



*Bayer  
CropScience  
Limited*

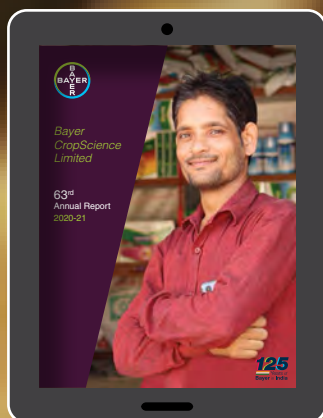
63<sup>rd</sup>  
Annual Report  
2020-21



**125**  
Years of  
Bayer in India

**On the Annual Report cover:**

*Smallholder farmer and Agri-Entrepreneur, Himanshu Singh at his Better Life Farming Center in Sikhar village located in Chunar Tehsil of Mirzapur district in Uttar Pradesh, India.*



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please visit: <https://www.bayer.in/en/investors/annual-reports>



# 63<sup>rd</sup> Annual Report 2020-21

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# *125 Years of Partnerships and Progress in India*



2021 marks the completion of 125 years of Bayer's presence in India. Our journey in India encompasses significant contributions towards doubling farmers' incomes, creating access to innovative health solutions, manufacturing in India for domestic & global markets, advancing digital solutions, enhancing rural prosperity and empowering people & communities.

Through our innovative products and core competencies in the areas of agriculture and healthcare, we are contributing towards advances in food security, public health and economic growth. As a global multinational company with a proud local heritage in India, we will continue to innovate and help improve people's quality of

life through access to good health and nutrition. We have built our reputation by delivering on our purpose: 'Science for a better life' and have become a trusted brand that millions of Indians can rely on. Now we are focused on the future and on bringing to life our bold vision of 'Health for All, Hunger for None'.

2021 also marks a milestone for Bayer CropScience Limited, the listed legal entity of Bayer Group in India, which completes 63 years of successful operations in the country. Over these years, the Company has strived towards creating sustained profitable growth and value for all its shareholders. Thank you for partnering us in this journey and for your unwavering support!





## *Driving Farmer Prosperity and Rural Development*

Agriculture is pivotal to India's economic growth and is crucial to providing food security for the country's growing population. This sector is India's largest employer with 140 million smallholder farmers and an additional 60 million people employed directly or indirectly in farming operations. Together, these 200 million people represent more than 40 percent of India's working population. However, stuck in subsistence farming, most of these farmers manage to grow just enough to feed their families. A vicious cycle of low farm incomes pushes smallholder farmers further into poverty and also leads to hunger & malnutrition.

Bayer CropScience Limited is committed to support smallholder farmers to progress from subsistence farming to commercial farming that enables them to enhance their crop yields as well as farm incomes.

By definition, smallholder farmers are farmers who own landholdings that are less than 2 hectares. Besides fragmented land, they grapple with limited access to natural resources, modern agricultural technologies, finance, credit, and market linkages. To ensure safe, affordable and enough food, it is important to tackle farmers' challenges around low productivity and income.

In FY 2020-21, Bayer CropScience Limited introduced several initiatives to support smallholder farmers and uplift livelihoods for rural farming communities. Some of these initiatives are outlined in more detail from Pages 04 to 11.



# *‘Better Farms, Better Lives’*

## *COVID-19 response to support Indian smallholders*

To support smallholder farmers who were facing additional challenges due to the COVID-19 pandemic, Bayer introduced a new global initiative – ‘Better Farms, Better Lives’ in June 2020. Through this initiative, we supported 2 million smallholder farmers in Asia, Africa and Latin America, with access to our hybrid seeds, crop protection products and advisory, personal protective equipment, and safety & training materials.

In India, the initiative supported 450,000 smallholder farmers across 19 states for key

crops such as rice, corn, vegetables, and millet throughout the Kharif and Rabi season in 2020. Special focus was given to women smallholder farmers and migrant labourers who returned to their villages and had to take up farming in their small family farms to make a living.

Each beneficiary smallholder farmer received one package containing commercial samples of hybrid seeds of the crops cultivated in their region and crop protection inputs. In addition, Bayer handheld these farmers from sowing to harvest with advisory on crop, disease & pest



*Women smallholder farmers in Karnataka receiving commercial samples of Bayer's Proagro millet hybrid seeds as part of the 'Better Farms, Better Lives' COVID support initiative for smallholder farmers in India.*





management and helped improve market access for their produce. The package also contained face masks and personal protective equipment (PPE) to support farmers' health & safety needs.

These care packages were distributed to smallholder farmers across India through Bayer's local networks of Farmer Producer Organizations (FPOs), Farmer Producer Companies (FPCs) and Self-Help Groups (SHGs) focused on agriculture. Bayer is also conducting third-party impact assessment studies to gauge the value created through this initiative in terms of food security and livelihood support for rural farming communities.

This immediate COVID-19 response through the 'Better Farms, Better Lives' initiative complements Bayer's ongoing smallholder support activities to aid mid-term recovery and build long-term resilience for smallholder farmers.

In addition, Bayer will expand its partnerships with governments, internationally recognized NGOs and local organizations; create a Smallholder Center of Excellence for sharing successes; provide accelerated access to digital farming tools to increase capabilities and scale up existing & new value chain partnerships to generate maximum impact.



## Highlights

- // 450,000 Indian smallholder farmers supported with 'Better Farms, Better Lives' initiative
- // Focus on rice, corn, vegetables, and millet throughout the Kharif & Rabi season in 2020
- // Bayer kits included commercial samples of its hybrid seeds and crop protection products, along with face masks & PPE
- // Women smallholders and migrant labour were given additional support and training

*A smallholder farmer in Uttar Pradesh receiving a 'Better Farms, Better Lives' commercial kit including hybrid rice seeds and crop protection inputs for rice cultivation.*

## Expansion of Better Life Farming in India

As of 2020, more than 20 million smallholder farmers across India were supported by Bayer's agri-inputs, technologies, crop & farm advisory, and digital solutions. One of our key initiatives that is helping us reach out to smallholder farmers and create a conducive eco-system is the Better Life Farming (BLF) alliance, which works with partners across the agri-value chain to support smallholder farmers to increase crop yields and farm incomes.

In India, the BLF alliance includes Bayer with its expertise in seeds, crop protection, and agronomy; IFC, the development finance institution for impact assessment; and Netafim for drip irrigation

technologies; Yara Fertilisers for soil and nutrient management; DeHaat, AgriBazaar, and Big Basket for market linkages; Tata Trusts for expanding reach to farmer producer organizations; and Axis Bank for financing.

The Better Life Farming initiative has led to a doubling of crop yields and tripling of farm incomes among participant farmers while keeping an eye on water usage and integrated farm management. It has created price transparency in the marketplace, increased the bargaining power of smallholders, and promoted clusters of rural agri-entrepreneurs. It has also created



*The BLF Centers maintain Better Life farms where smallholder farmers are trained on good agriculture practices. Seen here is a Better Life farm for corn in Chindwada district of Madhya Pradesh.*





opportunities for women farmers to be integrated into mainstream farming operations and emerge as rural agri-entrepreneurs.

The BLF alliance's agri-entrepreneurship model functions through Better Life Farming Centers run by local agri-entrepreneurs. These centers open up economic opportunities for smallholders by enabling knowledge and technology transfer on good agricultural practices (GAP) and delivering services such as market linkages, access to agri-inputs, financial solutions, and mechanization services as well as crop advisory.

The BLF agri-entrepreneurs also operate BLF Model Farms which serve to demonstrate modern agronomic practices to fellow farmers.

Currently 710 Better Life Farming Centers are operational across 9 states in India. By 2025, the Better Life Farming initiative aims to empower 2.5 million smallholders in India through access to modern agri-inputs. These smallholders will be served by 5,000 agri-entrepreneurs across horticulture, corn, and rice crops. Going forward, the initiative will be scaled up by onboarding FPO's (Farmer Producer Organizations) into the BLF program.



## Highlights

- // BLF Alliance in India includes nine global and local partners across the value chain
- // New partners onboarded in 2020 include AgriBazaar, Tata Trusts and Axis Bank
- // 710 Better Life Farming Centers operational across 9 states in India
- // Plans to scale up to 1,500 BLF Centers by end of 2021, by adding FPOs into the BLF program

*To scale up presence of BLF centers across India and enhance rural incomes through agri-entrepreneurship, FPOs are being onboarded into the BLF program.*

## Market Development through Bayer Learning Centers

In smallholder geographies, crop performance is held back due to low farmer awareness and limited access to quality agronomic support and advice. Majority of farmers depend on fellow farmers or channel partners for crop management advisory. As a result, farmers end up facing a cycle of low crop productivity, low farm incomes and low returns on investment.

To help meet farmer expectations and provide the right product and crop solutions at the right time, Bayer CropScience Limited piloted a new Market Development concept of 'Bayer Learning

Centers' (BLC). The first such center was launched in June 2020 and subsequently 14 more BLCs were launched across India through 2020-21.

This initiative aims to provide seamless knowledge transfer, confidence and competency building for Bayer's farmer customers and agronomists. The centers are designed to showcase product performance, technical positioning of innovations, crop system interventions, agronomy etc. to internal stakeholders, 'progressive farmers', and channel partners. The centers are also digitally enabled to support live telecasting that can



*A Bayer Learning Center in Guwahati, Assam, specialising in agronomic advisory and integrated crop management for rice cultivation.*