

BAYER
CROPSOURCE
LIMITED

57TH

ANNUAL
REPORT

APRIL 2014 -
MARCH 2015



Bayer CropScience



Bayer CropScience

BOARD OF DIRECTORS



Dr. Vijay Mallya
Chairman



Richard van der Merwe
Vice Chairman &
Managing Director and CEO



Sharad M Kulkarni
Non-Executive
Independent Director



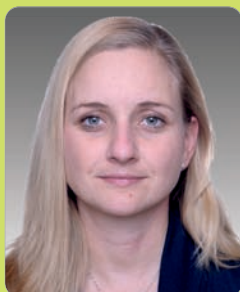
AKR Nedungadi
Non-Executive
Independent Director



Vimal Bhandari
Non-Executive
Independent Director



Peter Mueller
Non-Executive
Non-Independent Director



Dr. Regine Juergens
Non-Executive
Non-Independent Director



Kaikobad B Mistry
Non-Executive
Non-Independent Director



Dr. Thomas Hoffmann
Executive Director &
Chief Financial Officer

Bayer : Science For A Better Life

Bayer intends in the future to focus entirely on the Life Science businesses – HealthCare and CropScience. This will create a global leader in the Life Sciences with extensive experience in science and innovation, and the ability to use this expertise to improve human, animal and plant health.

Our products continue to help address some of today's biggest challenges, including global population growth, an aging society and the need to make efficient – and, wherever possible, sustainable – use of natural resources.

PRODUCT LAUNCHES: 2014 - 15



Raxil® Easy

The new technology seed treatment with excellent efficacy against loose smut disease on wheat



Racumin® Sure

A pest management solution in the Rodent Management Segment



Arize® Swift Gold

Bayer's Rice Hybrid in the early duration segment, with medium slender grain type, high test weight, offering high yield and resistant to Bacterial Leaf Blight



Arize® 6201 Gold

A Mid early duration Bacterial Leaf Blight resistant Rice Hybrid, with consistent high yield, wider adaptability, long slender grain type and excellent cooking & eating quality



ProAgro™ 5111

Bayer's high yielding Mustard Hybrid offering early maturity, high oil content and tolerance to white rust

Bayer CropScience Key Crops

2014-15

Bayer CropScience aspires to maintain its leadership position in Crop Protection and further leverage its position in selected seed segments. For this, the Company is focusing on the following key crops, apart from others.



Cover photo : Indian farmers with Bayer staff-member Dinesh Balkrishna Bhoir (center), in a cauliflower field



Bayer CropScience

Working on Behalf of a Better Life

With our core business, we have a major impact on societal development. At the same time, we depend on intact social framework conditions and an innovation-friendly business environment. For us, it is therefore important to contribute to society's future viability and create value in diverse ways. Within the scope of our social commitment, we thus make targeted strategic investments in the areas of science and education, health, social needs and community projects. This commitment is an integral element of Bayer's corporate policy.

At Bayer CropScience in India, Corporate Social Responsibility (CSR) spend was traditionally focused on rural development. In the future, we intend to make India a 'Role Model', with a focus on innovative CSR projects.

Corporate Social Responsibility for us in India has three distinct pillars and our CSR Committee is concentrating on these areas:

1. Society Progress Pilots for pioneering ideas and topics of nationwide importance
2. Science Excellence with focus on life science talents and frontier research
3. Community development for neighborhood projects on farming/rural topics, health and education

Some glimpses of our CSR projects in implementation mode:

MSMS (Making Science Make Sense)

MSMS (Making Science Make Sense) program provides school students with an insight into everyday natural science phenomena with the help of all kinds of fascinating experiments. In 2014-15, this project covered over 12,000 students from 37 schools across Mumbai, Vapi, Himatnagar and Greater Noida



WASH Project

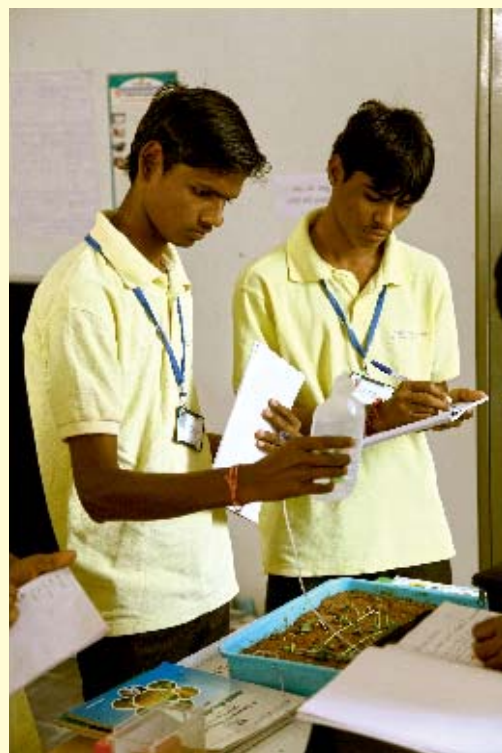
WASH (Water, Agriculture, Sanitation and Health) program is aimed at improving public health through sanitation and conservation of pure natural resources. Seen in the pictures are village awareness programs on health and sanitation in progress



Bayer CropScience

RVJ Vocational Training

Bayer – RVJ School of Agriculture was established as part of Bayer CropScience overarching umbrella 'Learning for Life' strategy to foster (science) education globally



Bayer CropScience



Bayer CropScience Limited Annual Report 2014-15

Directors	Dr. Vijay Mallya	(DIN 00122890)	– Chairman
	Richard van der Merwe	(DIN 06768305)	– Vice Chairman & Managing Director and CEO
	Sharad M. Kulkarni	(DIN 00003640)	
	A. K. R Nedungadi	(DIN 00103214)	
	Vimal Bhandari	(DIN 00001318)	
	Peter Mueller	(DIN 03582162)	
	Dr. Thomas Hoffmann	(DIN 06485949)	– Executive Director & CFO
	Kaikobad B. Mistry	(DIN 02253294)	
	Dr. Regine Juergens	(DIN 07076269)	

Vice President - Law, Patents & Compliance & Company Secretary

Rajiv Wani

Bankers

Bank of America
BNP Paribas
Citibank N.A.
Deutsche Bank
HDFC Bank Limited
State Bank of India
Union Bank of India

Auditors

Price Waterhouse

Solicitors

Crawford Bayley & Co.

CIN

L24210MH1958PLC011173

Registered & Corporate Office

Bayer House, Central Avenue, Hiranandani Estate
Thane (W) - 400 607.
Tel. No.: 91 22 2531 1234
Fax No.: 91 22 2545 5063

Registrars & Share Transfer Agents

TSR Darashaw Limited (TSRDL)
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai - 400 011.
Tel. No.: 91 22 6656 8484
Fax No.: 91 22 6656 8494

Factory

Plot Nos. 66/1 to 75/2
G.I.D.C. Industrial Estate,
Himatnagar - 383 001, Gujarat.

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Members are requested to:

- direct all shares related correspondence to TSRDL
- bring their copy of the Annual Report to the Annual General Meeting
- send their queries, if any, relating to the accounts of the Company, at least 10 days before the Annual General Meeting, so that the necessary information can be made available at the Meeting



NOTICE

NOTICE is hereby given that the 57th Annual General Meeting of Bayer CropScience Limited will be held on Tuesday, September 15, 2015 at 11.30 a.m. at "Yashwantrao Chavan Pratishthan Auditorium", Y. B. Chavan Centre, Near Mantralaya, Gen. J. Bhonsale Marg, Mumbai- 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Statement of Profit and Loss for the financial year ended March 31, 2015 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare final dividend on Equity Shares for the financial year ended March 31, 2015.
3. To appoint a Director in place of Mr. Kaikobad B. Mistry (DIN: 02253294), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following Resolutions, with or without modification(s):

5. Appointment of Dr. Regine Juergens (DIN: 07076269) as a Director of the Company:

As an Ordinary Resolution:

"RESOLVED THAT Dr. Regine Juergens (DIN: 07076269) who was appointed as an Additional Director of the Company with effect from February 02, 2015 by the Board of Directors and holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 ("the Act") read with Article 117(2) of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying its intention to propose Dr. Regine Juergens as a candidate for the office of director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

6. Commission to Non-Executive Independent Directors:

As an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), including any statutory modification(s) or re-enactment(s) thereof, the Rules framed under the Act and the Articles of Association of the Company and subject to all applicable approval(s) as may be required, consent of the Members be and is hereby accorded to the payment of commission, in addition to sitting fees and reimbursement of expenses incurred for attending the meetings of the Board of Directors of the Company and its Committee thereof, at a rate not exceeding 1% per annum or such other percentages as may be specified by the Act from time to time in this regard, of the net profits of the Company for the financial year commencing from April 01, 2015 and thereafter for all subsequent financial years (computed in the manner provided in Section 198 of the Act or as may be prescribed by the Act or Rules framed there under from time to time), but subject to such ceiling, if any, per annum, as the Board or its Committee may from time to time fix in that behalf and the same to be divided amongst them in such manner as the Board or its Committee may, from time to time, determine.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

7. Payment of Remuneration to Cost Auditor:

As an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, M/s. N. I. Mehta & Co., Cost Accountants, to conduct the audit of the cost records of the Company relating to Insecticides for the financial year ending March 31, 2016 be paid ₹ 0.53 Millions plus service tax and out of pocket expenses incurred in performance of their duties as the remuneration.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

NOTICE (contd.)**8. Variation in terms and conditions of appointment of Dr. Thomas Hoffmann (DIN: 06485949):****As an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and subject to the approval of the Central Government, if applicable, the Company hereby accords its approval to vary the terms and conditions of the appointment of Dr. Thomas Hoffmann, Executive Director & Chief Financial Officer with effect from April 01, 2015 as set out under Item No. 8 of the Explanatory Statement annexed to this Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary to give effect to this resolution.”

9. Approval of transaction with Bayer CropScience Aktiengesellschaft, Germany:**As a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 and the provisions of Clause 49 (VII) of the Listing Agreement with the Stock Exchange (including any statutory modifications or amendments or re-enactments thereof, for the time being in force), approval of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to enter into material contracts/arrangements/transactions with Bayer CropScience Aktiengesellschaft, Germany (“BCS AG”), a ‘Related Party’ as defined under section 2(76) of the Companies Act, 2013 and Clause 49 (VII) of the Listing Agreement, for purchase of goods, sale of goods (exports), professional and support services, recoveries, services and other obligations if any on such terms and conditions as may be mutually agreed upon between the Company and BCS AG and as set out under the statement of the material facts as annexed to this Notice, for Item No. 9.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee) be and is hereby authorized to do all such acts, deeds, matters and things, and to finalize the terms and conditions as may be considered necessary, in order to give effect to this resolution.”

10. Approval of transaction with Bayer BioScience Private Limited:**As a Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 and the provisions of Clause 49 (VII) of the Listing Agreement with the Stock Exchange (including any statutory modifications or amendments or re-enactments thereof, for the time being in force), approval of the Company be and is hereby accorded to the Board of Directors (including its committee thereof), to enter into material contracts/arrangements/transactions with Bayer BioScience Private Limited (“BBPL”), a ‘Related Party’ as defined under section 2(76) of the Companies Act, 2013 and Clause 49 (VII) of the Listing Agreement, for purchase of goods, sale of goods, professional and support services, recoveries, rent income/expenses, services and other obligations if any on such terms and conditions as may be mutually agreed upon between the Company and BBPL and as set out under the statement of the material facts as annexed to this Notice, for Item No. 10.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee) be and is hereby authorized to do all such acts, deeds, matters and things, and to finalize the terms and conditions as may be considered necessary, in order to give effect to this resolution.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy in order to be effective shall be duly filled, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of companies, societies etc. must be supported by appropriate resolution / authority, as applicable, issued on behalf of the nominating organisation. A person can act as proxy on behalf of Members not exceeding fifty (50) in number and holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto and forms part of this Notice.
3. The details under Clause 49 of the Listing Agreement with BSE Limited, in respect of Directors seeking approval for appointment / re-appointment at the Annual General Meeting, forms part of the Explanatory Statement annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 05, 2015 to Tuesday, September 15, 2015 (both days inclusive).



5. The final dividend of ₹ 17.00 per Equity Share, as recommended by the Board of Directors, if declared at the ensuing 57th Annual General Meeting to be held on Tuesday, September 15, 2015 will be paid on or after Friday, September 18, 2015:
 - (i) to those members who hold shares in physical form and whose names appear on the Company's Register of Members as holders of Equity Shares on Friday, September 04, 2015.
 - (ii) in respect of shares held in dematerialised form, to the Beneficial Owners of the shares as at the close of business hours on Friday, September 04, 2015 as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
6. Members are requested to direct all shares related correspondence to TSRDL at the following address:

TSR Darashaw Limited,
Unit : Bayer CropScience Limited,
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Near Famous Studio,
Mahalaxmi, Mumbai – 400 011
Tel. No.: 91 22 6656 8484
Fax No.: 91 22 6656 8494
e-mail: csg-unit@tsrdarashaw.com
7. Members holding shares in physical form are requested to notify / send the following to TSRDL on or before Tuesday, September 01, 2015 in order to facilitate better service:
 - (i) any change in their address / mandate / bank details;
 - (ii) particulars of their bank account in case the same have not been sent earlier; and
 - (iii) share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
8. Members holding shares in the dematerialised form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS) mandates, nominations, power of attorney, change of address / name etc. to their Depository Participant only and not to the Company / TSRDL. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and TSRDL to provide efficient and better service to the members.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or TSRDL for assistance in this regard.
10. Members are requested to encash the Dividend Warrants immediately on its receipt, as pursuant to the provisions of Section 205A (5) of the Companies Act, 1956, dividends remaining unclaimed for 7 years from the date they were transferred to the unpaid dividend account are required to be transferred to the "Investor Education and Protection Fund" (IEPF) established by the Central Government under Section 205C of the Companies Act, 1956. Members shall not be able to claim any unpaid or unclaimed dividend from IEPF or the Company thereafter.
11. **Members are requested to note that the dividend declared in September, 2008 is due to be transferred to IEPF in October, 2015.**
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to TSRDL.
13. Members can avail the facility of nomination in respect of physical shares held by them by sending their nomination in the prescribed Form duly filled in to TSRDL, quoting their respective Folio Nos., Certificate Nos. and Distinctive Nos.
14. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Registered & Corporate Office of the Company on all working days between 10.00 a.m. and 12.00 noon up to the date of the Annual General Meeting.
15. **To receive shareholders' communications through electronic means, including annual reports and notices, members are requested to register their e-mail address(es) and changes therein from time to time, by directly sending the relevant e-mail address alongwith details of name, address, Folio No. and number of shares held:**