

• Brief details of direct selling scheme and compensation plan

L. B. R. MARKETING LIMITED Company is in the direct selling companies Industry to sell a wide range of goods and services to individual and corporate clients and to reach out each and every person and society to make people healthy and wealthy and of course to make profits, which is why we will ensure we go all the way to enter into partnership with loads of manufacturers within and outside of the India.

We are in the direct selling companies' industry to make profits and we will ensure that we do all that is permitted by the law of the India to achieve our aim and ambition of starting the business. Our business offerings are listed below;

- Direct selling of Health Care Product
- Direct selling of vitamins and nutritional supplement
- Direct selling of Personal Care
- Direct Selling of Lifestyle Products
- Direct selling of Herbal and Ayurvedic products
- Direct Selling of Home Care Products
- Direct selling of Food, Beverages and Grocery Products
- Direct selling of cattle feed and Agricultural Products

After the recovery of Covid-19 pandemic situation again company has started developing business by direct selling of Health Care products, Personal Care Products, Home care products, Food and Beverages, Cattle feed, Agricultural, Grocery and lifestyle which improves heath and wealth of people.

To start the business with company as a direct seller need to register with company on website <u>www.lbrmarketing.in</u> Any direct seller can start business with successful registration with E-contract acceptance and after completing KYC process as guided in companies' website.

Company is not charging any fee from any person as a registration charge or joining fees, not promote a Pyramid Scheme, as defined in Clause 1(11) or enroll any person to such scheme or participate in such arrangement in any manner whatsoever in the garb of doing Direct Selling business. Company is also not participating in Money Circulation Scheme, as defined in Clause 1(12) in the garb of Direct Selling of Business Opportunities.

Company shares profit from product sold by direct seller in various earning form like Retail Profit, Activation BV Income, Repurchase BV Income, Sponsor Income, Target Bonus Income, Service provider Income, Self-Repurchase Reward, RNP Income and Franchise model income. These all earning are linked with direct sellers' business. Company has defined Product value point as Business Volume (ABV and RBV) on every product. After accumulation of certain defined Business Value point (ABV or RBV) and defined time period transfer these earning as percentage defined in form of Cash to direct sellers Bank account linked with their registration after deduction of TDS as per Income tax Act 1961.

Let's take little brief over direct sellers earning as mentioned above.

<u>1. Retail Profit</u>.

Company provides product to every registered direct seller product at distributor price (DP) with defined margin over MRP which is 5% to 30% varies based on Products.

2. ABV Matching Bonus:

ABV Matching Bonus is a weekly closure bonus where company distributes 9.5 % of monthly matching ABV as bonus to direct seller, based on ABV point volume achievement.

Calculation:

ABV Matching Bonus Income Rs. = ABV Point X 9.5%

Terms:

- *i.* Every registered distributor is eligible for ABV Matching bonus after 2000 BV purchase.
- *ii.* This is weekly closure bonus offer where balance leg point will be carried forward to next week.
- *iii.* Income generated will be credited to distributors Bank account.
- iv. Maximum caping for said Bonus income is Rs.20000/-
- v. Fraction value will not be considered for point value calculation.

3. RBV Matching Bonus Income:

RBV matching bonus is a monthly closure bonus where company distributes Rs.375/- per matching pair of 2500 repurchase BV.

Calculation:

RBV matching Bonus Income Rs. = Matching Pair X375 Rs.

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Matching Pair = 2500 Left RBV & 2500 Right RBV

Terms:

- *i.* Every registered distributor is eligible for RBV Matching bonus based on above mentioned criteria.
- *ii.* This is monthly closure bonus offer where no balance will be carried forward to next month.
- *iii.* Income generated will be credited to distributors Bank account in next month.
- *iv.* Maximum caping for said Bonus income is 270 pair.
- v. Fraction value will not be considered for point value calculation.
- 4. Sponsor Income:

Every registered distributor is eligible for sponsor income of Rs.50/- on 1000 ABV sale and 100 Rs on 2000 ABV and above sale in his/her ID sponsored by him/her. Calculation:

Sponsor Income Rs. = 50 Rs on 1000 ABV and 100 Rs. On 2000 and above ABV

5. Target Bonus Income:

Company distributes up to 10 % of total matching BV's as a target bonus based on companies defined stages achievements up to all levels.

6. Service Provide Income:

Whenever Rank achiever distributor visits with other distributor and get sales above 1000 ABV than he/she will get 50 Rs and above 2000 ABV 100 Rs As a service provide income.

Calculation:

Service Provide Income Rs. = 50 Rs on above 1000 ABV sale and 100 Rs. On above 2000 ABV sale.

Terms:

- *i.* Only rank achiever is eligible for the same income.
- *ii.* Rank achievement is based on total matching BV defined by company from Dimond star to Sefiyer star ranking.

7. Self-Purchase reward:

Company distributes up to 30 % reward on self-purchase based on target given by the company.

8. Franchise model Income:

There is also franchise model for income generation in company where company has 3 types of franchise models;

 DEPO: Company provides 11 TO 12% of DP commission on Direct sale and 110 Rs. On package sale . 6 % of DP commission on home shopee transfer sale and 60 Rs on transfer package. 1% of DP commission on Tahshil branch transfer and 10 Rs on package transfer.

- TAHSHIL BRANCH: Company provides 5 TO 10% of DP commission on
 Direct sales and 100 Rs. On package sale. 2.5 TO 5 % of DP commission
 on home shopee transfer sale and 50 Rs on transfer package.
- iii. HOME SHOPEE: Company provides 2.5 TO 5 % of DP commission onDirect sale and 50 Rs. On package sale.

Terms: Package sales commission mentioned is for 2000 BV sale, same will be 50 % in case 1000 BV package sale.

9. RNP Bonus:

RNP Bonus is Repurchase nominee point where company credits 2000 RNP points monthly in distributors for 60 month (total 120000 RNP) in case of accidental death of the distributor.

Terms:

- i. 1 RNP bonus= 1 Rs.
- *Distributor should have continuous 3 months purchase of more than*500 RBV at the time of incidence.
- *iii. Member not purchase any product for continues 2 months are disqualified for income.*
- *iv. RNP point can not be encashed. It should be used for product purchase only.*
- v. Required documents must be submitted to company.

<u>10.</u> Company also promotes different holiday trip and different product reward for specific level and target achievements.

L. B. R. MARKETING LIMITED Company is running with mission is to sell, quality and affordable goods and services within and outside of the India. We will position the business to become one of the leading brands in the direct sales line of business in the whole of India, and also to be amongst the top 10 direct sales companies in the country within the next 10 years of operations.