

## Broad Criteria For Introduction of Items in CSD

### Eligibility Criteria of firm applying for introduction of item

1. The firm should be based in India.
2. If the firm is Limited/Private Limited Company it should have been registered under the Companies Act.
3. The Firm should have GST registration.
4. Firm should have been in business for a minimum of two years before they can Introduce their products in CSD.
5. Broadly, the following categories of firms can apply for introduction of items in CSD :-
  - (a) Manufacturer who are also Brand Owner (to include Proprietorship/Partnerships, both Pvt Ltd and Public Ltd companies)
  - (b) Brand Owner (to include the firm which own the Brands but have outsourced the manufacturing)
  - (c) Firm having sole All India distributorship rights (civil as well as CSD) for domestically manufactured products.
  - (d) Importers with All India Sole Selling rights (Import subject to extant policies of the govt. These will be common of civil and CSD)
  - (e) MSME (Micro, Small, & Medium Enterprises).
  - (f) Ex- Serviceman Enterprises (ESM):-  
ESM. The ESM enterprises would also constitute the NoK of Battle Casualities in receipt of Liberalized Family Pension, NoK in receipt of Special Family Pension or Ordinary Family Pension and retired personnel from Army/Navy/Airforce including Short Service/Pre-Mature Retirees. However, ESM who have been boarded out due to misconduct/disciplinary issues will not be extended this facility. The ESM/ entitle NoK must have 51% stake in the enterprise to be considered in ESM category in CSD. ESM/NoK will provide necessary documents such as Service Particular Book/Discharge Book, PPO details (where eligible), certificate from respective Record Offices/Kendriya Sainik Board.
  - (g) Start-up
6. The following type of products are generally accepted for introduction :-
  - (a) General Stores.
    - (i) Items fully made in India.
    - (ii) Items assemble in India.
    - (iii) Items with partially imported components and partially indigenous components, based on extant government policies.
    - (iv) Imported/direct imported products based on extant government policies.
  - (b) Liquor
    - (i) IML/Brandy/Rum/Gin.
    - (ii) Beer/Wine/Any other kind of liquor.
    - (iii) In addition, imported liquor either Bottled in origin (BIO) or Bottled in India (BII) based on extant government policies.
  - (c) Against Firm Demand – I & Against Firm Demand – II
    - (i) Automobiles, TV, Refrigerator, Microwave, Music System and other Home Appliances (White Goods) in AFD-I.
    - (ii) Fans, luggage item, cycles, certain home/ kitchen utility item etc in AFD-II.

Note :- All items to be applied for introduction should have atleast 20% value addition in India. Hence packaging & assembly in India is not enough for fulfilling the criteria.

7. The item being applied for introduction should have been in the market for at least three months on the date of application.
8. The online Application Form can be submitted with the payment of applicable fee as per details indicated below. The fee is non-refundable & non transferable. Application should accompany transaction slip as proof of having made the payment. Maximum 8 SKUs per application is allowed. In respect of AFD-I item no limit has been imposed for SKUs.
9. Application Fees revised as per decision taken in 704 BoA dt. 12-13 July 2023 : to be applicable from 15<sup>th</sup> July 2023
  - (a) Stage I This stage pertains to all activities from the initial application till selection/rejection by PSC.
  - (b) Stage II. This stage is applicable to all items having cleared stage I and includes all activities till approval of the item by the BoA

	Fees applicable for Ex-Servicemen /Entities which are owned 100% by Women/ Physically Challenged Persons (Divyangjan)	Fees applicable to MSME/Start-up	Fees applicable for Firms Other than ESM/MSME/Start Up
Stage I	Rs. 4000/- per SKU	Rs. 6000/- per SKU	Rs. 26000/- per SKU
Stage II	Rs. 3500/- per SKU	Rs. 6000/- per SKU	Rs. 19000/- per SKU

- (c) Please note that will also be applicable stage wise fees for applicants dealing with AFD-I category of items (Four Wheeler, Two Wheeler & White Goods).  
The application fees for AFD-I category applicants are as under :

	Fees applicable for Ex-Servicemen/ Entities which are owned 100% by Women/ Physically Challenged Persons (Divyangjan)	Fees applicable to MSME / Start-up Companies	Fees application for other companies
	(1)	(2)	(3)
Stage – I Fees (Along with Application Form)	Rs. 2500/- per SKU	Rs. 4000/- per SKU	Rs. 15000/- per SKU
Stage – II Fees (Post PNC & BoA)	Rs. 2500/- per SKU	Rs. 4000/- per SKU	Rs. 15000/- per SKU

10. In respect of liquor item, generally details like cases sold in civil for last two years & registration in five states will become the additional criteria.

Sr. No	Category of Liquor	Sale of Cases Per Year for Last Two Years
1	Matured Dark Rum	50000
2	Matured White Rum	30000
3	Whisky	30000
4	Scotch Whisky	10000
5	Single Malt Whisky (India / Foreign)	3000
6	Beer	50000
7	Brandy	20000
8	Gin	10000
9	Vodka	5000
10	Wine	2500
11	Liquer	1500
12.	Flavoured Rum	5000

11. In case the number of application is large, a minimum of 200 applications will be processed based on seniority of date of application.
12. Once an item is rejected by the PSC, the firm should not apply for the same item at least for six months from the date of rejection. If rejected twice, the same item will not be considered for introduction at all.
13. Applicant firm must ensure the followings :-
  - (a) Sales of the item (Individually) in open Civil Market.
  - (b) Product availability across the country.

**INSTRUCTIONS TO THE APPLICANT FOR  
FILLING ONLINE APPLICATION FORM / REQUIREMENT OF ENCLOSURES**

In order to facilitate the applicants for hassle free filling of online application form, it is requested to keep the following documents ready before moving for applying online. The same will be required to submit in hard copies when applied offline.

1. Certificate issued by Registrar of Companies indicating date of establishment of the company and type of business configuration namely Public Ltd, Central PSU, State PSU & Pvt Ltd. wherever applicable
2. Partnership deed indicating the names of partner and their respective shares in the firm, including validity of the deed, wherever applicable.
3. Certificate issued by the Chartered Accountant certifying the proprietorship nature of the firm.
4. Certificate issued by Taxation department indicating GSTIN No of the firm.
5. PPO/Discharge certificate issued by ZSB/KSB for Ex-Servicemen (ESM)/Veer Nari/NOK of ESM. For Divyangjan, furnishing of the certificate with UDID No. issued from the State or Central Government will be mandatory.
6. In Case of Sart ups, Certificate issued by DPIIT.
7. Udyam registration certificate in case of MSME firm.
8. Any relevant certificate issued by Board/Commission take Khadi Commission/Coir or Rubber of Silk Board.
9. Pan India Lowest trade rate invoice certified by Chartered Accountant for General Stores/Food items/Liquor items whichever in applicable.
10. Landed Cost invoice if any for General Items/Food items.
11. License of Factory/Factories where products are manufactured.
12. Sole Selling agreement/outsourced manufacturing agreement wherever applicable.
13. Certificate from Chartered Accountant Certifying Annual Civil Sale Data of the items proposed for introduction both in Volume & Value for last 3 years.
14. Market Share report of the item issued by Market Survey/Research agency if available (This is not mandatory)
15. Technical Data Specification of the items.
16. Test Report of the items from NABL/Govt recognized Lab.
17. Audited Profit & Loss A/C and Balance Sheet for last 3 Financial years (Only P&L and BS, and no Schedules required).
18. Ex-distillery invoice showing the lowest rate in Pan India certified by Excise authorities in case of Liquor item.
19. Valid Label Registrations and notifications of Liquor items for atleast 5 states /UT.
20. Clear picture of the product indicating the name, graphics, MRP, Batch no, Barcode, Tags & FSSAI number (wherever applicable).

**A SIMPLE FIVE STEP PROCEDURE IS REQUIRED TO  
INTRODUCE PRODUCTS IN CSD**

1. The company may fill out the online application form for the introduction of an item, available on website [www.csdindia.gov.in](http://www.csdindia.gov.in) or if online services are not available, offline application form are accepted. Instruction on the subject are given on our website [www.csdindia.gov.in](http://www.csdindia.gov.in) from time to time.
2. A registration number will then be allotted to the application and a preliminary evaluation will be conducted. At this stage, CSD may request the company for certain clarifications and queries.
3. Once the documentation is complete, the file will be submitted to the Preliminary Screening Committee (PSC), together with samples of the products.
4. The decision of the Committee will be communicated to the company via mail as well as through the website. Once the Committee shortlists the products, further evaluation will be conducted. These include, among others a market survey, an inspection of the factory hygiene inspections for food and beverage items.
5. Once this evaluation audit has been completed, the firm will have to conduct price negotiations with CSD. The Board of Administration (BoA) will then give the final approval. Once all formalities have been completed, the final files are sent to concerned store branches for issuance of the New introduction circular and initial order.