's with DVA.....                                                                         | 38 |
| 4.3. Importation of Body Shells / Frames & Components.....                                                                          | 39 |
| 4.3.1. Imports Licenses .....                                                                                                       | 39 |
| 5. Standardization .....                                                                                                            | 41 |
| 5. Standardization .....                                                                                                            | 43 |
| 5.1. Establishment of Conformity Assessment Facilities .....                                                                        | 43 |
| 5.1.1. Prepare Test Manuals and Guidelines .....                                                                                    | 43 |
| 5.1.2. Conformity Assessment Bodies (CAB).....                                                                                      | 44 |
| 5.2. Standardization of Automobiles .....                                                                                           | 44 |
| 5.2.1. Tests.....                                                                                                                   | 44 |
| 5.2.2. Certificate of Roadworthiness.....                                                                                           | 46 |



|                                                                                    |    |
|------------------------------------------------------------------------------------|----|
| 5.3. Standardization of Automobile Components .....                                | 47 |
| 5.3.1. Tests.....                                                                  | 47 |
| 5.4. Standardization the Assembling / Manufacturing Process .....                  | 48 |
| 5.4.1. Evaluation.....                                                             | 48 |
| 6. Exportation of Automobile and Automobile Components.....                        | 49 |
| 6. Exportation of Automobile and Automobile Components .....                       | 50 |
| 6.1. Under TIEP Scheme .....                                                       | 50 |
| 6.1.1. Exportation of CBUs/SKD/CKDs .....                                          | 50 |
| 7. Recommendation of Exemption of Excise Duty .....                                | 51 |
| 7. Recommendation of Exemption of Excise Duty .....                                | 53 |
| 7.1. Submission of an Estimated Cost Structure.....                                | 53 |
| 7.1.1. Issue the Assessment Letter .....                                           | 53 |
| 7.2. Inspection & Supervision of Automobile Manufacturing/Assembling Process ..... | 56 |
| 7.2.1. Inspection .....                                                            | 56 |
| 7.2.2. Supervision .....                                                           | 58 |
| 7.3. Inspection of Component Manufacturers.....                                    | 59 |
| 7.3.1. Inspection .....                                                            | 59 |
| 7.4. Submission of Actual Cost Structure.....                                      | 60 |
| 7.4.1. DVA Calculation .....                                                       | 60 |
| 7.5. CAC Meeting .....                                                             | 61 |
| 7.5.1. Decision Making on DVA .....                                                | 61 |
| 7.6. Excise Duty Exemption.....                                                    | 62 |
| 7.6.1. Excise Duty Exemption.....                                                  | 62 |
| Annexes 1 .....                                                                    | 63 |
| Annexes 2 .....                                                                    | 75 |
| Annexes 3 .....                                                                    | 84 |
| Annexes 4 .....                                                                    | 89 |
| Annexes 5 .....                                                                    | 91 |
| Annexes 6 .....                                                                    | 93 |
| Annexes 7 .....                                                                    | 96 |
| Annexes 8 .....                                                                    | 98 |



## List of Tables

|                                                                                                                                  |    |
|----------------------------------------------------------------------------------------------------------------------------------|----|
| Table 1: Ex-Factory Value / Manufacturing Cost .....                                                                             | 9  |
| Table 2: The XID Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles .....                     | 12 |
| Table 3: The XID Matrix for Motorcycles and Electric Three wheelers.....                                                         | 15 |
| Table 4: Submit a Concept Proposal.....                                                                                          | 21 |
| Table 5: Garage.....                                                                                                             | 24 |
| Table 6: Prototype Vehicle Registration.....                                                                                     | 26 |
| Table 7: Project Registration at BOI .....                                                                                       | 28 |
| Table 8: Registration at Excise (Special Provision) Division .....                                                               | 29 |
| Table 9: Industry Registration Automobile Manufacturing/Assembling Industry & Automobile Components Manufacturing Industry ..... | 32 |
| Table 10: Scheme of Domestic Value Addition .....                                                                                | 33 |
| Table 11: Obtain Manufacturing Bond Facility .....                                                                               | 37 |
| Table 12: Import Components for Assembling CBU's with DVA .....                                                                  | 38 |
| Table 13: Imports Licenses .....                                                                                                 | 40 |
| Table 14: Prepare Test Manuals and Guidelines .....                                                                              | 43 |
| Table 15: Conformity Assessment Bodies (CAB) .....                                                                               | 44 |
| Table 16: Tests.....                                                                                                             | 46 |
| Table 17: Certificate of Roadworthiness .....                                                                                    | 46 |
| Table 18: Tests.....                                                                                                             | 47 |
| Table 19: Evaluation.....                                                                                                        | 48 |
| Table 20: Exportation of CBU's/SKD's/CKD's .....                                                                                 | 50 |
| Table 21: Issue the Assessment Letter .....                                                                                      | 55 |
| Table 22: Inspection.....                                                                                                        | 57 |
| Table 23: Supervision .....                                                                                                      | 58 |
| Table 24: Inspection.....                                                                                                        | 59 |
| Table 25: DVA Calculation .....                                                                                                  | 61 |
| Table 26: Decision Making on DVA.....                                                                                            | 61 |
| Table 27: Excise Duty Exemption .....                                                                                            | 62 |



## List of Figures

|                                                            |    |
|------------------------------------------------------------|----|
| Figure 1: Approval for Vehicle Model and XID Rate .....    | 18 |
| Figure 2: Registration .....                               | 23 |
| Figure 3: Importation of Components .....                  | 35 |
| Figure 4: Standardization .....                            | 42 |
| Figure 5: Recommendation of Exemption of Excise Duty ..... | 52 |



## ABBREVIATIONS

|         |                                            |       |                                           |
|---------|--------------------------------------------|-------|-------------------------------------------|
| AEB     | Atomic Energy Board                        | DFP   | Department of Fiscal Policy               |
| AETI    | Automobile Engineering Training Institute  | DGC   | Director General of Customs               |
| ARAI    | Automobile Research Association of India   | DGF   | Department of Government Factory          |
| ASYCUDA | Automated System for Customs Data          | DIEC  | Department of Import & Export Control     |
| BOI     | Board of Investment                        | DMT   | Department of Motor Traffic               |
| BOIA    | Board of Investment Act No. 4 of 1978      | DOC   | Department of Commerce                    |
| BOM     | Bill of Material                           | DROC  | Department of Registrar of Companies      |
| BV      | Bureau Veritas                             | DS II | Development Sector II                     |
| CAB     | Conformity Assessment Bodies               | DTIP  | Department of Trade and Investment Policy |
| CAC     | Cabinet Appointed Committee                | DVA   | Domestic Value Addition                   |
| CAD     | Computer Added Design                      | ED    | Excise (Special Provision) Division       |
| CAE     | Computer Added Engineering                 | EDB   | Export Development Board                  |
| CBU     | Completely Built Unit                      | EPF   | Employees' Provident Fund                 |
| CEA     | Central Environmental Authority            | EPL   | Environmental Protection License          |
| CG      | Commissioner General                       | ETF   | Employees' Trust Fund                     |
| CGTTI   | Ceylon-German Technical Training Institute | GARC  | Global Automotive Research Centre         |
| CIF     | Cost, Insurance and Freight                | IATF  | International Automotive Task Force       |



|          |                                                     |       |                                              |
|----------|-----------------------------------------------------|-------|----------------------------------------------|
| CKD      | Completely Knock Down                               | IECA  | Imports & Exports (Control) Act No 1 of 1969 |
| IPA      | Industrial Promotion Act No 46 of 1990              | NIC   | National Identity Card                       |
| IRD      | Inland Revenue Department                           | NIPO  | National Intellectual Property Office        |
| IDB      | Industrial Development Board                        | NPD   | National Planning Department                 |
| IRDiv    | Industrial Registration Division                    | OEM   | Original Equipment Manufacturer              |
| ISD      | Industry & Services Division                        | PAL   | Port & Airport Levy                          |
| ISIC     | International Standard of Industrial Classification | PDD   | Policy Development Division                  |
| ISO      | International Organization for Standardization      | PEA   | Provincial Environmental Authority           |
| ITD      | Information Technology Division                     | RISC  | Revenue Protection Order                     |
| ITI      | Industrial Technology Institute                     | RPO   | Revenue Protection Order                     |
| JV       | Joint Venture                                       | SKD   | Semi Knock Down                              |
| LKR      | Sri Lankan Rupee                                    | SLAB  | Sri Lanka Accreditation Board                |
| MI       | Ministry of Industries                              | SLC   | Sri Lanka Customs                            |
| MO Trade | Ministry of Trade                                   | SLSI  | Sri Lanka Standard Institute                 |
| MOF      | Ministry of Finance                                 | SOP   | Standard Operating Procedure                 |
| MOT      | Ministry of Transport                               | SWIAC | Single Window Investment Approval Committee  |
| MST      | Ministry of Science, Technology & Research          | TIEP  | Temporary Import for Export Processing       |
| MTA      | Motor Traffic Act No. 14 of 1951 with Amendments    |       |                                              |



|      |                                               |
|------|-----------------------------------------------|
| MUD  | Material Utilization Declaration              |
| NERD | National Engineering Research and Development |
| UOM  | University of Moratuwa                        |
| UOP  | Units of Production                           |
| USD  | United States Dollars                         |

|     |                                  |
|-----|----------------------------------|
| TIN | Taxpayer Identification Number   |
| TOR | Terms Of Reference               |
| VAT | Value Added Tax                  |
| VET | Vehicle Emission Testing program |
| XID | Excise Duty                      |



# 1. Introduction



## **1. Introduction**

### **1.1 Objective**

The automobile industry in Sri Lanka comprises of a fairly developed component manufacturing industry and an automobile manufacturing/assembly industry, which is still at the basic level of development. However, due to the high development potential that the component industry indicates, both as a caterer to the domestic market as well as an export income earner, by entering into global, regional, sub-regional value chains, it is vital that the sector should be provided with the opportunity to expand itself in the domestic market at the first stage. In order to achieve this objective, there should be a substantial level of investment in the domestically value-added automobile manufacturing/assembly industry, which could create the demand required by the components manufacturing industry to become competitive in the export market.

This effort to formulate a Standard Operating Procedures (SOP) for the domestically value-added automobile industry, as a guideline to both the automobile manufacturing/assembly and components manufacturing industries. This SOP includes all regulations, procedures and requirements related to different aspects of the industry, from the registration of an industry to the safety & quality standards applicable to the same.

The SOP is subjected to be revised periodically in every five years.

### **1.2 Definitions**

#### **1.2.1 Assembler**

Assembler means an entity engaged in business registered under DMT for assembling motor vehicles conform to the provisions of the Motor Traffic Act and regulations made under the said Act. If it's a Joint Venture (JV) with an overseas Partner company, the shares of the Overseas Party should not exceed 49 % to facilitate technical collaboration with the Domestic Shareholder.

##### **1.2.1.1 Small-Scale Assembler**

Monthly Production less than or equal to 25 CBUs

##### **1.2.1.2 Medium-Scale Assembler**

Monthly Production more than 25 CBUs and less than or equal to 100 CBUs

##### **1.2.1.3 Large Scale Assembler**

Monthly Production more than 100 CBUs



### 1.2.2 Bill of Materials (BOM)

Detail cost break down of imported components including CIF value, licenses fee, duties & levies and detail cost break down of domestically manufactured/purchased components & taxes. It should be specific and unique to a vehicle model.

### 1.2.3 Cabinet Appointed Committee on LVA Determination (CAC)

(Cabinet decision dated 27.08.2008 on Cabinet Memorandum No. 08/1537/357/028 dated 15.08.2008)

#### 1.2.3.1 Members of the CAC

- |                                                                                 |            |
|---------------------------------------------------------------------------------|------------|
| • Secretary in charge of the Subject of Industries                              | - Chairman |
| • Secretary, Ministry of Transport or Representative                            | - Member   |
| • Director General, Department of Trade and Investment Policy or Representative | - Member   |
| • Director General, Department of Fiscal Policy or Representative               | - Member   |
| • Commissioner General, Department of Motor Traffic or Representative           | - Member   |
| • Director General, Department of Customs or Representative                     | - Member   |
| • Controller General, Department of Import & Export Control or Representative   | - Member   |
| • Chairman, Board of Investment of Sri Lanka or Representative                  | - Member   |
| • Principal, Ceylon German Technical Training Institute or Representative       | - Member   |
| • Head of the Department, Department of Mechanical Engineering,                 | - Member   |
| • University of Moratuwa or Representative                                      | - Member   |
| • Chairman, Industrial Development Board                                        | - Member   |

(Based on the Cabinet decision dated 11.01.2021 on Cabinet Memorandum No. 20/2056/320/012-I and dated 16.12.2020)

When a representative is nominated to represent an organization in place of the head of such organization, the nominated representative should be at the level of Deputy head of the organization but not less than the level of a Director or a subject related key person



of such organization and the designated members of the CAC should not be allowed to send their representative.

**Note:** Title of the Ministries has been changed time to time

#### **1.2.3.2 Responsibilities of CAC**

- Recommending DVA
- Recommending XID
- Evaluating Concept papers of Innovators
- Identify the vehicle types/categories, models & variants for XID concession
- Engage matters connected therewith or incidental

#### **1.2.4 CBU (Completely Built Unit)**

Completely Built Unit an automobile with type approval certificate from an internationally recognized institute is imported / exported to / from some other country as a complete automobile which does not require an assembling process before it can be sold out to the buyers in the destination country.

#### **1.2.5 CKD (Completely Knocked Down)**

Completely Knocked Down automobile with type approval certificate from an internationally recognized institute with Vehicle Identification Number (VIN) is one, which is imported or exported only in new parts of single model certificated by the manufacturer and not as CBU.

##### **1.2.5.1 Engine or Motor:**

Engine or Motor, Starter, Motor and other accessories & Alternator should remain in separated condition. (Not fitted with one another).

##### **1.2.5.2 Transmission:**

- (a). Gearbox should be separated from the Engine; Clutch Plate & Pressure Plate should remain in separated condition. In case of Automatic Transmission, Fluid Coupling & Torque Converter shall be separate from the Engine.
- (b). Differential shall be separated from assembly Chassis or Frame.
- (c). In case of front wheel drive, Front Axle may be in assembled condition.



#### **1.2.5.3 Chassis or Frame:**

Chassis or Frame with Vehicle Identification Number shall contain long members and cross members only or integrated body with the monocoque or semi monocoque those having Vehicle Identification Number and should not be fitted with any other component.

#### **1.2.5.4 Suspension:**

- (a). Front and Rear Spring Assemblies should remain in separated condition.
- (b). Shock Absorber should remain in separated condition.

#### **1.2.5.5 Cooling System:**

- (a). Radiator Assembly, Hose, Pipe and Out fittings should be separated (Not connected with each other)
- (b). Silencer & Exhaust Pipe should remain in separated condition.

#### **1.2.5.6 Wheels:**

Tyre, Tube, Rim and Flanges shall completely be separated.

#### **1.2.5.7 Propeller Shaft:**

Propeller shaft assemblies should remain in separated condition.

#### **1.2.5.8 Brake:**

- (a). Brake may remain in assembled condition with Master Cylinder & Wheel Cylinder & other components should remain in sub-assembled condition.
- (b). Brake related pipes and other parts should remain in separated condition.

#### **1.2.5.9 Bracket Mounting:**

All kinds of Bracket Mountings should remain in separated condition.

#### **1.2.5.10 Controls:**

Accelerator, Brake-Clutch Control Accessories should remain in separated condition.

#### **1.2.5.11 Fuel / Energy Supply:**

Fuel Tank/ Batteries and Fuel/Energy Lines should remain in separated condition.



#### **1.2.5.12 Steering:**

Steering Gear Box, Shaft, Steering Wheel, Column, Linkage etc., will remain in sub-assembled condition.

#### **1.2.5.13 Electricity:**

Battery, Lights, Switches, and Meter Board Assembly should remain in separated condition.

#### **1.2.5.14 Body:**

Different parts of Cabin, Viz, Roof Floor, Side, Back & Front, Bonnet, Fenders, Doors, Driver's Seat etc., shall be in disjointed condition.

#### **1.2.5.15 Front Axle & Rear Axle:**

Front Axle & Rear Axle Wheel Drum may be in assembled condition.

#### **1.2.5.16 Others:**

Other related accessories required for assembling of this vehicle must pack separately.

### **1.2.6 Component Manufacturers**

Component manufacturers means an entity engaged in business of manufacturing vehicle components approved by the Commissioner General of Motor Traffic which conform to the Motor Traffic Act and regulation made under the same Act required to business of assembling / repairing motor vehicle. This entity should be registered as an industry at the MI and IDB.

### **1.2.7 Excise Tax Officer**

The same definition as in Excise (Special Provisions) Act No. 13 of the 1989.

### **1.2.8 Fossil Fuel**

A natural fuel such as coal or gas, formed in the geological past from the remains of living organisms.

### **1.2.9 Green Energy**

Green energy comes from natural sources such as sunlight, wind, rain, tides, plants, algae and geothermal heat. These energy resources are renewable, meaning they're naturally replenished.



### **1.2.10 Inspection Team**

Trained Officials of (MI, DMT, CGTTI, and UOM) to do inspection of assembly/manufacturing process of Automobile and Automobile Component Industries. The team conducts random and periodical inspections when instructed by Secretary, MI.

### **1.2.11 Motor Vehicles (Automobiles)**

The same definition as in Motor Traffic (Amendment) Act, No. 14 of 1951 with Amendments

### **1.2.12 Prototype Vehicle**

Vehicle made to display new styling and/or new technology. Also known for as Concept Vehicle or Show Vehicle approval by the Commissioner General of Motor Traffic which conforms to the Motor Traffic Act and to the regulation made under the said act.

### **1.2.13 Raw Materials**

Virgin or Processed tangible common combined substances /elements / base materials available in the local market or imported can be utilized to manufacture Parts/Components. The Materials should be inspected along with the certificate of the country of origin, batch details and that should be certified by the IDB and the Inspection Team as well.

### **1.2.14 Parts and Components**

#### **1.2.14.1 Automobile Part**

An item that is demountable and identifiable as a part of a system and should be clearly placed in the BOM as part of the main Assembly or a Sub Assembly process with a clear functionality. A Part may be constructed by an assembly of many Components or as a singular Component, which could be packaged and sold to consumer as a Spare Part.

#### **1.2.14.2 Automobile Component**

A component is a singular item that is used to construct a part and that is not sold as a spare part or as a separate commodity to the consumer. The fabrication or the construction of a Component is regarded as production/manufacturing, which entails a HS code transformation from raw material to Manufactured Component.



#### **1.2.14.3. Locally Built Part/ Component**

An item that is Assembled/Produced in a Sri Lankan facility utilizing Virgin or similar Base Materials, Sub Components available in the Local Market/Imported subject to the evaluation of six-digit transformation of HS codes.

Semi-finished /Semi-processed Components used for the Assembly of Parts will **not** be considered as Locally/Domestically Value-Added Parts (considered as Imported). If the Imported Components are found, the percentage of the value of the said Component will be reduced in line with the BOM of the Part/Item.

Percentage and the applicability of the DVA of Components to be certified by the IDB & the Inspection Team.

If the submitted DVA calculation is not accepted by the relevant Authorities, the Component Manufacturer/ the Assembler, should furnish a formal request along with a Technical Report and sufficient evidence against the calculation to the CAC and the Inspection Team.

#### **1.2.15 SKD (Semi Knocked Down)**

Units those are imported / exported in sets of new parts of a single model vehicle with type approval certificate from an internationally recognized institute which certified by the manufacturer that have been partly assembled and which are further assembled as a CBU using imported and domestically manufactured components.

#### **1.2.16 Technical Drawings**

Drawings of vehicle model or prototype

#### **1.2.17 Vehicle Model**

The represents the product make of a vehicle

#### **1.2.18 Vehicle Variant**

Different type of specifications / versions of the same model

#### **1.2.19 XID (Excise Duty) rate**

##### **1.2.19.1 Provisional XID rate**

Recommended Excise Duty rate by the CAC to the Ministry of Finance.



### 1.2.19.2 Approved XID rate

Rate of Excise Duty payable approved as per the power vested by Hon. Minister in charge of subject of Finance under Excise (Special Provision) Act, No. 13 of 1989. Accordingly, the approved XID rate is the rate specified in the Gazette Notification issued under above Act with the approval of Parliament.

### 1.3 Ex-Factory Value / Manufacturing Cost (per unit)

| Variables                                                                        | Value in LKR |
|----------------------------------------------------------------------------------|--------------|
| 1.3.1. Cost of Imported Components (CIF Value)                                   |              |
| 1.3.1.1. License Fee, Duties and Levies paid *                                   |              |
| 1.3.2. Cost of Domestically Manufactured Components                              |              |
| 1.3.2.1. Taxes Paid                                                              |              |
| 1.3.3. Direct Labour Cost (All-inclusive such as Salaries, Allowances)<br>**     |              |
| 1.3.4. Overheads (Maximum total percentage is 7.5% of the Ex- factory Value) *** |              |
| <b>Ex-Factory Value / Manufacturing Cost</b>                                     |              |

Table 1: Ex-Factory Value / Manufacturing Cost

\*Assemblers who function under the Manufacture in Bond (MIB) facility will be exempted from Custom Import Duties.

#### \*\*Direct Labor Cost

Salaries, Wages/Allowances of permanent /temporary staff working directly with the production line.

#### \*\*\*Overheads

All indirect cost incurred during the production process. The cost may include in the Overheads could be categorized as follows;

- Depreciation on Equipment used in the Production process
- Rent on the Factory building



- Salaries of Maintenance Personnel
- Salaries of Manufacturing & Quality Control Managerial Staff & Associated Staff
- Bank Interest
- Utilities for the Factory

#### 1.4 Sales Price (per unit)

$$\text{Sales Price} = \text{Ex-Factory Value} + \text{Profit Margin} + \text{XID payable}$$

#### 1.5. Level of DVA

$$\text{Level of DVA} = \text{Cost of Domestically Manufactured Components as a \% (percentage) of Ex-Factory value of Assembled Vehicle unit}$$

Level of DVA is the Cost of Domestically Manufactured Components as a Percentage of Ex-Factory value of assembled vehicle unit.

Cost of Domestically Manufactured Components will be calculated based on the invoice value of the Components provided by the Component Manufacturers. However, the actual market value of the Components will be verified through the proposed Automated Invoicing System with the initiation of IDB and UOM.

**The Cost of locally based raw materials, Direct Labor & Machinery Cost used for Domestically Manufactured Components shall not be less than 50% of the DVA subject to the evaluation of Six-digit transformation of HS codes.**



## 1.6 Applicable XID rate, based on the Level of DVA

### 1.6.1 The XID Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles





| XID PAYABLE BY ASSEMBLER / MANUFACTURER |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
|-----------------------------------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|----|----|----|------|------|
| No. of Years                            | 1    | 2   | 3   | 4   | 5   | 6   | 7   | 8   | 9   | 10  | 11 | 12 | 13 | 14 | 15   | 16   |
| Initial % of XID Payable                | 100% | 90% | 80% | 70% | 60% | 50% | 40% | 30% | 20% | 10% | 5% | 3% | 2% | 1% | 0.5% | 0.2% |
| Final % of XID Payable                  | 100% | 90% | 80% | 70% | 60% | 50% | 40% | 30% | 20% | 10% | 5% | 3% | 2% | 1% | 0.5% | 0.2% |
| <20                                     |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 20-24                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 25-29                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 30-34                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 35-39                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 40-44                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 45-49                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 50-54                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| 55-59                                   |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |
| >60                                     |      |     |     |     |     |     |     |     |     |     |    |    |    |    |      |      |

TO BE OBTAINED FROM  
MINISTRY OF INDUSTRIES

Table 2: The XID Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles

F- Fossil fuel      H- Hybrid      E- Electric



## **1.6.2. Conditions of Excise Duty Concession Matrix for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles**

**1.6.2.1.** Vehicle unit with DVA below 20% is not entitled for Excise Duty concession.

**1.6.2.2.** Assembler has 19 years Excise Duty Concession Quota for each model of vehicle (not for the Variants of a Model) assembled by the assembler and it is classified on the engine capacity/ and motor power kw etc. in line with the enacted Excise Duty gazette notification.

- i. The minimum tax rate shall not be less than 10% in any case.
- ii. Assembler is entitled for tax rate ranging from 30% to 10% in the first time slot, depending on the level of DVA of the vehicle in a particular range, model & technology assembled by the assembler.
- iii. If an assembler is unable to increase DVA level after completion of a time slot, the assembler has to pay increasing rate of percentage point over the tax rate paid in the previous time slot.
- iv. If an assembler falls to a lower DVA slab by dropping DVA level, the assembler has to pay higher percentage of XID rate.
- v. Assembler has to pay tax at increasing rate towards end of the quota.
- vi. The full duration of quota can be utilized who continuously increases DVA until it reaches 60%.
- vii. The tax rates applicable for vehicles driven hybrid or electric energy will be 2.5 percentage points and 5 percentage points less than vehicles driven with fossil fuel respectively with minimum rate of 10%.
- viii. The vehicle range will be decided on the engine capacity/ and motor power and the Model of the vehicle but not on the Variants of a Model.
- ix. This XID Matrix will be applicable only for four-wheel passenger vehicles, cargo vehicles and special purpose vehicles.
- x. Place existing Assemblers to the matrix from the effective date of the SOP without prejudice to any regulation or agreement previously entered into.



### 1.6.3. The XID Matrix for Motorcycles and Electric Three wheelers





| XID PAYABLE BY ASSEMBLER / MANUFACTURER                    |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
|------------------------------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| No of Years                                                | 2                                     | 3                                     | 4                                     | 5                                     | 6                                     | 7                                     | 8                                     | 9                                     | 10                                    | 11                                    | 12                                    | 13                                    | 14                                    | 15                                    | 16                                    |
| Level of R&D<br>% of XID<br>Payable for<br>first two years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years | % of XID<br>Payable for<br>next years |
| <25                                                        |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| 25-34                                                      |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| 35-44                                                      |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| 45-54                                                      |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| 55-64                                                      |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| 65-74                                                      |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |
| >75                                                        |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |                                       |

TO BE OBTAINED FROM  
MINISTRY OF INDUSTRIES

Table 3: The XID Matrix for Motorcycles and Electric Three wheelers

MC – Motorcycles ET - Electric Three wheelers



#### **1.6.4. Conditions of Excise Duty Concession Matrix for Motorcycles and Electric Three wheelers**

**1.6.4.1.** Vehicle unit with DVA below 25% is not entitled for Excise Duty concession.

**1.6.4.2.** Assembler has 16 years Excise Duty Concession Quota for each model of vehicle (not for the Variants of a Model) assembled by the assembler and it is classified on the engine capacity/ and motor power kw etc. in line with the enacted Excise Duty gazette notification.

- i. The minimum tax rate shall not be less than 15% in any case.
- ii. The year in which assembling a vehicle model under particular range is commenced by an assembler, will be considered as the first year of (stay time period of 1 years) the particular range of vehicles assembled by the assembler.
- iii. Assemblers of Motorcycles and Electric Three wheelers are entitled for tax rate ranging from 30% and 27.5% respectively to 15% in the first time slot, depending on the level of DVA of the vehicle.
- iv. If an assembler is unable to increase DVA level after completion of a time slot, the assembler has to pay increasing rate of percentage point over the tax rate paid in the previous time slot.
- v. Assembler has to pay tax at increasing rate towards end of the quota.
- vi. The full duration of quota can be utilized who continuously increases DVA until it reaches 75%.
- vii. This XID Matrix will be applicable only for Motorcycles and Electric Three wheelers.



## **2. Approval for Vehicle Model and XID Rate**

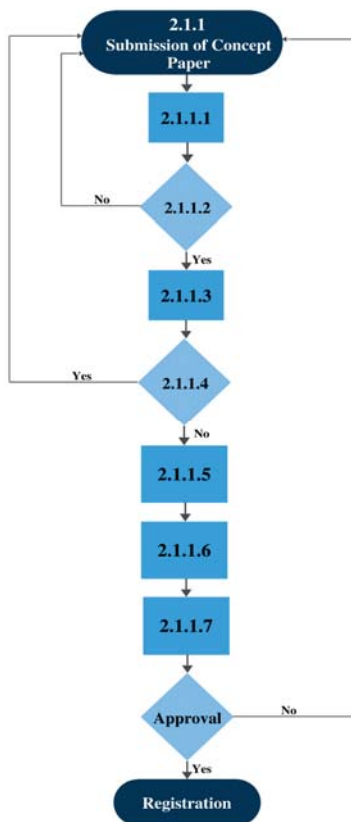


Figure 1: Approval for Vehicle Model and XID Rate



## 2. Approval for Vehicle Model and XID Rate

### 2.1. Automobile Assembler/Manufacturer

#### 2.1.1. Submit a Concept Proposal

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Definition</b>             | A proposal submitted to the CAC on newly introduced vehicle model by a domestic manufacturer/assembler for exposing an innovative orientation                                                                                                                                                                                                                                                                                                                                   |
| <b>Law/<br/>Regulation</b>    | Decisions / Directions of the Cabinet of Ministers, Motor Traffic Act & regulation made under the said Act, National Environmental Act No. 47 of 1980 and relevant amendments & circulars.                                                                                                                                                                                                                                                                                      |
| <b>Special<br/>Conditions</b> | <p>To be decided by the Ministries/Authorities concerned with the acceptance / rejection of the Concept Proposal.</p> <p>To be complied with the rules and regulations of CEA and/or PEA on disposal of environmentally hazardous components and processes.</p> <p>All technical drawings must be submitted for brand new innovative domestic designs. Automotive software such as CAD, CAE, Blender, &amp; etc. can be used for validating structural integrity of design.</p> |

|          | <b>Process</b>                                                                           | <b>Responsibility</b>                                                                                    | <b>Min.<br/>Duration<br/>Needed</b> | <b>Information to be<br/>published /<br/>provided</b>                                                                                                                                                                                                                     | <b>Remarks</b>                                                                                                                                                                                                              |
|----------|------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.1.1.1. | Presentation of overall /comprehensive concept Paper to relevant Ministries/Authorities. | Manufacturer/<br>Assembler<br><br>MOT<br><br>NIPO<br><br>CEA<br><br>PEA<br><br>DMT<br><br>CAC<br><br>IDB | -                                   | 1. Full details of final product<br>Every applicant for assembling of new model of vehicle should provide a BOM with a list of components, manufactured or locally sourced and a list of components to be imported with respective HS Codes.<br><br>2. Technical drawings | Inviting the innovative and differently oriented vehicle manufacturers/assemblers to submit a Concept Proposal for exposing their innovative orientation.<br><br>Commercial secrets are not disclosed and highly protected. |



|          |                                                              |                                              |        |                                                                                                                                                                                                                                                                            |                                                                                                     |
|----------|--------------------------------------------------------------|----------------------------------------------|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|          |                                                              |                                              |        | 3. Video/3D demonstrating of vehicle functions<br>4. Pictures of similar models<br>5. Unique /Special features<br>6. A list of Imported Components<br>7. A list of domestically manufactured components<br>8. Disposal Methodology of Environmentally Hazardous Components |                                                                                                     |
| 2.1.1.2. | Primary evaluation of Concept Paper                          | CAC, MOT, DMT, IDB                           | 1 week | Evaluation report                                                                                                                                                                                                                                                          | Concept Paper should be resubmitted to the CAC with required modifications if needed.               |
| 2.1.1.3. | Submission to the approved Testing Body for testing purposes | Manufacturer/Assembler<br>CAC, MOT, DMT, IDB | 1 week | Assemblers should submit safety certificates from internationally accredited product certification body for the specific model by the Principle Automotive manufacturer.                                                                                                   | <a href="#">Refers to 3.3.1.2</a>                                                                   |
| 2.1.1.4. | Rejection of Concept Paper                                   | CAC, MOT, DMT, IDB                           |        | 1. Resubmission of amended Concept Paper                                                                                                                                                                                                                                   | The Concept Paper will not be approved by the CAC due to the Unfeasibility, Unable to meet required |



|          |                                                                                                                                                                |     |         |  |                                                                                             |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|--|---------------------------------------------------------------------------------------------|
|          |                                                                                                                                                                |     |         |  | Environmental and Safety Standards with the disagreement of the majority committee members. |
| 2.1.1.5. | CAC recommend the estimated DVA and Provisional XID rate                                                                                                       | CAC | 1 week  |  | Provisional XID rate will be informed to the manufacturer/assembler                         |
| 2.1.1.6. | Submit a request to the Ministry of Finance for Approval of Provisional XID rate                                                                               | MI  | 3 Weeks |  |                                                                                             |
| 2.1.1.7. | Based on the decision of the Ministry of Finance, the Secretary/MI shall inform the manufacturer/assembler approved XID rate for relevant motor vehicle units. | MI  | 3 Days  |  | Will be informed other relevant authorities and agencies (SLC, DMT, IRD).                   |

Table 4: Submit a Concept Proposal



### **3. Registration**

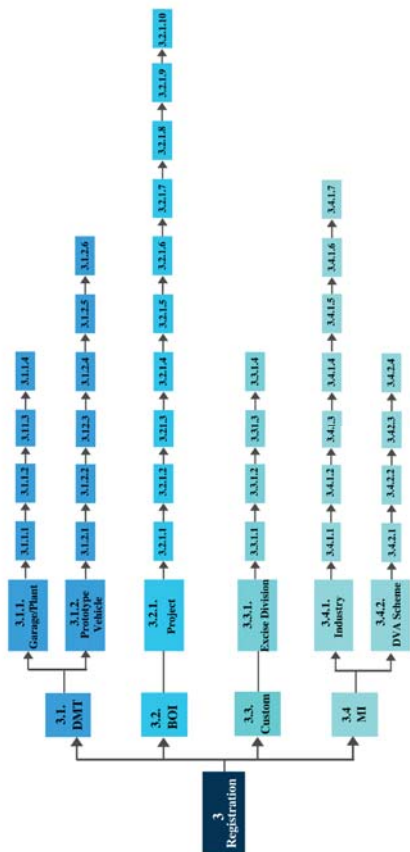


Figure 2: Registration



### 3. Registration

#### 3.1. Registration at DMT

##### 3.1.1. Garage (Factory/ Assembling Plant /Manufacturing Plant)

|                           |                                                   |                                                                                              |                             |                                                                                                                                                                                                                                                   |                                                                                              |
|---------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <b>Definition</b>         |                                                   | Registration process of Garage (Factory/Assembling Plant) at Department of Motor Traffic     |                             |                                                                                                                                                                                                                                                   |                                                                                              |
| <b>Law/ Regulation</b>    |                                                   | Section 42 of Motor Traffic Act & relevant amendments and regulations made from time to time |                             |                                                                                                                                                                                                                                                   |                                                                                              |
| <b>Special Conditions</b> |                                                   | Mandatory to register the garage at DMT in vehicle assembling                                |                             |                                                                                                                                                                                                                                                   |                                                                                              |
| <b>Process</b>            |                                                   | <b>Responsibility</b>                                                                        | <b>Min. Duration Needed</b> | <b>Information to be published / provided</b>                                                                                                                                                                                                     | <b>Remarks</b>                                                                               |
| 3.1.1.1.                  | Publish relevant information and Application form | MOT, DMT                                                                                     | -                           | 1. Relevant information including evaluation criteria<br>2. Garage Registration Application form                                                                                                                                                  | For more information<br><a href="http://www.motortraffic.gov.lk">www.motortraffic.gov.lk</a> |
| 3.1.1.2.                  | Submit the Application for Registration           | Applicant                                                                                    | -                           | 1. Duly filled Application for the registration of a garage.<br>2. MTA 23 form<br>3. Application for the issue of a trade permit for the year<br>4. VAT certificate.<br>5. Title deed of the land where the garage is located.<br>6. Trade permit |                                                                                              |
| 3.1.1.3.                  | Evaluation & Inspection                           | Applicant, DMT, IDB                                                                          | 3 days                      | 1. Inspection Report                                                                                                                                                                                                                              | Report to Commissioner General of DMT                                                        |
| 3.1.1.4.                  | Issue the Certificate of Garage Registration      | DMT                                                                                          | 1 day                       | 1. Certificate of Garage Registration                                                                                                                                                                                                             |                                                                                              |

Table 5: Garage



### 3.1.2. Prototype Vehicle Registration

| <b>Definition</b>         |                                                   | Registration process of the Prototype Vehicle before commencement of manufacturing process         |                      |                                                                                                                                                                                                                                                                                                                                                                     |                                                                                              |
|---------------------------|---------------------------------------------------|----------------------------------------------------------------------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <b>Law/ Regulation</b>    |                                                   | Relevant Provision of the Motor Traffic Act and regulations made from time to time under said Act. |                      |                                                                                                                                                                                                                                                                                                                                                                     |                                                                                              |
| <b>Special Conditions</b> |                                                   |                                                                                                    |                      |                                                                                                                                                                                                                                                                                                                                                                     |                                                                                              |
| Process                   |                                                   | Responsibility                                                                                     | Min. Duration Needed | Information to be published / provided                                                                                                                                                                                                                                                                                                                              | Remarks                                                                                      |
| 3.1.2.1.                  | Publish relevant information and Application form | DMT                                                                                                | -                    | 1. Relevant information including testing bodies<br>2. Prototype Application form                                                                                                                                                                                                                                                                                   | For more information<br><a href="http://www.motortraffic.gov.lk">www.motortraffic.gov.lk</a> |
| 3.1.2.2.                  | Submit the Application for Registration           | Applicant                                                                                          | -                    | 1. Duly filled Prototype Application form<br>2. Identity report obtained for the vehicle type submitted for prototype approval.<br>3. Registration certificate, weight certificate and photocopies of MTA 2 application of each vehicle of that type.<br>4. Catalogue relevant to the vehicle type.<br>5. Photocopy of the trade certificate obtained from the DMT. |                                                                                              |
| 3.1.2.3.                  | Inspection & Test Drive                           | DMT<br>IDB                                                                                         | 1 Day                | 1. Prototype Vehicle<br>2. Technical Drawings                                                                                                                                                                                                                                                                                                                       |                                                                                              |



|          |                                                          |                                      |         |                                                                                                                     |                                                                                                            |
|----------|----------------------------------------------------------|--------------------------------------|---------|---------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|
| 3.1.2.4. | Tests                                                    | DMT, ITI, NERD, CGTTI, UOM, AEB, IDB | 3 Weeks | 1. Testing Criteria<br>2. Test Reports<br>3. Emission Reports<br>4. Certificate of Roadworthiness<br>(Refers 5.2.2) | Refers to <a href="#">5.2</a> and <a href="#">5.3</a><br>Submit Reports to the Commissioner General of DMT |
| 3.1.2.5. | Issuing an On-Test Certificate / Conformity of Prototype | DMT                                  | 1 Day   | 1. Certificate                                                                                                      | Approved by the Commissioner General of DMT                                                                |
| 3.1.2.6. | Engrave the Chassis No                                   | DMT (Type approval certificate), DGF | 1 Day   | Letter issued by CG/DMT                                                                                             |                                                                                                            |

Table 6: Prototype Vehicle Registration



## 3.2. Registration at BOI

### 3.2.1. Project Registration at BOI

|                               |                                                                                                                                          |                                                   |                                     |                                                        |                                                                                                                                  |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------|--------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| <b>Definition</b>             | The approval process of an Investment Project                                                                                            |                                                   |                                     |                                                        |                                                                                                                                  |
| <b>Law/<br/>Regulation</b>    | Board of Investment Act No. 4 of 1978 (BOIA)                                                                                             |                                                   |                                     |                                                        |                                                                                                                                  |
| <b>Special<br/>Conditions</b> | Under Section 16 of BOIA (Min. Investment 250,000 USD), No Concessions<br>Under Section 17 of BOIA (Min. 5 Million USD) with Concessions |                                                   |                                     |                                                        |                                                                                                                                  |
|                               | <b>Process</b>                                                                                                                           | <b>Responsibility</b>                             | <b>Min.<br/>Duration<br/>Needed</b> | <b>Information to<br/>be published /<br/>provided</b>  | <b>Remarks</b>                                                                                                                   |
| 3.2.1.1.                      | Publish relevant information and Application form                                                                                        | BOI                                               | -                                   | 1. Relevant information<br>2. Application form         | Available on the <a href="http://www.boi.lk">www.boi.lk</a> / <a href="http://www.investsrilanka.com">www.investsrilanka.com</a> |
| 3.2.1.2.                      | Submit the Application with the Investment Project Proposal                                                                              | Investor                                          | -                                   | 1. Duly Filled Application form<br>2. Project Proposal |                                                                                                                                  |
| 3.2.1.3.                      | Initial Evaluation of the Application                                                                                                    | BOI - Screening Committee                         | 1 week                              |                                                        | Forward to SWIAC                                                                                                                 |
| 3.2.1.4.                      | Detail Evaluation & Interviewing                                                                                                         | BOI - Single Window Investment Approval Committee | 1 day                               |                                                        |                                                                                                                                  |
| 3.2.1.5.                      | Field Inspection                                                                                                                         | Environment Division - BOI                        | 1 day                               |                                                        | Bidding Process for BOI Zonal Lands                                                                                              |
| 3.2.1.6.                      | Project Approval subject to the Inspection Report                                                                                        | BOI                                               | 1 day                               | Inspection report                                      |                                                                                                                                  |
| 3.2.1.7.                      | Site Approval                                                                                                                            | BOI                                               | 1 day                               | Project Approval                                       |                                                                                                                                  |



|           |                                                                                                         |               |        |                                                |                                                                                                 |
|-----------|---------------------------------------------------------------------------------------------------------|---------------|--------|------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 3.2.1.8.  | Incorporate company at Department of Company Registrar as a Private Limited Liability Company.          | DROC          | 1 week |                                                | For more information <a href="http://www.drc.gov.lk/">http://www.drc.gov.lk/</a>                |
| 3.2.1.9.  | Signing an agreement with the BOI                                                                       | Investor, BOI | 1 day  | BOI Agreement                                  | Commencement of the Manufacturing, (Sign an agreement is not necessary for Section 16 projects) |
| 3.2.1.10. | Obtain Tax Payer Identification Number (TIN) and VAT Registration number from Inland Revenue Department | IRD           | 1 day  | TIN Registration Form<br>VAT Registration Form | For more information <a href="http://www.ird.gov.lk">www.ird.gov.lk</a>                         |

Table 7: Project Registration at BOI



### 3.3. Registration at Sri Lanka Customs

#### 3.3.1. Registration at Excise (Special Provision) Division

| <b>Definition</b>             | The registration process at Excise (SP) Division of Sri Lanka Customs |                           |                            |                                                                    |                             |
|-------------------------------|-----------------------------------------------------------------------|---------------------------|----------------------------|--------------------------------------------------------------------|-----------------------------|
| <b>Law/<br/>Regulation</b>    | Excise (Special Provision) Act No. 13 of 1989                         |                           |                            |                                                                    |                             |
| <b>Special<br/>Conditions</b> |                                                                       |                           |                            |                                                                    |                             |
| Process                       |                                                                       | Responsibility            | Min.<br>Duration<br>Needed | Information to be<br>published / provided                          | Remarks                     |
| 3.3.1.1.                      | Publish relevant<br>information and<br>Application form               | Excise (SP)<br>Div. - SLC | -                          | Application Form<br>Other details                                  |                             |
| 3.3.1.2.                      | Submit the<br>Application for<br>Registration                         | Applicant                 | -                          | Duly Filled<br>Application Form<br>and other required<br>documents |                             |
| 3.3.1.3.                      | Evaluation &<br>Inspection                                            | Excise (SP)<br>Div. - SLC | 2 Weeks                    | Report                                                             | Report to DG/<br>Excise Tax |
| 3.3.1.4.                      | Issue the Excise<br>Tax Registration<br>Certificate                   | Excise (SP)<br>Div. - SLC | 1 Day                      |                                                                    |                             |

Table 8: Registration at Excise (Special Provision) Division



### 3.4. Registration at MI and IDB (Registration at IDB is required with respect to Automobile Components Manufacturing Industry)

#### 3.4.1. Industry Registration Automobile Manufacturing/Assembling Industry & Automobile Components Manufacturing Industry

| <b>Definition</b>         |                                                     | Registration process of industries at Ministry of Industry                                                                                                  |                      |                                                                                                                                                      |                                                                                                                                                                                                                                                                        |
|---------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Law/ Regulation</b>    |                                                     | Industrial Promotion Act No 46 of 1990, Sri Lanka Companies Act No7 of 2007, National Environmental Act No. 47 of 1980 and relevant amendments & circulars. |                      |                                                                                                                                                      |                                                                                                                                                                                                                                                                        |
| <b>Special Conditions</b> |                                                     | Mandatory to register the industry to get the concessions and other assistances                                                                             |                      |                                                                                                                                                      |                                                                                                                                                                                                                                                                        |
| Process                   |                                                     | Responsibility                                                                                                                                              | Min. Duration Needed | Information to be published / provided                                                                                                               | Remarks                                                                                                                                                                                                                                                                |
| 3.4.1.1.                  | Publish relevant information and Application form   | MI<br>IDB<br>DMT                                                                                                                                            | -                    | 1. Relevant information<br>2. Application form (112/R)                                                                                               | updated version of Forms & other details are available<br><br>1. On the <a href="http://www.industry.gov.lk">www.industry.gov.lk</a><br>(Main Activities > Industry registration)<br>2. At the Industrial Registration Division, MI<br>3. At RISC Offices (Provincial) |
| 3.4.1.2.                  | Submit the Application for Registration to MI & IDB | Applicant                                                                                                                                                   | -                    | 1. Duly Completed Application (112/R)<br>2. Company Registration<br>3. Memorandum of Article of Association<br>4. Form 48 or 20 (Directors' Details) |                                                                                                                                                                                                                                                                        |



|  |  |  |  |                                                                                                                     |  |
|--|--|--|--|---------------------------------------------------------------------------------------------------------------------|--|
|  |  |  |  | 5. EPL                                                                                                              |  |
|  |  |  |  | 6. Latest Financial Reports                                                                                         |  |
|  |  |  |  | 7. Copy of Deed or Lease Agreement                                                                                  |  |
|  |  |  |  | 8. National Identity Card / Passport<br>Copies of Directors/<br>Partners                                            |  |
|  |  |  |  | 9. Manufacturing / Assembling Process<br>Flow Chart                                                                 |  |
|  |  |  |  | 10. Machinery List                                                                                                  |  |
|  |  |  |  | 11. Copy of EPF & ETF registration                                                                                  |  |
|  |  |  |  | 12. Labour Force details                                                                                            |  |
|  |  |  |  | 13. EDB registration (If any)                                                                                       |  |
|  |  |  |  | 14. DMT Approvals (If any)                                                                                          |  |
|  |  |  |  | 15. Contract Agreement Signed between Assembler and Supplier with Time Frame / Warranty Period / Pricing Conditions |  |
|  |  |  |  | 16. Certifications Obtained for Product or Process                                                                  |  |
|  |  |  |  | 17. Technical Collaboration / Overseas Joint Venture Details                                                        |  |
|  |  |  |  | 18. Imported Items Material List                                                                                    |  |
|  |  |  |  | 19. Previous Production Plans / Or Current Production Plan given by                                                 |  |



|          |                                                                        |                                                  |        |                                                                               |                                                                                                                    |
|----------|------------------------------------------------------------------------|--------------------------------------------------|--------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|
|          |                                                                        |                                                  |        | Manufacturer/Assembler<br>20. VAT Registration<br>21. Income Tax Registration |                                                                                                                    |
| 3.4.1.3. | Primary Evaluation of the Application                                  | IRDiv – MI<br>IDB                                | 2 days |                                                                               | Request for Inspection                                                                                             |
| 3.4.1.4. | Industrial Inspection & Inspection Report                              | Applicant<br>IRDiv – MI<br>IDB<br>RISC<br>DS II. | 1 Week |                                                                               | Submit the Inspection Report to Industrial Registrar / Registrar of Industries                                     |
| 3.4.1.5. | Enter details into Industrial Registry System and get the ISIC code    | ITDiv – MI<br>IDB                                | 1 Hour | Completed Documents with the Inspection Report                                | Basic details of registered Industry can be viewed on <a href="http://www.industry.gov.lk">www.industry.gov.lk</a> |
| 3.4.1.6. | Issuing the Industrial Registration Certificate with the Unique Number | IRDiv – MI<br>IDB                                | 1 Week | Industrial Registration Certificate                                           | Cost – Free of Charge                                                                                              |

Table 9: Industry Registration Automobile Manufacturing/Assembling Industry & Automobile Components Manufacturing Industry



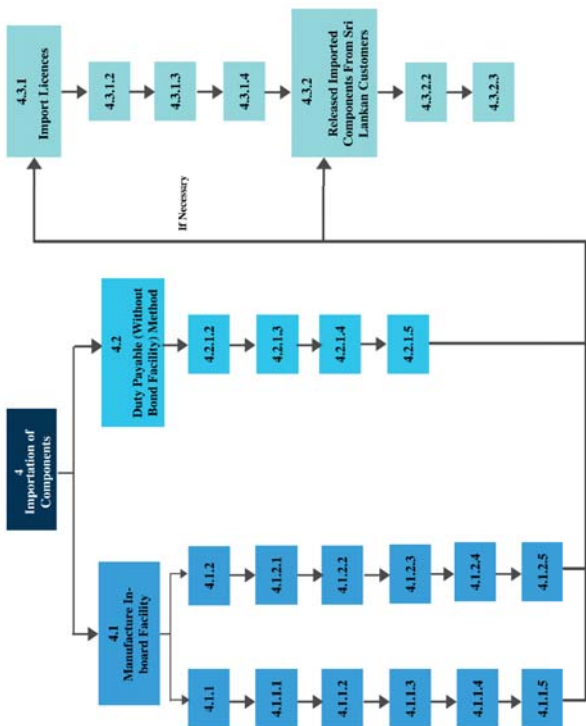
### 3.4.2. Scheme of Domestic Value Addition

| <b>Definition</b>             | The registration process of Domestic Value Addition Scheme at the MI                              |                |                            |                                                   |         |
|-------------------------------|---------------------------------------------------------------------------------------------------|----------------|----------------------------|---------------------------------------------------|---------|
| <b>Law/<br/>Regulation</b>    | Decisions / Directions of the Cabinet of Ministers                                                |                |                            |                                                   |         |
| <b>Special<br/>Conditions</b> | Registration is valid from the date that CAC decided to register as the assembler or manufacturer |                |                            |                                                   |         |
| Process                       |                                                                                                   | Responsibility | Min.<br>Duration<br>Needed | Information to be<br>published / provided         | Remarks |
| 3.4.2.1.                      | Publish relevant information and Application form                                                 | MI             | -                          | Application Form                                  |         |
| 3.4.2.2.                      | Submit the Application for Registration                                                           | Applicant      | -                          | Duly Filled Application                           |         |
| 3.4.2.3.                      | Evaluation                                                                                        | MI, IDB        | 1 Day                      | Inspection report & Approved Concept Proposal     |         |
| 3.4.2.4.                      | Entry on the Register                                                                             | MI             | 1 Day                      | Payment Receipts<br>Extract of the Registry Entry |         |

Table 10: Scheme of Domestic Value Addition



## **4. Importation of Components**



Ministry of Industries



## 4. Importation of Components

### 4.1. Manufacture-In-Bond Facility

#### 4.1.1. Obtain Manufacturing Bond Facility

| <b>Definition</b>         |                                                         | Importation of components for assembling process to build CBUs with DVA                               |                      |                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                            |
|---------------------------|---------------------------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Law/Regulation</b>     |                                                         | Excise (Special Provisions) Act No. 13 of the 1989 & Section 69 and 84 a (3) of the Customs Ordinance |                      |                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                            |
| <b>Special Conditions</b> |                                                         | All duties and levies are exempted on imported components. Allow to import brand new components only. |                      |                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                            |
| Process                   |                                                         | Responsibility                                                                                        | Min. Duration Needed | Information to be published / provided                                                                                                                                                                                                                                                                               | Remarks                                                                                                                                                    |
| 4.1.1.1.                  | Publish relevant information and Application form       | Industries and Services Division - SLC, MOF                                                           | -                    | 1. Relevant information<br>2. Application form (Section 69 of the Customs Ordinance)                                                                                                                                                                                                                                 | <a href="http://www.customs.gov.lk">www.customs.gov.lk</a>                                                                                                 |
| 4.1.1.2.                  | Submit the Application for Manufacture-In-Bond Facility | Applicant                                                                                             | -                    | 1. Proposed Project Report<br>2. Duly filled application form<br>3. BRC & Memorandum of Articles (Form 48)<br>4. VAT Registration<br>5. Deed/ Lease Agreement (minimum validity period should be two years)<br>6. Director's Profile<br>7. Company Profile<br>8. Audited Financial Statement for the last five years | Need a separate Bank Guarantee and/or a Corporate Guarantee<br>Excise Duty payable as required by DG Customs for the importation of automobile components. |



|          |                                                             |                                                        |        |                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |
|----------|-------------------------------------------------------------|--------------------------------------------------------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
|          |                                                             |                                                        |        | 9. CCTV Surveillance System<br>10. Building & Site Plan (by Local Authority)<br>11. Insurance Policy (for building & Goods)<br>12. Electrical Installation Certificate (by Electrical Engineer)<br>13. Line Ministry/ Dept. Approval (if necessary)<br>14. Boundary Wall, Wire mesh, ceiling with one door<br>15. 24-hour security<br>16. Easy Accessibility for heavy vehicles |                                                                     |
| 4.1.1.3. | Inspection & Report                                         | Applicant, Industries and Services Division – SLC, MOF | 1 Week |                                                                                                                                                                                                                                                                                                                                                                                 | To the Secretary/MOF                                                |
| 4.1.1.4. | Approval from Minister in Charge of Finance                 | MOF                                                    |        | Inspection Report                                                                                                                                                                                                                                                                                                                                                               |                                                                     |
| 4.1.1.5. | Sign an Agreement                                           | Applicant, – SLC, MOF                                  | 1 Day  |                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |
| 4.1.1.6. | Obtain license to import body shells / frames & components. | Applicant, DIEC                                        | 1 Day  | 1. Order details<br>2. Performa Invoice                                                                                                                                                                                                                                                                                                                                         | Issues a license to importation ( <a href="#">refers to 4.3.1</a> ) |

Table 11: Obtain Manufacturing Bond Facility



## 4.2. Duty Payable (Without Bond Facility) Method

### 4.2.1. Import Components for Assembling CBUs with DVA

| Definition         |                                                              | Import Components for Assembling CBUs with DVA                                                                                                                                              |                      |                                                                                                                       |                                                                                                                                                                                            |
|--------------------|--------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Law/Regulation     |                                                              | PAL Act, NBT Relevant Gazette Notifications, Import and Export (Control) Act No. 1 of 1969 (and Gazettes published under the same), Customs Ordinance / The Annual Revenue Protection Order |                      |                                                                                                                       |                                                                                                                                                                                            |
| Special Conditions |                                                              | Allow to import brand new components only                                                                                                                                                   |                      |                                                                                                                       |                                                                                                                                                                                            |
| Process            |                                                              | Responsibility                                                                                                                                                                              | Min. Duration Needed | Information to be published / provided                                                                                | Remarks                                                                                                                                                                                    |
| 4.2.1.1.           | Publish relevant information and Application form            | DIEC, Excise (SP) Division - SLC, MOF                                                                                                                                                       | -                    | 1. Relevant information<br>2. Application form                                                                        | <a href="http://www.customs.gov.lk">www.customs.gov.lk</a><br><a href="http://www.treasury.gov.lk">www.treasury.gov.lk</a><br><a href="http://www.imexport.gov.lk">www.imexport.gov.lk</a> |
| 4.2.1.2.           | Obtain license to import body shells / frames and components | Applicant, DIEC, DMT                                                                                                                                                                        | 1 Day                | 1. Order details<br>2. Performa Invoices                                                                              | Issue a license to importations ( <a href="#">refers to 4.3.1</a> )                                                                                                                        |
| 4.2.1.3.           | Import Components                                            | Applicant                                                                                                                                                                                   | -                    | 1. Performa Invoices<br>2. Order details<br>3. Warf Documents<br>4. Packing List<br>5. MUD Form<br>6. Import Licenses |                                                                                                                                                                                            |
| 4.2.1.4.           | Amount of Payable Duties                                     | Excise (SP) Division - SLC, MOF                                                                                                                                                             | 1 Day                | 1. Rates of Taxes and Levies                                                                                          | Need a Bank/Corporate guarantee for Body Shells/Frames                                                                                                                                     |
| 4.2.1.5            | Release the Components                                       | Excise (SP) Division - SLC, Applicant                                                                                                                                                       | 1 Day                | Receipts of payments                                                                                                  |                                                                                                                                                                                            |

Table 12: Import Components for Assembling CBUs with DVA



### 4.3. Importation of Body Shells / Frames & Components

#### 4.3.1. Imports Licenses

| <b>Definition</b>         | Process of obtaining import licenses for importing body shell and other required components                                                                                                       |                        |                      |                                                                                                                                                                                                                                                                                                 |                                                                                  |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
| <b>Law/ Regulation</b>    | Imports & Exports (Control) Act, No. 1 of 1969 (and Gazettes published under the same) and provision of the Motor Traffic Act No 14 of 1951 with Amendments and regulation made from time to time |                        |                      |                                                                                                                                                                                                                                                                                                 |                                                                                  |
| <b>Special Conditions</b> | Should provide a list of Chassis Numbers, when importing body shells / frames                                                                                                                     |                        |                      |                                                                                                                                                                                                                                                                                                 |                                                                                  |
| Process                   |                                                                                                                                                                                                   | Responsibility         | Min. Duration Needed | Information to be published / provided                                                                                                                                                                                                                                                          | Remarks                                                                          |
| 4.3.1.1.                  | Publish relevant information and Application form<br><br>(Should obtain the prior written approval from the Commissioner General of Motor Traffic)                                                | DIEC                   | -                    | 1. Relevant information<br>2. Application form                                                                                                                                                                                                                                                  | For more details<br><a href="http://www.imexport.gov.lk">www.imexport.gov.lk</a> |
| 4.3.1.2.                  | Submit a request letter to obtain a Concurrence letter                                                                                                                                            | Applicant              |                      | 1 Mentioned estimated DVA and indicative/approved XID rate                                                                                                                                                                                                                                      |                                                                                  |
| 4.3.1.3.                  | Issue a Concurrence letter to CG/DIEC                                                                                                                                                             | MI for 4.1.1. & 4.2.1. | 2 Days               |                                                                                                                                                                                                                                                                                                 | Copies to DG/SLC & MOF                                                           |
| 4.3.1.4.                  | Submit the Application for Importing Body Shells and Components                                                                                                                                   | Applicant              | -                    | 1. Concurrence letter from MI & DMT<br>2. Application<br>3. Performa Invoice<br>4. Business Registration Certificate (Original with a copy) or NIC applicant<br>5. Recommendation letter from Ministry of Industry and Commerce<br>6. Letter of authorization if documents handled by an agent. |                                                                                  |



|          |                                 |                    |       |                                                                                                                                                                         |                                            |
|----------|---------------------------------|--------------------|-------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
|          |                                 |                    |       | 7. Copy of the NIC of authorized person                                                                                                                                 |                                            |
| 4.3.1.5. | Issuing the Import License      | DIEC               | 1 Day | 1. Payment receipts of License fee                                                                                                                                      | By Controller General of Imports & Exports |
| 4.3.1.6. | Debit a license for Body Shells | DIEC/<br>Applicant | 1 Day | 1. Sri Lanka Customs good declaration<br>2. Value Declaration form<br>3. Commercial Invoice<br>4. Bill of the Lading<br>5. Delivery Order<br>6. Working sheet for goods | By Controller General of Imports & Exports |

Table 13: Imports Licenses



## 5. Standardization

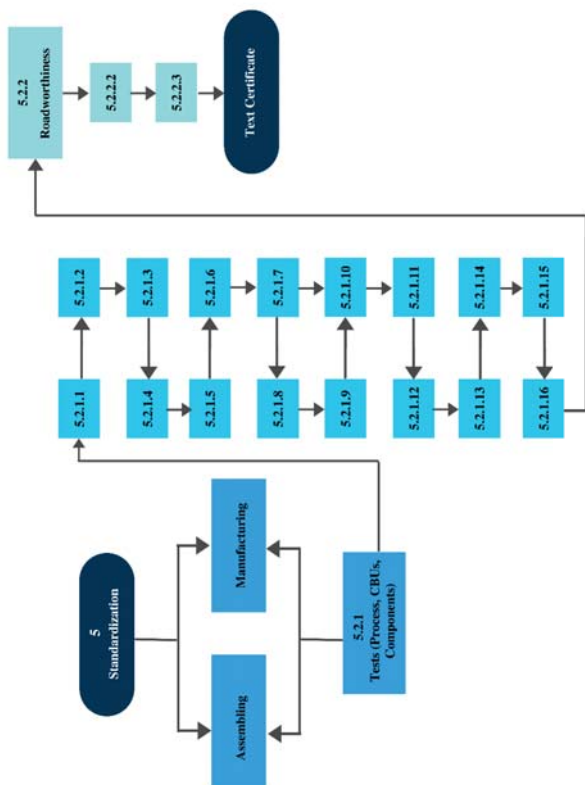


Figure 4: Standardization



## 5. Standardization

### 5.1. Establishment of Conformity Assessment Facilities

#### 5.1.1. Prepare Test Manuals and Guidelines

| <b>Definition</b>             |                                                                      | Prepare testing manuals and guidelines                                                                                    |                            |                                              |                                                                                                                                                                                 |
|-------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Law/<br/>Regulation</b>    |                                                                      | Motor Traffic Act and relevant regulation under the said Act made from time to time                                       |                            |                                              |                                                                                                                                                                                 |
| <b>Special<br/>Conditions</b> |                                                                      | List out Domestic/International Conformity Assessment Bodies (CAB) whose certifications are deemed acceptable by the DMT. |                            |                                              |                                                                                                                                                                                 |
| Process                       |                                                                      | Responsibility                                                                                                            | Min.<br>Duration<br>Needed | Information to<br>be published /<br>provided | Remarks                                                                                                                                                                         |
| 5.1.1.1.                      | Identify the required Tests and Procedures for each vehicle category | DMT                                                                                                                       |                            |                                              |                                                                                                                                                                                 |
| 5.1.1.2.                      | Preparation / adoption of prescribed test manuals and guidelines     | DMT                                                                                                                       | -                          | 1. Manuals<br>2. Guidelines                  | The brand may not be comfortable subjecting their components for testing by a rival country testing agency. (E.g. Chinese brand components tested by an Indian testing agency). |

Table 14: Prepare Test Manuals and Guidelines



### 5.1.2. Conformity Assessment Bodies (CAB)

| <b>Definition</b>             | Accreditation/Establishment of Domestic Conformity Assessment Facilities              |                |                            |                                              |                                      |
|-------------------------------|---------------------------------------------------------------------------------------|----------------|----------------------------|----------------------------------------------|--------------------------------------|
| <b>Law/<br/>Regulation</b>    | Motor Traffic Act No. 14 of 1951 with amendments and relevant amendments & circulars. |                |                            |                                              |                                      |
| <b>Special<br/>Conditions</b> | Domestic CABs can be affiliated with the International CABs                           |                |                            |                                              |                                      |
| Process                       |                                                                                       | Responsibility | Min.<br>Duration<br>Needed | Information to be<br>published /<br>provided | Remarks                              |
| 5.1.2.1.                      | Identify the Domestic/International Conformity Assessment Bodies (CAB)                | DMT, IDB       | -                          | DMT approved Domestic/International CAB      | Should be updated Annually           |
| 5.1.2.2.                      | Facilitate to Affiliate with the International Conformity Assessment Bodies           | DMT, IDB       |                            |                                              | E.g. ARAI, IATF Certification Bodies |

Table 15: Conformity Assessment Bodies (CAB)

## 5.2. Standardization of Automobiles

### 5.2.1. Tests

| <b>Definition</b>             | Essential tests for standardization of vehicle units                                                                                                         |                |                            |                                           |                                                        |
|-------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------|-------------------------------------------|--------------------------------------------------------|
| <b>Law/<br/>Regulation</b>    | Motor Traffic Act and relevant regulation under the said Act made from time to time                                                                          |                |                            |                                           |                                                        |
| <b>Special<br/>Conditions</b> | Domestic assemblers should provide safety/crash test & Worthiness reports/certificates which are provided by the principle manufacturer with recognized CAB. |                |                            |                                           |                                                        |
| Process                       |                                                                                                                                                              | Responsibility | Min.<br>Duration<br>Needed | Information to be published /<br>provided | Remarks                                                |
| 5.2.1.1.                      | Torsional Rigidity Test                                                                                                                                      | DMT, ITI IDB   | 1 Day                      |                                           | refers to the Manual for Chassis Strength Requirements |
| 5.2.1.2.                      | Safety Component Test                                                                                                                                        | DMT, UOM IDB   | 1 Day                      |                                           |                                                        |



|           |                           |                       |       |  |                                                                                                         |
|-----------|---------------------------|-----------------------|-------|--|---------------------------------------------------------------------------------------------------------|
| 5.2.1.3.  | Torsional Test            | DMT, ITI IDB          | 1 Day |  | refers to the Manual for Chassis Strength Requirements                                                  |
| 5.2.1.4.  | Beaming Test              | DMT, ITI IDB          | 1 Day |  | refers to the Manual for Chassis Strength Requirements                                                  |
| 5.2.1.5.  | Roof Crush Strength Test  | DMT, IDB              | 1 Day |  |                                                                                                         |
| 5.2.1.6.  | Brake Test                | DMT, AETI, CGTTI, IDB | 1 Day |  | refers to Manual for Brake Assessment<br><br>Applies for All types of light vehicles except motorcycles |
| 5.2.1.7.  | Lane-Change Maneuver Test | DMT, IDB              | 1 Day |  | Refers to the Lane-Change Maneuver Test                                                                 |
| 5.2.1.8.  | Engine Emission Test      | DMT, AETI, CGTTI, IDB | 1 Day |  | Should be comply with National VET program<br><br>Except Zero emission vehicles                         |
| 5.2.1.9.  | Fiberglass panel test     | DMT, UOM IDB          | 1 Day |  |                                                                                                         |
| 5.2.1.10. | Bump Steer Plots Test     | DMT, IDB              | 1 Day |  |                                                                                                         |
| 5.2.1.11. | Welding Test              | DMT, AEB IDB          | 1 Day |  |                                                                                                         |
| 5.2.1.12. | Crumple Zones Test        | DMT, IDB              | 1 Day |  |                                                                                                         |
| 5.2.1.13. | Coast Down Test           | DMT, IDB              | 1 Day |  |                                                                                                         |
| 5.2.1.14. | Engine Power Test         | DMT, AETI, CGTTI, IDB | 1 Day |  |                                                                                                         |
| 5.2.1.15. | Head Resultant            | DMT, IDB              | 1 Day |  |                                                                                                         |



|           |                   |          |       |  |                                                                                                          |
|-----------|-------------------|----------|-------|--|----------------------------------------------------------------------------------------------------------|
|           | Acceleration Test |          |       |  |                                                                                                          |
| 5.2.1.16. | Crash Test        | DMT, IDB | 1 Day |  | not required for 4-wheeler light passenger vehicles (Quadricycles) or 3 wheelers (of L5e/L7e categories) |

Table 16: Tests

### 5.2.2. Certificate of Roadworthiness

|                           |                                                   |                                                                                                                                                              |                             |                                                                                              |                                                                                              |
|---------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <b>Definition</b>         |                                                   | Process of obtaining a certificate of Roadworthiness                                                                                                         |                             |                                                                                              |                                                                                              |
| <b>Law/Regulation</b>     |                                                   | Motor Traffic Act No. 14 of 1951 with Amendments (And relevant Gazette notifications)                                                                        |                             |                                                                                              |                                                                                              |
| <b>Special Conditions</b> |                                                   | Domestic assemblers should provide safety/crash test & Worthiness reports/certificates which are provided by the principle manufacturer with recognized CAB. |                             |                                                                                              |                                                                                              |
| <b>Process</b>            |                                                   | <b>Responsibility</b>                                                                                                                                        | <b>Min. Duration Needed</b> | <b>Information to be published / provided</b>                                                | <b>Remarks</b>                                                                               |
| 5.2.2.1.                  | Publish relevant information and Application form | DMT                                                                                                                                                          | -                           | 1. Relevant information including clearly defined acceptance criteria<br>2. Application form | For more information<br><a href="http://www.motortraffic.gov.lk">www.motortraffic.gov.lk</a> |
| 5.2.2.2.                  | Submit the Application                            | Applicant                                                                                                                                                    | -                           | 1. Duly Filled Application<br>2. Test Reports<br>3. Safety Certificates                      |                                                                                              |
| 5.2.2.3.                  | Issuing the Certificate of Roadworthiness         | DMT                                                                                                                                                          | 3 Days                      |                                                                                              |                                                                                              |

Table 17: Certificate of Roadworthiness



### 5.3. Standardization of Automobile Components

#### 5.3.1. Tests

| <b>Definition</b>             |                                            | Preparation process of Test Manuals for standardization of Automobile components                                                                  |                            |                                              |                                                                                                                                           |
|-------------------------------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Law/<br/>Regulation</b>    |                                            | Motor Traffic Act and relevant regulation under the said Act made from time to time                                                               |                            |                                              |                                                                                                                                           |
| <b>Special<br/>Conditions</b> |                                            | All components are manufactured for international brands should meet internationally accepted industry standards and guidelines set by the brand. |                            |                                              |                                                                                                                                           |
| Process                       |                                            | Responsibility                                                                                                                                    | Min.<br>Duration<br>Needed | Information to<br>be published /<br>provided | Remarks                                                                                                                                   |
| 5.3.1.1                       | Preparing/<br>Adopting the<br>Standards    | DMT, IDB                                                                                                                                          |                            | 1. Standard<br>Manuals<br><br>2. Guidelines  | International<br>quality certifying<br>bodies such as<br>BV/ SGS could be<br>used to certify<br>adherences to<br>stipulated<br>parameters |
| 5.3.1.2                       | Developing<br>Test Methods                 | DMT, IDB                                                                                                                                          |                            |                                              | Material<br>performance data<br>and CAE software<br>can be used                                                                           |
| 5.3.1.2                       | Component<br>Test                          | DMT, SLSI, NERD, ITI,<br>CGTTI, UOM, AETI,<br>IDB                                                                                                 |                            |                                              |                                                                                                                                           |
| 5.3.1.3                       | Issue the<br>Certificates of<br>Conformity | DMT, SLSI, NERD, ITI,<br>IDB CGTTI, UOM,<br>AETI                                                                                                  |                            | 1. Test Reports                              |                                                                                                                                           |

Table 18: Tests



## 5.4. Standardization the Assembling / Manufacturing Process

### 5.4.1. Evaluation

| <b>Definition</b>         | Evaluation to ensure that the Assembling/Manufacturing process is complied with international standards |                                 |                      |                                                    |                                            |
|---------------------------|---------------------------------------------------------------------------------------------------------|---------------------------------|----------------------|----------------------------------------------------|--------------------------------------------|
| <b>Law/ Regulation</b>    | Motor Traffic Act and relevant regulation under the said Act made from time to time                     |                                 |                      |                                                    |                                            |
| <b>Special Conditions</b> | To be ensured that the certification is internationally recognized.                                     |                                 |                      |                                                    |                                            |
| Process                   |                                                                                                         | Responsibility                  | Min. Duration Needed | Information to be published / provided             | Remarks                                    |
| 5.4.1.1.                  | Preparing/ Adopting the Standards                                                                       | SLSI, ITI, CGTTI, UOM, DMT, IDB |                      | 1. Standard Manual<br>2. Guidelines                |                                            |
| 5.4.1.2.                  | Developing Testing Methods                                                                              | UOM, IDB                        |                      |                                                    | Material performance data and CAE software |
| 5.4.1.3.                  | Inspection the Process                                                                                  | SLSI, ITI, CGTTI, UOM IDB       |                      | 1. Manufacturing Process<br>2. Procurement Process |                                            |
| 5.4.1.4.                  | Issuing the Certificates                                                                                | DMT                             |                      | 1. Inspection Reports                              |                                            |

Table 19: Evaluation



## **6. Exportation of Automobile and Automobile Components**



## 6. Exportation of Automobile and Automobile Components

### 6.1. Under TIEP Scheme

#### 6.1.1. Exportation of CBUs/SKD/CKDs

|                               |                                                                            |                             |                                     |                                                       |                |
|-------------------------------|----------------------------------------------------------------------------|-----------------------------|-------------------------------------|-------------------------------------------------------|----------------|
| <b>Definition</b>             | Promote Exportation of Automobiles and Automobiles components              |                             |                                     |                                                       |                |
| <b>Law/<br/>Regulation</b>    | TEIP Scheme                                                                |                             |                                     |                                                       |                |
| <b>Special<br/>Conditions</b> |                                                                            |                             |                                     |                                                       |                |
|                               | <b>Process</b>                                                             | <b>Responsibility</b>       | <b>Min.<br/>Duration<br/>Needed</b> | <b>Information to<br/>be published /<br/>provided</b> | <b>Remarks</b> |
| 6.1.1.1.                      | Facilitate Domestic/International Investors to invest on Automobile sector | MO Trade, EDB, BOI, MI, SLC |                                     | Publish TEIP Scheme Guidelines                        |                |
| 6.1.1.2.                      | Tap the Global & Regional Value Chains                                     | MO Trade, EDB, BOI, MI      |                                     |                                                       |                |

Table 20: Exportation of CBUs/SKD/CKDs



## **7. Recommendation of Exemption of Excise Duty**

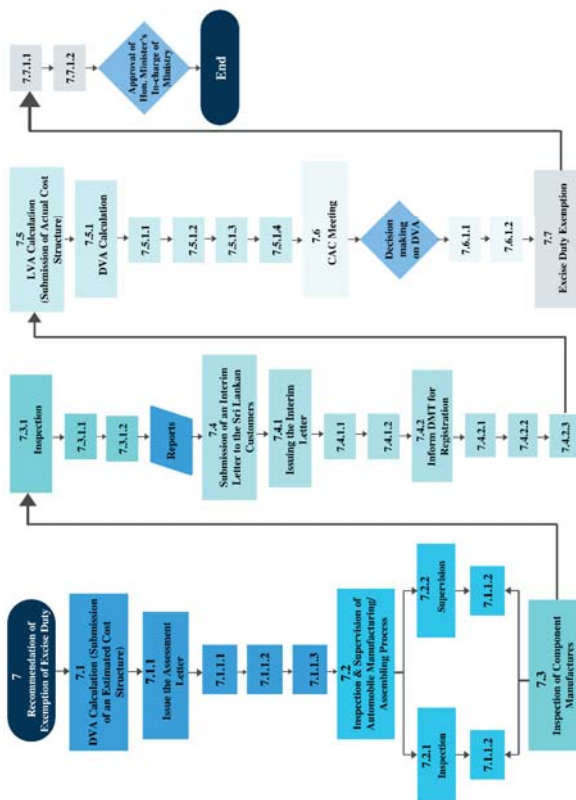


Figure 5: Recommendation of Exemption of Excise Duty



## 7. Recommendation of Exemption of Excise Duty

### 7.1. Submission of an Estimated Cost Structure

#### 7.1.1. Issue the Assessment Letter

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Definition</b>             | Issuing the Assessment Letter to commence the manufacturing/assembling process                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Law/<br/>Regulation</b>    | Decision of Cabinet of Ministers on DVA, National Environmental (Amendment) Act No.56 of 1988, Industry Promotion Act No. 46 of 1990                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Special<br/>Conditions</b> | <ol style="list-style-type: none"> <li>1. Manufacturer/Assembler can use any eligible brand-new automobile components manufactured by any manufacturer or sold by any other person.</li> <li>2. Cost of eligible brand-new components manufactured by the assembler or purchased from any component manufacturer where assembler or any member of the Board of Directors of the assembler have invested, shall be, irrespective of invoice or transfer value of such component, indicative value set in the list prepared by the IDB recognized by the Ministry under this scheme, which is communicated to the assemblers by the MI in regular intervals.</li> <li>3. Cost of eligible brand-new components manufactured by the assembler or purchased from any component manufacturer where assembler or any member of the Board of Directors of the assembler have invested, for which indicative value is not available in the list prepared by IDB recognized by the Ministry under this scheme, shall be, irrespective of invoice or transfer value of such component, average international price of component similar in nature.</li> <li>4. If an eligible brand-new component is used under this scheme or component manufacturer manufactures or sells or purchase contrary to the provisions above, cost of such component used in assembling process shall not be taken for calculation of DVA for 5 years from the date of the Assessment letter issued.</li> <li>5. If any assembler purchased such component, cost of such component shall not be taken for determination of DVA provided that no change shall be made to units of motor vehicles of which DVA has been already determined by the Cabinet of Ministers.</li> <li>6. Information considered for determination of DVA shall be forwarded to Sri Lanka Customs and Inland Revenue Department by the Secretary/MI for the use of tax collection from the relevant entity.</li> <li>7. CBUs should consist of components mentioned on the BOM. Any deviation will require an approval from the CAC. The CAC shall decide whether new BOM should get the approval from the Cabinet of Ministers or not.</li> </ol> |



|  |                                                                                                                                                                                                                                                                                                                                                                                             |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | 8. Nature and form of imported items (e.g. – Body shell with doors frames attached, without door liners, locking mechanisms, shutters, and shutter winding mechanism – with supporting drawings or images as a reference guide for officials); and should be declared by the assembler to the CAC.                                                                                          |
|  | 9. If there was any difference between accounts submitted for DVA determination & taxation purposes and the relevant manufacturer/assembler or component manufacturer was unable to provide satisfactory proof for the same, eligibility of the relevant entity under this scheme shall be suspended for 5 years from the date of the Assessment letter issued by Secretary in this regard. |
|  | 10. Manufacturers/Assemblers and Component Manufacturers should maintain and keep accounts, documents and information in which transactions relating to domestic value addition can be verified.                                                                                                                                                                                            |
|  | 11. All components manufactured in Sri Lanka by assembler / component manufacturer registered under MI and IDB should be affixed with words of “Made in Sri Lanka”.                                                                                                                                                                                                                         |

| Process  |                                                | Responsibility          | Min. Duration Needed | Information to be published / provided                                                                                                                                                                                                                             | Remarks                                                      |
|----------|------------------------------------------------|-------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| 7.1.1.1. | Preparation of an estimate for a vehicle model | Assembler/ Manufacturer |                      |                                                                                                                                                                                                                                                                    |                                                              |
| 7.1.1.2. | Evaluation of the estimate                     | CAC                     | 3 Days               | 1. Details of the Vehicle model including the Energy Technology<br>2. BOM – Cost break down of Imported Components including CIF value, duties & levies<br>3. List of license items and license fees<br>4. Nature and form of imported items including photographs | DVA Formula ( <a href="#">refers to 1.3, 1.4 &amp; 1.5</a> ) |



|          |                                                                 |                |        |                                                                                                                      |                                                                                                                                                         |
|----------|-----------------------------------------------------------------|----------------|--------|----------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
|          |                                                                 |                |        | 4. Cost break down of domestic components & taxes<br>5. Disposal Methodology of Environmentally Hazardous Components |                                                                                                                                                         |
| 7.1.1.3. | Issuing Assessment Letter to Assembler with indicative XID rate | Secretary - MI | 2 Days | 1. Evaluation report<br>2. Approved BOM                                                                              | DVA Formula <a href="#">(refers to 1.3, 1.4 &amp; 1.5)</a><br>Send all approved details to relevant agencies/authorities such as DMT, IRD, SLC, & etc.) |
| 7.1.1.4. | Commencement of Manufacturing/Assembling Process                | Assembler      |        |                                                                                                                      |                                                                                                                                                         |

Table 21: Issue the Assessment Letter



## 7.2. Inspection & Supervision of Automobile Manufacturing/Assembling Process

### 7.2.1. Inspection

| Definition            |                                         | Deploying the Inspection Team                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                            |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                      |
|-----------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Law/<br>Regulation    |                                         | TOR prepared by CAC, Motor Traffic Act and relevant regulation under the said Act made from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                      |
| Special<br>Conditions |                                         | <ol style="list-style-type: none"> <li>1. Inspection can be carried out at any time with or without prior notice to Assembler or Manufacturer, by the Inspection Team (a member/member of CAC/ or any other personnel appointed by the Secretary, MI) with a letter issued by Secretary, MI indicating time, date, and venue of the inspection.</li> <li>2. An officer or alternative officer nominated by Assembler or Manufacturer or any other officer assigned by nominated officer or alternative officer shall facilitate such inspection and access to information required and provide reasonable explanations required to determine DVA.</li> <li>3. Deployment of an Inspection team is not necessary, if an Excise Tax Officer stations at the manufacturing / assembling plant (<a href="#">refers to 7.2.2</a>)</li> </ol> |                            |                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                      |
| Process               |                                         | Responsibility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Min.<br>Duration<br>Needed | Information to be<br>published / provided                                                                                                                                                                                                                                            | Remarks                                                                                                                                                                                                                                                                                              |
| 7.2.1.1.              | Request for the Inspection              | Assembler                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                            | <ol style="list-style-type: none"> <li>1.Details of the imported Components</li> <li>2. Details of the Vehicle model</li> <li>3. No. of Units</li> <li>3. List of Approved Domestically Manufactured Components</li> <li>4. Any other required information decided by CAC</li> </ol> | <p>An initial Inspection should be taken place before commencing the Assembling Process</p> <p>Min 50% Completed Units</p> <p>Min 20% Units at Assembly Line</p> <p>Min 10% Units on SKD/CKD form</p> <p>Request Letter should be reached to the MI 2 weeks before the expected inspection date.</p> |
| 7.2.1.2.              | Dispatch Letters to the Inspection Team | Inspection Team                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 1 Day                      |                                                                                                                                                                                                                                                                                      | With the Batch Codes for each vehicle model                                                                                                                                                                                                                                                          |



|          |                     |                 |        |                                                                                                                                                                                                                                                     |  |
|----------|---------------------|-----------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 7.2.1.3. | Inspection & Report | Inspection Team | 3 Days | <ol style="list-style-type: none"> <li>1. Inspection Report refers Batch Codes</li> <li>2. Chassis No. List</li> <li>3. Added Domestically Manufactured Components list</li> <li>4. Check list</li> <li>5. Certificate of Roadworthiness</li> </ol> |  |
|----------|---------------------|-----------------|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|

Table 22: Inspection



### 7.2.2. Supervision

| Definition            |                                                                              | Stationing Excise Tax Officers to Supervise the Manufacturing/Assembling Process                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                                                                                                                                                                                                                                            |                                                                                                               |
|-----------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Law/<br>Regulation    |                                                                              | Excise (Special Provisions) Act No. 13 of the 1989 (related Gazette Notification and Amendments)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                            |                                                                                                                                                                                                                                                            |                                                                                                               |
| Special<br>Conditions |                                                                              | <ol style="list-style-type: none"> <li>Excise Tax Officer/s shall ensure all components under supervision are with words of "Made in Sri Lanka".</li> <li>Excise Tax Officer/s shall ensure all components released for use for manufacturing/assembling vehicle are with words of "Made in Sri Lanka".</li> <li>Excise Tax Officer/s shall ensure all components released under supervision are used in manufacturing/assembling unit of motor vehicle.</li> <li>Components manufactured or purchased for use in assembled motor vehicle unit should be kept by manufacturer/assembler under supervision of Excise Tax Officer stationed at manufacturing/ assembling plant of the assembler, in manner prescribed by Director General of Customs in consultation with the Secretary, MI in accordance with requirement of the CAC.</li> </ol> |                            |                                                                                                                                                                                                                                                            |                                                                                                               |
| Process               |                                                                              | Responsibility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Min.<br>Duration<br>Needed | Information to be<br>published / provided                                                                                                                                                                                                                  | Remarks                                                                                                       |
| 7.2.2.1.              | Station an Excise Tax Officer/sat Manufacturing/Ass embling Plant            | SLC, MI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                            | <ol style="list-style-type: none"> <li>Inspection Report refers Batch Codes</li> <li>Chassis No. List</li> <li>Added Domestically Manufactured Components list</li> <li>Check list</li> <li>Certificate of Roadworthiness</li> <li>Approved BOM</li> </ol> | CBUs should consist of components mentioned on the BOM – any deviation will require an approval from the CAC. |
| 7.2.2.2.              | Send reports with observations and recommendations to the DG Customs and CAC | In-charge Excise Tax Officer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                            |                                                                                                                                                                                                                                                            |                                                                                                               |

Table 23: Supervision



### 7.3. Inspection of Component Manufacturers

#### 7.3.1. Inspection

| <b>Definition</b>         |                                            | Deploying the Inspection Team                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                      |                                                                                                                                                                                |                                                                                                                        |
|---------------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|
| <b>Law/ Regulation</b>    |                                            | Decision of the Cabinet of Ministers or CAC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                      |                                                                                                                                                                                |                                                                                                                        |
| <b>Special Conditions</b> |                                            | <p>1. Inspection can be carried out at any time with or without prior notice to Component Manufacturer, by the Inspection Team (a member/member of CAC/ or any other personnel appointed by the Secretary, MI &amp; IDB) with a letter issued by relevant authority, MI indicating time, date, and venue of the inspection.</p> <p>2. An officer or alternative officer nominated by Component Manufacturer or any other officer assigned by nominated officer or alternative officer shall facilitate such inspection and to access information required and provide reasonable explanation required to determine DVA.</p> |                      |                                                                                                                                                                                |                                                                                                                        |
| Process                   |                                            | Responsibility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Min. Duration Needed | Information to be published / provided                                                                                                                                         | Remarks                                                                                                                |
| 7.3.1.1.                  | Decision to Inspect Component Manufacturer | MI, IDB, CAC                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                      | 1. Details of the Components<br>2. No. of Units<br>3. Cost Structures<br>4. EPF Contribution Details<br>5. Imported Raw Materials & Parts<br>6. Domestic Raw Materials & Parts | Inspect the manufacturing process, interviewing the employees & the management, analyzing the cost structures provided |
| 7.3.1.2.                  | Inspection & Report                        | Inspection Team                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 1 Week               | 1. Inspection Reports                                                                                                                                                          |                                                                                                                        |

Table 24: Inspection



## 7.4. Submission of Actual Cost Structure

### 7.4.1. DVA Calculation

| <b>Definition</b>             |                                                                                                     | Domestic Value Addition Calculation                                                                                                                                                                                                                                                                                                                           |                              |                                                                                                                                                                                                                                                  |                                                                                               |
|-------------------------------|-----------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>Law/<br/>Regulation</b>    |                                                                                                     | Guidelines prepared by CAC                                                                                                                                                                                                                                                                                                                                    |                              |                                                                                                                                                                                                                                                  |                                                                                               |
| <b>Special<br/>Conditions</b> |                                                                                                     | Any fraudulent document submitted by manufacturer/assembler or component manufacturer or their employee, to CAC, Excise Tax Officers or any other government officer who engage in process of determination of DVA, will cause 5-year suspension on eligibility for this scheme from the date of the assessment letter issued by Secretary-MI in this regard. |                              |                                                                                                                                                                                                                                                  |                                                                                               |
| Process                       |                                                                                                     | Responsibility                                                                                                                                                                                                                                                                                                                                                | Min.<br>Duration<br>Needed   | Information to be published /<br>provided                                                                                                                                                                                                        | Remarks                                                                                       |
| 7.4.1.1.                      | Produce Actual Cost Structure                                                                       | Assembler                                                                                                                                                                                                                                                                                                                                                     | 3 Weeks after the Inspection | 1. CUSDEC<br>2. Commercial Invoice<br>3. Performa Invoice<br>4. Bills and Receipts of Domestically Manufactured component<br>5. Packing list<br>6. MUD form<br>7. Cost Structure to be certified by the Chartered Accountant with a cover letter |                                                                                               |
| 7.4.1.2.                      | Send Produced Cost Structure and Other documents to the Department of Inland Revenue for Evaluation | MI/ IRD                                                                                                                                                                                                                                                                                                                                                       |                              | 1. Original CUSDEC<br>2. Performa Invoices<br>3. Domestically Purchased Receipts                                                                                                                                                                 | Inform relevant assembler or component manufacturer to show cause reasons for any difference. |
| 7.4.1.3.                      | DVA Calculation                                                                                     | MI                                                                                                                                                                                                                                                                                                                                                            | 1 Day                        | 1. IRD evaluation report (If necessary)                                                                                                                                                                                                          | DVA Formula<br>( <a href="#">refers to 1.3.1.4 &amp; 1.5</a> )                                |



|          |                                    |    |       |                                                                      |  |
|----------|------------------------------------|----|-------|----------------------------------------------------------------------|--|
| 7.4.1.4. | Send Invitation to the CAC Meeting | MI | 1 Day | 1. DVA Application booklet with Calculations<br>2. Support Documents |  |
|----------|------------------------------------|----|-------|----------------------------------------------------------------------|--|

Table 25: DVA Calculation

## 7.5. CAC Meeting

### 7.5.1. Decision Making on DVA

|                           |                                               |                                                                                                                                                                                                                                                                                   |                                                                              |                                                                                     |                                                                                                                                                                                            |
|---------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Definition</b>         |                                               | Decision Making on Domestic Value Addition                                                                                                                                                                                                                                        |                                                                              |                                                                                     |                                                                                                                                                                                            |
| <b>Law/ Regulation</b>    |                                               | Relevant Gazette Notifications and Decisions of the Cabinet of Ministers<br><br>(The committee may meet on the last Tuesday of every month in each year. If otherwise decided by the chairman / Secretary, Ministry of Industries)                                                |                                                                              |                                                                                     |                                                                                                                                                                                            |
| <b>Special Conditions</b> |                                               | Violation of any provision made by manufacturer/assembler or component manufacturer or their employee shall cause for 5-year suspension from this scheme from the date of the assessment letter issued by Secretary, MI for any Manufacturer/Assembler or Component Manufacturer. |                                                                              |                                                                                     |                                                                                                                                                                                            |
| <b>Process</b>            |                                               | <b>Responsibility</b>                                                                                                                                                                                                                                                             | <b>Min. Duration Needed</b>                                                  | <b>Information to be published / provided</b>                                       | <b>Remarks</b>                                                                                                                                                                             |
| 7.5.1.1.                  | Call for the Meeting                          | MI                                                                                                                                                                                                                                                                                | As soon as the Calculations are verified ( <a href="#">refers to 7.5.1</a> ) | 1. DVA Application booklet<br>2. Support Documents<br>3. New Concept Proposals      | CAC may consider the fluctuation of exchange rate<br><br>Also discuss about the Requests/Proposals are received from the Industry ( <a href="#">Refers to 2.1.1</a> )                      |
| 7.5.1.2.                  | Decision of CAC on DVA with approved XID rate | All CAC members                                                                                                                                                                                                                                                                   |                                                                              | Suggested that disagreement of the majority in the committee in determining the DVA | If Approved by the CAC, then refers to 7.7<br><br>If not approved by the CAC due to the disagreement of the majority committee members, then send a letter to SLC to encase the guarantee. |

Table 26: Decision Making on DVA



## 7.6. Excise Duty Exemption

### 7.6.1. Excise Duty Exemption

| Definition         |                                         | The Process of the Excise Duty Exemption                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                      |                                        |             |
|--------------------|-----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------------------------|-------------|
| Law/ Regulation    |                                         | Relevant Gazette Notifications & Cabinet of the Ministers’ Decision on Determination DVA and Approved XID rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                      |                                        |             |
| Special Conditions |                                         | <p>If any balance of Excise Duty to be paid due to increase in approved XID rate over the provisional XID rate, assembler promptly pay to Sri Lanka Customs. If any amount to be refunded due to decrease in approved XID rate over the provisional XID rate, assembler will entitle for setting off in future payments to Sri Lanka Customs. Sri Lanka Customs shall release the bank guarantee/ corporate guarantee kept as per 7.4.2.1 above once the assembler makes payments at approved XID rate for the motor vehicle units released on the bank/ corporate guarantee.</p> <p>Violation of any provision above shall cause for 5-year suspension from this scheme from the date of letter issued by Secretary in this regard.</p> |                      |                                        |             |
| Process            |                                         | Responsibility                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Min. Duration Needed | Information to be published / provided | Remarks     |
| 7.6.1.1.           | CAC decision on DVA                     | MI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                      | Minutes of the CAC decision            |             |
| 7.6.1.2.           | Issue an Exemption letter to DG/Customs | Secretary/MI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                      | 1. Letter<br>2. List of Chassis Nos    | Copy to DMT |

Table 27: Excise Duty Exemption



## **Annexes 1**

**Presentation of overall comprehensive concept Paper to relevant  
Ministries Authorities (Concept Paper)**



**Name of the Company:**





## Company Details

- Name of the Company: .....
- Contact Person: .....
- Office Address: .....  
.....  
.....  
.....
- Phone Nos:
  - Office: .....
  - Mobile: .....
  - Fax: .....
- E-mail Address: .....
- Web Site (if any): .....



## Vehicle Information

- 1) Vehicle category: .....
- 2) Vehicle type (Cargo/Passenger/Other): .....
- 3) Number of passengers: .....
- 4) Gross vehicle mass: .....
- 5) Vehicle tare mass: .....
- 6) Fuel type: .....
- 7) Fuel system EFI /Carburetor or other: .....
- 8) Ignition system Distributor/CDI/MAP ignition or other: .....
- 9) Engine capacity: .....
- 10) Fuel consumption g/Kw/h: .....
- 11) Engine Brand name: .....
- 12) Engine manufactures name and address

.....

.....

.....

.....

Engine manufactures data report or engine dynamo test report to be attached



13) Max Engine power Kw/rpm: .....

14) Max Engine torque Nm/rpm: .....

15) Engine cooling system Air/liquid: .....

16) Transmission type manual/auto/CVT: .....

| Transmission gear | Ratio |
|-------------------|-------|
| 1st               |       |
| 2nd               |       |
| 3rd               |       |
| 4th               |       |
| 5th               |       |
| 6th               |       |
| Final drive       |       |

17) Tire size and data

| Width              |  |
|--------------------|--|
| Aspect ratio       |  |
| type               |  |
| Wheel size         |  |
| Max load           |  |
| Max pressure (psi) |  |
| Speed rating       |  |

18) Vehicle dimensions

| Item             | mm |
|------------------|----|
| Front track      |    |
| Overall width    |    |
| Front overhang   |    |
| Wheel base       |    |
| Rear overhang    |    |
| Overall length   |    |
| Ground clearance |    |
| Overall height   |    |

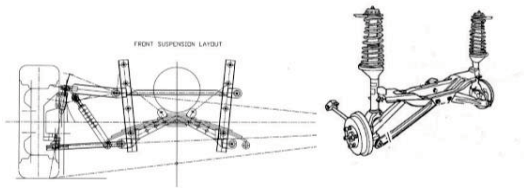


19) Front suspension type: .....

20) Front suspension layout: .....

21) Rear suspension layout: .....

### **Specimen front and rear suspension layouts**



22) Vehicle center of gravity location (X, Y axis mm)

23) Explain with pictures how vehicle center of gravity location was determined

24) Front roll center height

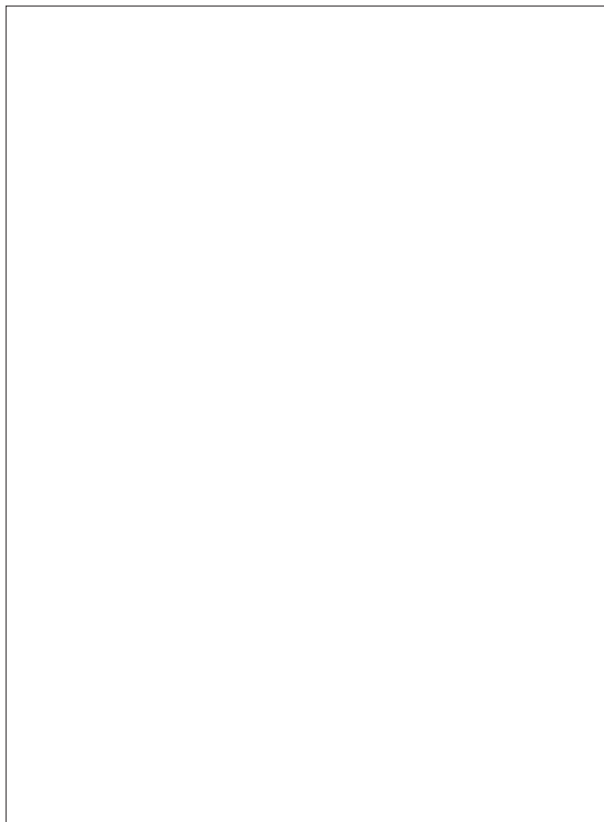
25) Distance between front roll center and CG location

26) Rear roll center height

27) Vehicle structural drawings



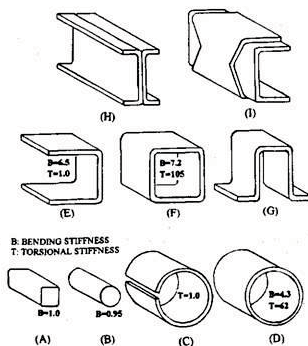
## Specimen structural drawings





## Specimen chassis structural drawing

### Chassis metal sections & Dimensions

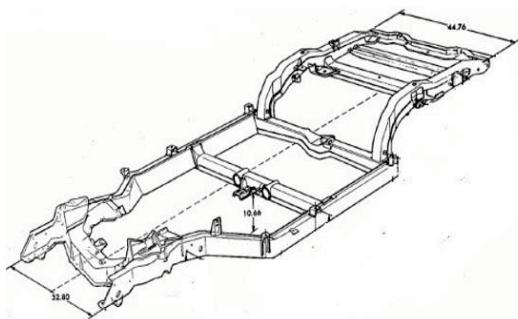
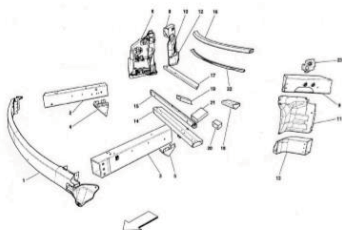


Section Dimensions (mm) Metal chemical composition & report No Issued by Industrial Technology Institute

- A
- B
- C
- D
- E
- F

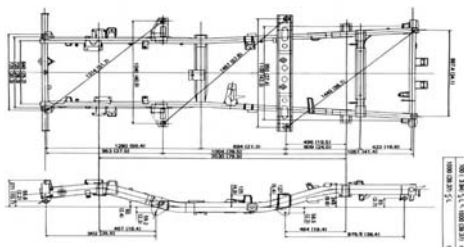


## Chassis structure elements view

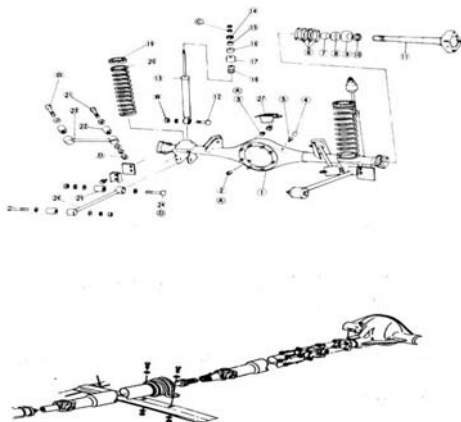




## Chassis dimensions

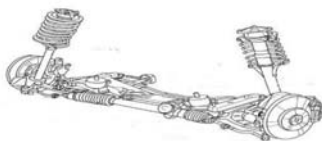


## Rear drivetrain and suspension





## Front suspension steering and sub frame

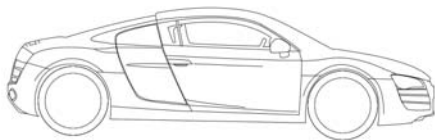




### Rear View



### Side View



### Front View





## **Annexes 2**

### **Check List for Domestically Manufactured / Assembled Vehicles**

L, MA, MB and MC Vehicles



### Manufacture's Details

Manufacture's Name .....

Address .....

.....

.....

### Vehicle Details

Make .....

Model .....

Year of Manufacture .....

Vehicle Mass (kg) .....

VIN/Chassis Number

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

### Engine Details

Make ..... Type ..... No. of Cylinders/Rotors .....

Displacement ..... Liters or ..... Cubic Inches Year of Manufacture .....

..... Maximum Power Output ..... KW or ..... BHP

### Signatory Certification

Vehicle Certified By

(Signatory) .....

Signatory Employer

(if applicable)

.....

Signatory's Signature ..... Date .....



## 1. REVERSING SIGNAL LAMPS

(Y=Yes, N=No, N/A=Not Applicable)

| Feature                                                                                                             | Y | N | N/A |
|---------------------------------------------------------------------------------------------------------------------|---|---|-----|
| Reversing light or lights fitted and operate continuously only when reverse gear selected and ignition Switched on? |   |   |     |
| Colour white/amber?                                                                                                 |   |   |     |
| Number of lamps one/two (circle)?                                                                                   |   |   |     |

## 2. DOOR LATCHES AND HINGES

| Feature                                                                                                                 | Y | N | N/A |
|-------------------------------------------------------------------------------------------------------------------------|---|---|-----|
| Two (fully latched and secondary) latch positions?                                                                      |   |   |     |
| Locks on all side doors and operating mechanism in the interior?                                                        |   |   |     |
| Rear Door Locks MA only Rear door locks prevent opening from outside and, inside by engagement of 'Child Safety Locks'? |   |   |     |

## 3. SEATS AND SEAT ANCHORAGES

| Feature                                                                                         | Y | N | N/A |
|-------------------------------------------------------------------------------------------------|---|---|-----|
| Self-locking restraining device and release control provided on all hinged seats or seat backs? |   |   |     |

## 4. SEATBELTS

| Feature                                               | Y | N | N/A |
|-------------------------------------------------------|---|---|-----|
| Are seat belts fitted?                                |   |   |     |
| Are newly installed seat belts new?                   |   |   |     |
| All seat belts in good working condition?             |   |   |     |
| Lap belts, at least, for all other seating positions? |   |   |     |
| All buckles of a quick-release design?                |   |   |     |



## 5. DIRECTION INDICATOR LAMPS

| Feature                                                                                                                                 | Y | N | N/A |
|-----------------------------------------------------------------------------------------------------------------------------------------|---|---|-----|
| Direction turn signal lamps, front, rear and side fitted?                                                                               |   |   |     |
| Colour amber?                                                                                                                           |   |   |     |
| Distance between side indicator and front of vehicle does not exceed 1800 mm (or 2500 mm if Structure renders lower figure impossible)? |   |   |     |

## 6. INTERNAL SUN VISORS

| Feature                                            | Y | N | N/A |
|----------------------------------------------------|---|---|-----|
| Sun visors padded with energy absorption material? |   |   |     |
| No rigid material edges less than 3 mm radius??    |   |   |     |

## 7. GLARE REDUCTION IN THE FIELD OF VIEW

| Feature                                                            | Y | N | N/A |
|--------------------------------------------------------------------|---|---|-----|
| Are All Surfaces Of The Following Items Dull Metal Or Non-Metallic |   |   |     |
| (1) windscreen wiper arms and blades                               |   |   |     |
| (2) internal windscreen moldings                                   |   |   |     |
| (3) horn ring and hub of steering wheel                            |   |   |     |
| (4) internal rear vision mirror frame and mounting bracket         |   |   |     |



## 8. INSTALLATION OF LIGHTS & LIGHT SIGNALLING DEVICES

| Feature                      | Y | N | N/A |
|------------------------------|---|---|-----|
| Main beam headlamps          |   |   |     |
| Dipped beam headlamps        |   |   |     |
| Front fog lamp(s) (optional) |   |   |     |
| Reversing lamp(s)            |   |   |     |
| Direction indicator lamps    |   |   |     |
| Hazard warning lamps         |   |   |     |
| Cornering lamps (optional)   |   |   |     |
| Stop (brake) lamps           |   |   |     |

## 9. REAR VISION MIRROR

| Feature                                                                    | Y | N | N/A |
|----------------------------------------------------------------------------|---|---|-----|
| RHS external mirror adjustable from the drivers seating position?          |   |   |     |
| RHS external mirror not obscured by the unwiped portion of the windscreen? |   |   |     |

## 10. WINDSCREEN WIPERS & WASHERS

| Feature                                                                        | Y | N | N/A |
|--------------------------------------------------------------------------------|---|---|-----|
| Corresponding areas wiped in front of the driver and the front seat passenger? |   |   |     |
| Wiper and washer controls readily accessible to driver?                        |   |   |     |
| Number of frequencies? (including intermittent cycles)                         |   |   |     |
| Windscreen washing system operational and serviceable?                         |   |   |     |
| Windscreen washing system reservoir capacity at least 1 liter?                 |   |   |     |



## 11. INSTRUMENTATION

| Feature                                                                                                     | Y | N | N/A |
|-------------------------------------------------------------------------------------------------------------|---|---|-----|
| Speedometer on driver's side and all visual indicators readily visible by the driver?                       |   |   |     |
| Speed indicating element colour and background contrast?                                                    |   |   |     |
| All essential gauges and indicators other than warning lamps provided with variable intensity Illumination? |   |   |     |
| Vehicle speed indicated in Km/h only? If 'NO' is Major Scale Km/h?                                          |   |   |     |
| Speedometer readily visible to the driver?                                                                  |   |   |     |

## 12. TYRES

| Feature                                                                                                                                | Y | N | N/A |
|----------------------------------------------------------------------------------------------------------------------------------------|---|---|-----|
| Are NEW tyres fitted?                                                                                                                  |   |   |     |
| (1) Manufacturer or trademark<br>Fr.....<br>Rr.....<br>(2) Tyre size, speed category<br>Fr.....<br>(3) Date code   Fr .....<br>Rr..... |   |   |     |
| At least 4 tread wear indicators?                                                                                                      |   |   |     |



### 13. EXTERNAL NOISE OF MOTOR VEHICLES

| Feature                                                                      | Y | N | N/A |
|------------------------------------------------------------------------------|---|---|-----|
| Vehicle sound level measurement satisfies                                    |   |   |     |
| Exhaust system is original and in good condition with no leaks or corrosion? |   |   |     |
| Stationary sound level measurement (dB).....                                 |   |   |     |

### 14. PASSENGER CAR BRAKES (MA Category Only)

| Feature                                                                            | Y | N | N/A |
|------------------------------------------------------------------------------------|---|---|-----|
| Brake system checked and serviced, brake pads/linings in a serviceable condition?? |   |   |     |
| Service brake a split system?                                                      |   |   |     |
| Adequate provision made for adjustment of service and park brake systems?          |   |   |     |
| 1) Combined reservoir for split system?                                            |   |   |     |
| 2) If yes, is there a divider fitted?                                              |   |   |     |
| Labelling satisfactory with at least the word 'BRAKE,' or ISO symbol?              |   |   |     |
| Park brake mechanical only?                                                        |   |   |     |

### 15. EMISSION CONTROL FOR LIGHT VEHICLES

| Feature                                                                                                   | Y | N | N/A |
|-----------------------------------------------------------------------------------------------------------|---|---|-----|
| Readily visible unleaded fuel label affixed near petrol filler inlet(s) or filler cap(s) marked?          |   |   |     |
| Filler neck internal diameter more than 21.30 mm and less than 23.6 mm (for unleaded petrol nozzle Only)? |   |   |     |
| Engine emission test conducted (test report attached)?                                                    |   |   |     |



## 16. GENERAL SAFETY REQUIREMENTS

| Feature                                                                                                                    | Y | N | N/A |
|----------------------------------------------------------------------------------------------------------------------------|---|---|-----|
| <b>BONNET LATCHING</b><br>If bonnet front opening, is a second latching position provided?                                 |   |   |     |
| <b>CIGAR OR CIGARETTE LIGHTER</b><br>Activation possible only with switch in "accessory" or "engine on" position?          |   |   |     |
| <b>DIESEL ENGINES</b><br>Device fitted to prevent inadvertent starting of engine?                                          |   |   |     |
| <b>STEERING SYSTEM</b><br>Steering wheel located centrally or to the right?                                                |   |   |     |
| <b>AUTOMATIC TRANSMISSION</b><br>Fitted with automatic transmission?<br>If YES: Starter inoperative in forward and reverse |   |   |     |

## 17. TYRE AND RIM SELECTION

|                                                                                                         |   |   |     |
|---------------------------------------------------------------------------------------------------------|---|---|-----|
| Is a tyre placard fitted?                                                                               | Y | N | N/A |
| Does the placard contain the following information                                                      | Y | N | N/A |
| (1) Manufacturers recommended tyre size?                                                                | Y | N | N/A |
| (2) Recommended cold inflation pressures in Psi?                                                        | Y | N | N/A |
| (3) Recommended load rating and speed category?                                                         | Y | N | N/A |
| (4) Maximum load rating and speed category of tyre fitted equal to or greater than that on the placard? | Y | N | N/A |



## 18. VEHICLE CONFIGURATION & MARKING

| Feature                                                                            | Y | N | N/A |
|------------------------------------------------------------------------------------|---|---|-----|
| <b>ENGINE NUMBER</b><br>Engine number stamped, legible and satisfactorily located? |   |   |     |



## **Annexes 3**

### **Type Approval Application**



## 1. Type Approval Application

Any Image or Drawing

Vehicle:

Company Name:



## 2. Index:

## 3. Introduction about the vehicle:

## 4. Brief Technical Details:

- Make
- Model
- Technology
- Engine Capacity
- .....
- .....
- .....
- .....

## 5. Structural Drawings

### 5.1. Front View



## 5.2. Rear View

|  |
|--|
|  |
|--|

## 6. Test

| No   | Tests                        | Approved (✓) /<br>Not Approved (X) | Test<br>Agency | Authorized Signature | Office Seal |
|------|------------------------------|------------------------------------|----------------|----------------------|-------------|
| 6.1. | Torsional Rigidity<br>Test   |                                    |                |                      |             |
| 6.2. | Safety Component<br>Test     |                                    |                |                      |             |
| 6.3. | Torsional Test               |                                    |                |                      |             |
| 6.4. | Beaming Test                 |                                    |                |                      |             |
| 6.5. | Roof Crush<br>Strength Test  |                                    |                |                      |             |
| 6.6. | Brake Test                   |                                    |                |                      |             |
| 6.7. | Lane Change<br>Maneuver Test |                                    |                |                      |             |



|       |                                  |  |  |  |  |
|-------|----------------------------------|--|--|--|--|
| 6.8.  | Engine Emission Test             |  |  |  |  |
| 6.9.  | Fiberglass panel test            |  |  |  |  |
| 6.10. | Bump Steer Plots Test            |  |  |  |  |
| 6.11. | Welding Test                     |  |  |  |  |
| 6.12. | Crumple Zones Test               |  |  |  |  |
| 6.13. | Coast Down Test                  |  |  |  |  |
| 6.14. | Engine Power Test                |  |  |  |  |
| 6.15. | Head Resultant Acceleration Test |  |  |  |  |
| 6.16. | Crash Test                       |  |  |  |  |

**7. Approved by the Commissioner General, Department of Motor Traffic**

Approved / Not Approved:



## **Annexes 4**

**Specimen of Bill of Materials**



Company:

Vehicle Model:

### Imported Components

| No | Imported Components | CIF (in LKR) | Duties & Levies (in LKR) |     |     |     |       | License Fee | Remarks |
|----|---------------------|--------------|--------------------------|-----|-----|-----|-------|-------------|---------|
|    |                     |              | Cus. Duty                | VAT | PAL | NBT | Other |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |
|    |                     |              |                          |     |     |     |       |             |         |

Note: Please attached Nature and Form of Imported Components separately as [A].vi.1.

### Domestically Manufactured Components

| No | Domestically Manufactured Components | Company or Individual Purchased | Value (in LKR) | Taxes |       | Remarks |
|----|--------------------------------------|---------------------------------|----------------|-------|-------|---------|
|    |                                      |                                 |                | VAT   | Other |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |
|    |                                      |                                 |                |       |       |         |

.....  
Authorized Signature and Seal



## **Annexes 5**

### **Specimen of Declaration of Nature and Form of Imported Component**



No:

Imported Component:

Brief Description on nature and form of the component:

**Photographs**

Colour and Clear



## **Annexes 6**

### **Specimen of the Inspection Report**



Date .....

Secretary/Chairman (CAC)

Ministry of Industry

### **Inspection Report**

[Company Name] – By [Ministerial Inspection Team/ CGTTI/ Uni. of Moratuwa]

- Reference to the letter no ..... Dated .....
- Location.....
- Inspected Date .....
  
- Vehicle Model No 1 ..... Variant .....
- Engine Capacity .....
- HS Code .....
- No of Units Inspected .....

| NO              | Chassis<br>No's. | Engine<br>No's | Color | Interior<br>Type | Status    |                  |                 | Total |
|-----------------|------------------|----------------|-------|------------------|-----------|------------------|-----------------|-------|
|                 |                  |                |       |                  | Completed | Assembly<br>line | CKD/SKD<br>Form |       |
|                 |                  |                |       |                  |           |                  |                 |       |
|                 |                  |                |       |                  |           |                  |                 |       |
|                 |                  |                |       |                  |           |                  |                 |       |
| Total           |                  |                |       |                  |           |                  |                 |       |
| As a Percentage |                  |                |       |                  |           |                  |                 |       |



**Domestic Manufactured Components**

| No. | Type of local components used | Qty. | Manufacture/Supplier | Number of components in the rack | Number of components available in the stores |
|-----|-------------------------------|------|----------------------|----------------------------------|----------------------------------------------|
|     |                               |      |                      |                                  |                                              |
|     |                               |      |                      |                                  |                                              |
|     |                               |      |                      |                                  |                                              |

**Other Observations and Comments:**

**Recommendations:**

**Signature List**

- Member 01 .....
- Member 02 .....
- Member 03 .....
- Member 04 .....
- Member 05 .....

Date: .....



## **Annexes 7**

**Request for the Inspection**



.....  
.....  
.....  
.....

Dear Sir / Madam,

**Inspection of New Consignments**

Please be kind enough to make necessary arrangement a vehicle inspection on .....  
**(Date)** at ..... **(Place / Factory)** for the below consignments. These consignments are currently in production.

1. .... *(Model Name)* - ..... *(No of Units)*
2. .... *(Model Name)* - ..... *(No of Units)*

If you need any further clarifications, please contact ..... *(Contact Person & Phone No)*.  
.....  
.....

Thank You.

Your Faithfully,

.....  
.....



## **Annexes 8**

### **Specimen of Exemption Letter**



MACP/TARIFF/

.....(date)

**Registered Post**

**Director General  
Department of Sri Lanka Customs**

**EXCISE DUTY CONCESSION**

**.....(COMPANY NAME & VEHICLE MODELS)**

.....( company name ) has made a request for the excise duty concession for  
..... nos. of .....(company name) as per the provisions stipulated in the Gazette  
(Extraordinary) No. 1992/30 dated 10/11/2016. They have submitted the cost structures for the vehicles  
of the above model with the Chartered Accountant's (.....) certificates.

The calculation of the Domestic Value Addition was based on the declared cost components in the  
audited report, explanations and clarifications given by the Company for the queries made by this  
Ministry and the technical reports submitted by the Ceylon German Technical Training Institute,  
University of Moratuwa and the inspection team of the Ministry of Industry and Commerce. The  
calculated Domestic value addition of the relevant vehicles have exceeded ..... (Percentage of  
DVA) and as such, it fulfills the requirement for the excise duty concession.

This has been discussed by the Cabinet Appointed Committee (to take decisions with regard to the  
excise duty concession for domestically assembled motor vehicles) at its meeting held on .....  
(date), and the Hon Minister's approval has also been obtained in this regard.

Accordingly, the vehicles with the chassis numbers given in the annexure hereto could be recommended  
for the excise duty concession.

**Additional Secretary (.....)  
For Secretary**

|     |                         |                                             |
|-----|-------------------------|---------------------------------------------|
| Cc: | 1. Secretary            | - Ministry of Finance                       |
|     | 2. Director General     | - Department of Fiscal Policy               |
|     | 3. Director General     | - Department of Trade and Investment Policy |
|     | 4. Commissioner General | - Department of Motor Traffic               |
|     | 5. ....                 | - (Company Name)                            |

