



Distributors' Reward Scheme

2020

CARL BECHEM Lubricants India Private Limited

Reward Scheme for Distributors' 2020-21

The Reward scheme has four sections as given below,

1. Annual Incentive Scheme
2. SMART Bonus
3. The Club Membership Award
4. The Directors' Challenge Trophy

Eligibility Criteria for the Reward Scheme

Distributors' should adhere to the payment policy laid down by the company.

1. Annual Incentive Scheme

According to the scheme, all Distributors' are assigned a Sales Target for the year 2020-21. Details of the incentive calculation for achieving specific slabs of the target is given below.

Sales Achieved	Incentive
Less than 90% of the target	Nil
90% of the target	0.18% of total sales up to 90% of target
> 90% to less than < 100% of the target	0.18% of total sales up to 90% of target + 4.15% of sales between 90% to less than 100% of target
Additional bonus at 100% of the target	0.58% of total sales upto 100%
> 100% to < 120% of the target	0.18% of total sales up to 90 % of target + 4.15% of sales between 90% to less than 100% of target + 0.58% Additional Bonus on 100% + 1.08% of sales between 100% to less than 120% of target
120% of the target and above	0.18% of total sales up to 90 % of target + 4.15% of sales between 90% to less than 100% of target + 0.58% Additional Bonus on 100% + 1.08% of sales between 100% to less than 120% of target + 0.45% of the sales from 120% and above

2. SMART Bonus

Apart from above mentioned reward scheme, we are pleased to announce an additional SMART Bonus scheme this year. The criteria for this would be just not number driven but on the basis of the overall business process adopted by the distributor. Following points would be considered for evaluation.

Performance Evaluation Criteria:

1. Sales organization

Attributes: Size of sales team/ exclusive sales person for Bechem /capability / people retention

2. Market development

Attributes: Effort in developing new business/ territory coverage / number of visits to key accounts /brick walling / proprietor's involvement in business

3. Customer service

Attributes: Responsiveness in service/ capability to handle customer complaint independently.

4. Planning & Inventory management

Attributes: Maintaining adequate inventory/ placing timely orders / stocking & handling of finished products

5. Overall Commitment and enthusiasm

Attributes: Readiness to go the extra mile for Bechem Business / meeting deadlines & commitments / overall enthusiasm with Bechem business

The evaluation will be done by the Bechem India team on a quarterly basis. Adding up the quarterly evaluations will provide the final performance evaluation based on which distributor will be graded and rewarded.

Bonus Earning:

Rating above 90%: Additional 10% of the incentive earned for 100% achievement or actual incentive earned whichever is lesser.

Rating Between 80% to 90%: Additional 7.5% of the incentive earned for 100% achievement or actual incentive earned whichever is lesser.

3. The Club Membership

Under this, we have three club membership categories as follows:

- a) Silver
- b) Gold
- c) Platinum

Details of the eligibility criteria and corresponding rewards for club membership is given in the table below.

Reward Category	Achievement	Eligibility Criteria	Reward
The Silver Club Membership	≥ 50 lakhs	Min. 95% of Target	Membership Certificate + Additional 5% of Incentive Earned
The Gold Club Membership	≥ 80 lakhs	Min. 95% of Target	Membership Certificate + Additional 7.5% of Incentive Earned **
The Platinum Club Membership	≥ 130 lakhs	Min. 95% of Target	Membership Certificate + Additional 10% of Incentive Earned** + Rs. 10,000/- of Salary Subsidy*

** Additional club incentives would be calculated on standalone basis, depending on the Partner's qualifying grade (Silver / Gold / Platinum)

Salary Subsidy*

1. Distributor shall appoint a Sales Associate on his rolls for which BECHEM will support by providing a salary subsidy of Rs. 10,000/- per month for promoting BECHEM products. However, the following conditions needs to followed to avail the benefit:
 - The Sales Associate will be an additional resource over and above the existing Personnel appointed by the Distributor for promoting BECHEM products.
 - BECHEM Management should approve the Sales Associate recruited by the Distributor.
 - The salary subsidy eligibility cannot be carried over to the subsequent years. Appointment process should be completed within six months from the award communication.

4. Directors' Challenge Trophy

'The Director's Challenge Trophy' to recognize the super achievers is based on the Distributor surpassing the target by certain set criteria. The winners are eligible for a cash reward and a memento.

Category	Target	Eligibility Criteria	Reward
Category 1 (a)	≥ 20 lakhs and ≤ 40 lakhs	Should exceed target by 12%	₹ 10,000.00
Category 1 (b)	> 40 lakhs and ≤ 65 lakhs	Should exceed target by 10%	₹ 10,000.00
Category 2 (a)	> 65 lakhs and ≤ 80 lakhs	Should exceed target by 9%	₹ 20,000.00
Category 2 (b)	> 80 lakhs and ≤ 125 lakhs	Should exceed target by 7%	₹ 20,000.00
Category 3 (a)	> 125 lakhs and ≤ 175 lakhs	Should exceed target by 6%	₹ 25,000.00
Category 3 (b)	> 175 lakhs and ≤ 300 lakhs	Should exceed target by 5%	₹ 25,000.00
Category 4 (a)	> 300 lakhs and ≤ 500 lakhs	Should exceed target by 4%	₹ 30,000.00
Category 4 (b)	> 500 lakhs	Should exceed target by 2%	₹ 30,000.00

Note: *The Director's Challenge Trophy will be handed over to the winner during the Distributor's Conference.

Terms and Conditions of the Scheme

Incentive calculations will be based on Primary Sales (Basic Price + GST) to the Distributor. Direct sales with or without ORC are excluded from consideration, unless specified.

We wish you all the success in 2020-21.

Anirban Bhattacharya

Chief Executive Officer