# SVNTeX 2.0 – Partnership Bonus (PB) & Referral Bonus (RB) Logic Specification

Document Version: 1.0

Status: Authoritative functional specification for implementation & stakeholder review

Scope: Defines all rules, statuses, timelines, calculations, examples, and data artifacts for PB lifecycle, RB trigger, eligibility gating, suspense handling, and dashboard UX messaging.

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## 1. Definitions

Term | Definition |

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Customer ID | System-generated identifier: `SVN-` + 6 digits (e.g., `SVN-023451`). |

Qualifying Purchase / Top-Up | A single order subtotal (excluding shipping) or wallet top-up ≥ ₹2,499. |

Qualifying Referral | A referred customer who completes at least one qualifying purchase/top-up. |

RB (Referral Bonus) | One-time 10% of the referee’s first qualifying base amount credited to referrer. |

PB (Partnership Bonus) | Monthly profit share allocated to eligible customers based on slab and lifecycle status. |

Slab | Percentage band derived from a customer’s monthly qualifying spend. |

Activation Month | Month in which the 2nd qualifying referral is achieved. |

Inclusion Start Month | The \*following\* month after Activation Month; first month counted toward PB pool. |

Distribution Month | The month PB payouts (for prior month) are credited (early next month). |

Cycle | A 12‑month period beginning from the customer’s join month (or a reset baseline after suspension). |

Maintenance Requirement | Additional referrals required in same cycle to keep PB active into next cycle. |

Suspension | Status blocking PB payouts (new payouts held in suspense). |

Suspense | Holding area for provisional/suspended users’ computed PB shares (not yet credited). |

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## 2. Data Entities & Storage

Data | Storage Mechanism | Notes |

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Wallet Transactions | Table: `wp\_svntex\_wallet\_transactions` | Types: `wallet\_topup`, `purchase`, `referral\_bonus`, `referral\_commission`, `profit\_bonus`, `withdraw\_hold`, etc. |

PB Payouts | `wp\_svntex\_pb\_payouts` | Credited users only. |

PB Suspense | `wp\_svntex\_pb\_suspense` | Held rows: provisional/suspended at distribution time. |

Profit Distribution Header | `wp\_svntex\_profit\_distributions` | One row per processed month. |

Referrals | `wp\_svntex\_referrals` | Links + qualification state. |

KYC Submissions | `wp\_svntex\_kyc\_submissions` | Gating withdrawals & PB inclusion. |

User Meta – Status | `\_svntex2\_pb\_status` | `inactive|provisional|active|suspended|lifetime` (lifetime future). |

User Meta – Referral Total | `\_svntex2\_pb\_referral\_count\_total` | Monotonic counter of qualifying referrals. |

User Meta – Activation Time | `\_svntex2\_pb\_activated\_on` | Timestamp when became provisional. |

User Meta – Active Since | `\_svntex2\_pb\_active\_since` | Timestamp when first reached `active`. |

User Meta – Monthly Snapshot | `\_svntex2\_pb\_ref\_m\_YYYY-MM` | Integer referrals qualified that month. |

User Meta – RB Awarded Flag | `\_svntex2\_rb\_awarded` | Boolean 1/0. |

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## 3. Lifecycle Status Flow

```

inactive --(2 qualifying referrals)--> provisional --(total 6 in cycle)--> active

^ | \

| | (fail maintenance) \ (24 consecutive active months\*)

(reset / new cycle) v --> lifetime (future)

suspended <--(regain 2+4)---

```

\*Lifetime currently deferred; placeholder for extended retention incentive logic.

### 3.1 Status Triggers

Transition | Condition |

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

inactive → provisional | On achieving 2nd qualifying referral in any month. Activation Month recorded. |

provisional → active | When cumulative qualifying referrals in same cycle reach 6 (2 + 4 additional). |

active → suspended | At cycle boundary if maintenance (+4 after initial 2) not completed OR renewal rule not met (see Section 5). |

suspended → provisional | (Reset pattern) After new cycle start, once 2 new qualifying referrals appear (treated as new activation). |

provisional → active (after suspension) | Once total new referrals in the \*current\* reset cycle reach 6 again. |

### 3.2 Inclusion & Timing

Milestone | Timing Rule |

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Activation Month | Month containing 2nd qualifying referral. |

Inclusion Start Month | First PB-eligible operational month = Activation Month + 1. |

First Payout Display | Distribution run for Inclusion Start Month occurs early next month (credited then). |

Example A (Fast Activation): 2 referrals in January → Inclusion February → First payout credited early March (for February).

Example B (Staggered): 1 referral January + 1 referral February → Activation February → Inclusion March → First payout credited early April.

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## 4. Referral Bonus (RB) Logic

Trigger: First qualifying purchase/top-up (≥ ₹2,499) by a referred user.

Amount: 10% of that qualifying base (net of shipping if order-based).

One-time per referee, whichever event qualifies first (purchase vs top-up).

Credited as `referral\_bonus` (category `income`).

Sets `\_svntex2\_rb\_awarded` on referee (used as PB gating condition for referrer’s inclusion? \*Current gating is on the PB recipient’s own RB award.\*)

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## 5. Annual Cycle, Maintenance & Renewal (Clarified Business Rule)

Each cycle = 12 calendar months starting from join month or from \*new activation baseline\* after suspension.

### 5.1 Initial Activation Requirements (Cycle Year 1)

2 qualifying referrals → Activation.

4 additional referrals (for a total of 6) before end of Month 12 → Maintains active status.

### 5.2 Renewal Requirement (End of Cycle)

In Month 12 (final month of the cycle), user must add \*\*2 new qualifying referrals\*\* to seed next cycle’s activation.

If not achieved by cycle end → status moves to `suspended` on Month 13 (new cycle start), regardless of earlier maintenance fulfillment.

### 5.3 Suspension & Recovery

Suspended users earn no PB; computed shares (if any provisional assumption) go to suspense (currently only provisional/suspended withholding).

Recovery requires full pattern again in new cycle: 2 (activation) + 4 (maintenance) = 6 total.

### 5.4 Edge Case Handling

Scenario | Outcome |

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

Only 5 total referrals in first 12 months | Suspend Month 13. |

Achieved 6 by Month 10 but no 2 new in Month 12 | Suspend Month 13 (renewal failed). |

Achieved 2 in Month 12 but no +4 previously | Still suspended: missing maintenance. |

Suspended then refers 4 in Month 13 | Still not active (needs first 2 recognized as activation, then reach 6). |

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## 6. Monthly Spend & Slab Resolution

### 6.1 Qualifying Spend Components

Positive types: `wallet\_topup`, `purchase`.

Negative adjustments: `refund` (reduces net spend).

### 6.2 Slab Table

Threshold (₹ ≥) | Slab % |

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

2,499 | 10% |

3,499 | 15% |

4,499 | 20% |

5,499 | 25% |

6,499 | 30% |

7,499 | 35% |

8,499 | 40% |

9,499 | 45% |

10,499 | 50% |

11,499 | 55% |

12,499 | 60% |

13,499 | 62% |

14,499 | 65% |

15,499 | 67% |

16,499 | 68% |

17,499 | 69% |

19,999 | 70% (cap) |

### 6.3 Resolution Algorithm

```

slab = 0

for each threshold ascending:

if spend >= threshold: slab = percent

return slab

```

### 6.4 Dashboard Display Elements

Current Month Spend

Current Slab %

Next Slab Threshold (delta)

Historical last 3 month slabs

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## 7. PB Distribution Calculation

### 7.1 Inputs

Symbol | Description |

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P\_m | Company profit for month m after adjustments. |

U\_m | Set of eligible users for month m. |

s\_i | Slab percent for user i (decimal). |

Σs | Sum of all slab percents for eligible users. |

### 7.2 Eligibility Conditions (month m)

Status = `active` (future: include `lifetime`).

KYC approved.

RB awarded (if gating rule retained).

Monthly spend ≥ 2,499 (lowest slab threshold).

Inclusion Start Month ≤ m (activated previously).

### 7.3 Current Implemented Formula (Normalized Share Mode)

```

User Share Ratio r\_i = s\_i / Σs

Payout\_i = P\_m \* r\_i

```

Rounded to 2 decimals; sum may differ by minor rounding remainder.

### 7.4 Alternate Business-Spec Formula (Profit Value × Slab %) – Planned Mode

```

ProfitValue = P\_m / |U\_m|

Payout\_i = ProfitValue \* s\_i

```

Requires configuration flag: `normalized` vs `direct\_formula`.

### 7.5 Suspense Handling

If status provisional or suspended at run time:

Row inserted into `svntex\_pb\_suspense` with reason = status, amount = computed payout.

Not credited to wallet until manual release (automated release cron future enhancement).

### 7.6 Rounding

Individual payouts: round(amount, 2)

Optional remainder allocation: (Not yet implemented in new normalized slab model; legacy distribution may add remainder to top earner.)

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## 8. Referral Bonus Calculation

```

If referee makes first qualifying event (amount >= 2499) and RB not yet awarded:

RB = round(base\_amount \* 0.10, 2)

Credit referrer (income)

Mark referee meta \_svntex2\_rb\_awarded = 1

```

Base amount excludes shipping for orders; raw amount for top-ups.

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## 9. Withdrawal Logic

Only `income` category balance is withdrawable.

Fees:

- TDS = 2% of gross

- AMC = 8% of gross

- Net = Gross − (TDS + AMC)

Flow:

- Request: `withdraw\_hold` (negative ledger entry)

- Approve: add fee metadata via status update (final 0-amount confirmation transaction optional) – net disbursed off-ledger operationally.

- Reject: `withdraw\_refund` (refunds held amount)

Validation gates:

- KYC approved

- PB status active

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## 10. Notifications & UX Messaging (Customer-Facing)

Event | Message Template |

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Registration | “Welcome! Refer 2 qualifying friends (≥ ₹2,499) to activate PB earnings.” |

1st Referral | “Great! 1 of 2 referrals complete—1 more unlocks PB activation.” |

Activation (Same Month) | “Activated! PB earnings start next month; first payout visible the following month.” |

Activation (Next Month) | “Activation in {ACTIVATION\_MONTH}. Earnings begin {INCLUSION\_MONTH}; first payout credited in {DISPLAY\_MONTH}.” |

Maintenance Progress | “Maintenance: {X}/4 additional referrals. Complete before {CYCLE\_END} to stay active.” |

Renewal Needed | “Renewal: Add 2 new referrals this month to keep PB active next cycle.” |

Suspension | “PB Suspended. Start new cycle: Refer 2 to activate, then 4 more to maintain.” |

Suspense Hold | “₹{AMOUNT} PB payout held (Status: {STATUS}). Become Active to release future payouts.” |

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## 11. Example Timelines

### Example 1 – Fast Activation

Join: Jan

2 Referrals: Jan

Activation Month: Jan

Inclusion Start: Feb

First Payout: Early Mar (for Feb)

### Example 2 – Staggered Activation

Join: Jan

Referral #1: Jan

Referral #2: Feb

Activation Month: Feb

Inclusion Start: Mar

First Payout: Early Apr (for Mar)

### Example 3 – Missed Maintenance

Join: Jan

Only 5 total referrals by Dec (needs 6)

Status: Suspended from Jan (Month 13)

Recovery: Must do 2 (activation) + 4 (maintenance) anew within new cycle.

### Example 4 – Maintenance Success but No Renewal

Achieves 6 by Aug

Fails to add required 2 renewal referrals in Month 12 (Dec)

Suspended Month 13 despite prior maintenance.

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## 12. Edge Cases & Clarifications

Scenario | Rule Application |

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Referee qualifies after referrer suspended | Does \*\*not\*\* directly unsuspend; counts toward new cycle if still within logic window. |

Multiple qualifying events same day | Each referral counts once when first qualifying threshold crossed. |

Refund reduces net spend below slab threshold | Slab re-evaluated at distribution; may lower payout share. |

Suspended user later reaches 6 without distinct 2+4 pattern | Must satisfy order: first 2 (activation), then reach 6 (maintenance). |

Provisional month with no spend ≥ 2499 | No slab → zero PB share (no suspense row created). |

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## 13. Open / Future Enhancements

Area | Planned Improvement |

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Lifetime Status | Formal rule (e.g., active 24 consecutive calendar months). |

Automatic Renewal Alerts | Pre-month-12 email + in-app banner. |

Automated Suspense Release | Cron to scan active statuses and release eligible held payouts. |

Profit Input Admin UI | Structured monthly profit entry & override vs filters. |

Distribution Mode Toggle | Switch between normalized share and direct formula. |

API Endpoints | `/pb/status`, `/pb/projection`, `/wallet/transactions` pagination. |

Encryption | KYC document + sensitive meta AES-256 at rest. |

Fraud Detection | Heuristics: same IP referrals cluster, rapid top-up/refund loops. |

Audit Trail | Append-only ledger of sensitive actions. |

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## 14. Pseudocode Summary (Key Routines)

### 14.1 Activation Handling

```

function onReferralQualified(referrer):

increment total\_referrals

increment month\_referral\_snapshot(current\_month)

if status == inactive and total\_referrals >= 2:

status = provisional

activation\_month = current\_month

if total\_referrals >= 6 and status in {provisional, active?}:

status = active

```

### 14.2 Lifecycle Maintenance (Monthly Cron Before Distribution)

```

for user with pb\_status:

total12 = sum(referrals last 12 months)

if status == active and cycle ended and (maintenance not met OR renewal not met):

status = suspended

if status == suspended and pattern (2 then 6) satisfied in new cycle:

status = active

```

### 14.3 Distribution (Normalized Mode)

```

collect eligible active users (status active, KYC ok, RB ok, spend>=2499)

for each -> determine slab percent s\_i

Σs = sum(s\_i)

for each user:

payout = company\_profit \* (s\_i / Σs)

credit profit\_bonus (if active) else insert suspense

```

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## 15. Implementation Checklist Mapping

Feature | Implemented | Notes |

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Slab Resolution | Yes | `pb.php` function `svntex2\_pb\_resolve\_slab\_percent`. |

Monthly Spend Aggregation | Yes | Credits minus refunds. |

RB Award | Yes | First qualifying top-up/purchase. |

Activation / Maintenance Counters | Partial | Cycle renewal & strict 2 + 4 annual reset logic still to refine. |

Suspense Table | Yes | `svntex\_pb\_suspense`. |

Admin Suspense Release | Yes | Distributions tab. |

Automatic Release | No | Future cron. |

Renewal Enforcement (Month 12) | Not fully enforced | Needs explicit month boundary detection logic. |

Lifetime Elevation | Placeholder | Time-based meta checks only. |

Direct Formula Mode | Not yet | Config toggle pending. |

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## 16. Risks & Mitigations

Risk | Impact | Mitigation |

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Ambiguous cycle boundaries | Incorrect suspensions | Implement calendar-based cycle index calculation. |

Large suspense backlog | Admin workload / liability | Add auto-release + aging report. |

Rounding drift | Minor payout mismatch | Track remainder and allocate to highest slab or create adjustment row. |

Retroactive refunds | Overpayment risk | Add negative adjustment capture & optional clawback logic. |

Referral fraud clusters | Financial leakage | Pattern detection + soft lock + KYC escalation. |

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## 17. Developer Integration Notes

Always call lifecycle evaluation before distribution.

Keep meta access batched (consider caching monthly snapshots in a derived table if volume grows).

Expose projection endpoint so dashboard can show: “Projected PB next month (range).”

Add feature flags: `SVNTEX2\_PB\_DISTRIBUTION\_MODE`, `SVNTEX2\_PB\_AUTORELEASE\_SUSPENSE`.

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## 18. Example Customer Dashboard Components

Component | Purpose |

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Activation Progress Bar | Visual (2 of 2, then 6 of 6). |

Renewal Countdown | Shows Month 10–12 progress & required referrals. |

Slab Card | Current spend, slab %, next threshold delta. |

Suspense Alert | If held payouts exist. |

Earnings Timeline | Join → Activation → Inclusion → First Payout. |

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## 19. Change Log (Doc)

Version | Date | Summary |

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1.0 | 2025-09-08 | Initial comprehensive PB/RB specification extracted & structured. |

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## 20. Approval & Ownership

Role | Name / Placeholder | Responsibility |

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Product Owner | (Assign) | Business rule authority |

Tech Lead | (Assign) | Ensures logic alignment in code |

Backend Engineer | (Assign) | Implements cron & distribution refinements |

QA Lead | (Assign) | Derives test cases from Sections 3–11 |

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\*End of Document\*