



September 18, 2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001

COMPANY CODE : 506285
SCRIP ID : BAYERCROP

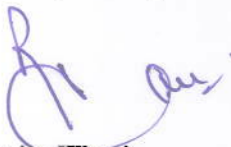

Dear Sir,

Sub: Minutes of the 59th Annual General Meeting of Bayer CropScience Limited

Please find enclosed herewith the minutes of the 59th Annual General Meeting of the Company held on Wednesday, August 23, 2017, for your information and records.

Thanking you,

Yours faithfully,
for **Bayer CropScience Limited**


 **Rajiv Wani**
Head - Law, Patents & Compliance
& Company Secretary

Encl.: As above

Bayer CropScience Ltd.
CIN: L24210MH1958PLC011173

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HELD AT ON TIME

MINUTES OF THE 59TH ANNUAL GENERAL MEETING OF BAYER CROPSCIENCE LIMITED HELD ON WEDNESDAY, AUGUST 23, 2017 AT 11:00 A.M. AT YASHWANTRAO CHAVAN PRATISHTHAN AUDITORIUM, Y. B. CHAVAN CENTRE, GEN. J. BHOSALE MARG, NEAR MANTRALAYA, MUMBAI - 400 021.

PRESENT:	Mr. Pankaj Patel	Chairman
	Mr. Richard van der Merwe	Vice Chairman & Managing Director and CEO
	Mr. Sharad Kulkarni	Independent Director
	Mr. Vimal Bhandari	Independent Director
	Mr. A.K.R.Nedungadi	Independent Director
	Mr. Peter Mueller	Non-Executive Director
	Dr. Miriam Colling-Hendelkens	Non-Executive Director
	Mr. Ulrich Stefer	Executive Director and CFO
IN ATTENDANCE:	Mr. Rajiv Wani	Head – Law, Patents & Compliance & Company Secretary
	Mr. N. L. Bhatia	Practicing Company Secretary (Scrutinizer)
	Mr. Uday Shah	Auditor representing M/s. Price Waterhouse (Statutory Auditor)
	Ms. Gauri Patkar	Secretarial Auditor representing BNP & Associates (Secretarial Auditor)
	Mr. Sanjay Buch	Partner – M/s Crawford Bayley & Co., Solicitors of the Company

1. In aggregate, 104 Members were present in person and 1 Member was represented by Proxy.
2. Mr. Pankaj Patel took the Chair and welcomed the shareholders to the 59th Annual General Meeting (“AGM” or “the Meeting”) of the Company. He informed the shareholders that the required quorum was present and called the Meeting to order. The Meeting commenced at 11:00 a.m.
3. The Chairman then introduced all the Directors present on the dais.
4. Mr. Sharad M. Kulkarni, Chairman of Audit Committee, Mr. Vimal Bhandari, Chairman of Nomination and Remuneration Committee and Mr. A. K. R. Nedungadi, Chairman of Stakeholders Relationship Committee were present at the AGM.

CHAIRMAN'S INITIALS

HELD AT ON TIME

5. Further, Mr. Patel took the opportunity to introduce Dr. Miriam Colling-Hendelkens to the shareholders present. He informed the shareholders that Dr. Colling-Hendelkens was appointed on the Board of the Company as an Additional Director with effect from June 06, 2017. On behalf of the Board and the Shareholders he welcomed Dr. Colling-Hendelkens to her first AGM.
6. The Chairman informed the members that during the year, Dr. Regine Juergens resigned from the Board of the Company with effect from June 06, 2017 pursuant to the change in her role and responsibilities within the Bayer Group. On behalf of the Board of Directors, Mr. Patel placed on record the Board's deep appreciation for her valuable contribution during her tenure as a Board member.
7. The Chairman informed that the Company had received 3 valid proxies consisting of 376 equity shares. Authorised representations under Section 113 of the Companies Act, 2013 had been received from the Promoter Group of the Company comprising of Bayer AG, Bayer CropScience AG, Bayer SAS and Bayer Vapi Private Limited who together hold 68.58% of the total paid-up capital of the Company.
8. The following statutory registers as well as documents were kept open for inspection for the members throughout the AGM proceedings:
- Register of Members
 - Register of Directors and KMP and their shareholdings
 - Register of contracts in which directors are interested
 - Proxy Register
 - Eligibility Letter received from M/s. Deloitte Haskins & Sells LLP the Statutory Auditors of the Company.
 - Eligibility Letter received from M/s. D.C. Dave &Co., the Cost Auditor of the Company.
9. The Chairman then delivered his speech providing a summary on the financial results as well as few other important aspects and informed the members that in the Financial Year 2016-17, Bayer CropScience Limited achieved Revenue from Operations of Rs. 29,484 Millions, marking an increase of 2% from Rs. 28,894 Millions in the previous year. Profit for the year stood at Rs. 2,910 Millions and that the Company successfully launched two new products in Crop Protection, five new products in Seeds and one new product in Environmental Science.

While providing an update on the monsoon he mentioned that as a result of good rainfall during monsoon 2016 and various policy initiatives taken by the Government, India witnessed record food grain production in the current year. But at the same time, India has a long way to go to increase food grain availability. Low productivity is a challenge as well as an opportunity for the agriculture industry and for agrochemical companies in particular. He further stated that the Company understood these trends and is committed to help the Indian farmers grow more food, market their produce more effectively and generate higher farm incomes. He mentioned that with the Company's strong product line up both in Crop Protection as well as Seeds along with the strong distribution reach will help to make a difference in the Indian agriculture industry.

CHAIRMAN'S INITIALS

HELD AT ON TIME

While concluding his speech, he took an opportunity to acknowledge the excellent support provided by Bayer AG, Bayer CropScience AG, Bayer SAS and Bayer Vapi Private Limited during the year. He also extended his sincere appreciation to his colleagues on the Board, for their continued help and support. He further thanked the Shareholders, Banks, Financial Institutions, distributors and farmers who have supported the Company in its efforts.

On behalf of the Board, he thanked all the employees of the Company for their excellent work and their commitment to Bayer CropScience Limited.

10. With the permission of the shareholders, the Chairman took the Notice convening the Meeting as read.
11. The Chairman informed that the Auditors' Report on the Annual Accounts of the Company for the Financial Year ended March 31, 2017 did not contain any qualifications or adverse observation or comments on financial transactions / matters that had adverse effect on the functioning of the Company. As per Section 145 of the Companies Act, 2013 only qualification, or adverse observation or comments mentioned in Auditors' Report which have an adverse effect on the functioning of the Company are required to be read at the General Meeting. Since, there were no such qualifications, or adverse observation or comments the Auditors' Report and the Annexure thereto were taken as read.
12. The Chairman then invited Members present in person to make comments, offer suggestions or seek clarifications.

The following shareholders spoke at the Meeting:

1. Ms. Sushma Kataruka
2. Mr. Bishnu Dhanuka
3. Mr. Abid Lala
4. Mr. Beruz Pouredchi
5. Mr. Piyush Shah
6. Mr. Yusuf Rangwala
7. Mr. Janak Mathuradas
8. Mr. S.A. Khanolkar
9. Mr. Rajesh Chainani

Following were some of the comments and observations of the members:

- Most of the speakers appreciated the efforts taken by the Board and the Management of the Company.
- The Company should organise a factory visit to the shareholders.
- The Company should strive to increase the earnings and dividend payout.
- Some shareholders requested that the hard copy of the Annual Report be sent to them.
- One of the shareholder claimed that the Register of Members, Register of Directors Shareholding and Register of Contracts in which Directors are interested were not made available for inspection.


CHAIRMAN'S INITIALS

HELD AT ON TIME

Few of the queries raised by the members were as follows:

- What will be the impact of GST on the top line and bottom line of the Company?
- Does the Company have a dividend distribution policy?
- Why has the dividend remained constant for the last two years?
- What is the impact of monsoon on the Company's products?
- In 2016-17 the Company had launched 7 new products, have these products started contributing to the revenue of the Company?
- How many new products are planned to be launched in the current financial year
- What is the reason for low growth in the turnover and profit of the Company?
- What is the reason for the declining Exports?
- What is the status of Monsanto acquisition? Will Monsanto India Limited be merged with the Company post the acquisition?
- Whether Mahyco Monsanto will form a part of the merger plan post the Monsanto acquisition?
- What is the business conducted by Bayer Vapi Private Limited (BVPL)? Please provide details about the related party transaction with BVPL.
- Does the Company also deal in crop nutrients along with crop protection products?
- What is the percentage of turnover contributed by Herbicides and Pesticides?
- Which product of the Company enjoys monopoly in the market?
- What are the Capex projections for next 3 years?

The Chairman thanked the Members for showing keen interest in the affairs of the Company and in the proceedings of the Meeting. The Chairman informed the members that it would be good in coming years if the shareholders send in their queries in advance to the Company Secretary so that all the queries are responded in an appropriate manner.

The replies to the queries are summarised below:

- First quarter of F.Y. 2017-18 had a major impact on the Company's financials due to uncertainties related to transitional tax credit on implementation of GST resulting in de-stocking of the inventories and reluctance of the channel partners in stocking the products of the Company. Post GST the top line will reflect a drop in value with corresponding decrease in the Cost. Prior to GST excise duty was considered as part of sales, with the implementation of GST, excise duty is subsumed with GST and GST is excluded from Sales.
- It was stated that although the weather reports forecasted a good monsoon, the rains have been irregular, particularly in the southern states and hence, it becomes important to know what time does it rains. The reservoir levels have also gone down. Therefore, a realistic picture of the impact of monsoon can only be seen in the results of the full year.
- The capex investment for 2017 in the Himatnagar manufacturing site is in the range of Rs. 77 – 80 Millions, since the Company is an asset light Company, the planned investments are basically for the product registrations, vehicles, IT software and hardware etc.

CHAIRMAN'S INITIALS

HELD AT ON TIME

- The product launches are dependent on regulatory approvals, so the exact number of product launches cannot be provided, but the Company has an innovation rate of 12% to the Crop Protection Domestic net sales in FY 2016-17. The innovation rate is defined as sales of new products launched in last 5 years as compared to domestic sales of Crop Protection.
- The Company has adopted a Dividend Distribution Policy in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") at its Board Meeting held on February 07, 2017. The Company follows a Dividend Pay-out Ratio approach for the recommendation and declaration of dividend. The dividend pay-out ratio is linked to Profit after Tax but before Exceptional Items.
- The dividend is proposed as per the parameters laid down under the Dividend Distribution Policy of the Company. The Company has consistently followed cash conservation approach and recommends dividend on the Dividend Pay-out Ratio approach. In view of the aforesaid, the dividend recommended for FY 2016-17 is INR 17.00 per equity share.
- Exports declined mainly due to recession faced by major economies viz Brazil, Russia. The Company mainly concentrates on the domestic business and exports are primarily influenced by the global supply chain and sourcing strategy as governed by Bayer AG.
- In India, an application to the Competition Commission of India (CCI) has been made for obtaining clearance on the proposed acquisition of Monsanto by Bayer AG and we are awaiting approval. Appropriate disclosures and intimations will be made when necessary.
- A clarification was provided that since the factory is a chemical plant and involves strict safety measures, it was not suitable to conduct factory/plant visits for a large group of people.
- During FY 2016-17, Insecticides and Herbicides contributed 47% and 18% respectively to the total sales of the Company.
- Bayer Vapi Private Limited ("BVPL") is engaged in the manufacture of active ingredients and its intermediaries. Currently, the Company is purchasing certain active ingredients from BVPL and considering the expertise and technical knowledge possessed by BVPL, the Company would also be procuring formulations from BVPL. In view of the said arrangement, the transaction with BVPL is likely to exceed 10% of the annual turnover of the Company and hence requires shareholders' approval.
- As per the SEBI Listing Regulations if any transaction with the related party exceeds 10% of the annual turnover of the Company, then such transaction have to be approved by the Shareholders of the Company. The related party transaction approval limit does not have any direct co-relation with the annual turnover of the Company and such limit can be much higher than the annual turnover of the Company.
- It was clarified that all the required Registers were kept available for the inspection of the members throughout the AGM proceedings. It was also mentioned that none of the directors hold any shares in the Company and hence the Register of Director's Shareholding is a nil register which was also kept available for inspection.



CHAIRMAN'S INITIALS

HELD AT ON TIME

13. Moving ahead, Mr. Rajiv Wani informed the shareholders that considering all the statutory requirements, both under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had followed a process that would ensure maximum possible participation and also provide equal opportunity to all Members in the voting process. The Company has provided the facility of remote e-voting to all its Members by sending the necessary details through e-mail and/ or by physical means, as may be applicable. For members who had not cast their vote through remote e-voting, they were allowed to do so by using the electronic voting facility which was available throughout the AGM proceedings at a kiosk situated outside the AGM hall. He informed the members that the NSDL volunteers stationed at the e-voting kiosk will guide them with regards to the voting requirements.

Mr. Wani further informed the members that Mr. N. L. Bhatia, Practicing Company Secretary had been appointed as the Scrutinizer to ensure that the voting process was conducted in a fair and transparent manner.

14. The Chairman then requested those shareholders who were not able to exercise their right to vote by remote e-voting to cast their vote on all the Resolutions by using the tablet based electronic voting available outside the AGM hall and informed that the said voting will be closed in next 15 minutes. He announced that the consolidated voting results will be made available on Company's website and will also be communicated to BSE Limited on or before Friday, August 25, 2017.
15. There being no other business, the Chairman concluded the Meeting at 12.15 p.m. with a vote of thanks to all those who were present for the Meeting.
16. Based on the Scrutinizer's Report and taking into consideration the remote e-voting results and the voting done at the AGM venue all the resolutions as mentioned in the Notice of the AGM were passed with requisite majority. The resolutions as approved by the Shareholders are given below:

RESOLUTION NO.1:

Approval and adoption of audited Financial Statements for the year ended March 31, 2017:

“RESOLVED THAT the Statement of Profit and Loss and the Cashflow Statement of the Company for the financial year ended March 31, 2017, the Balance Sheet as on that date and Reports of the Auditors and Directors be and are hereby approved and adopted.”

RESOLUTION NO.2:

Declaration of Dividend for the financial year ended March 31, 2017:

“RESOLVED THAT as recommended by the Board, a Dividend of Rs. 17.00 per Equity Share be declared and paid for the financial year ended March 31, 2017 to those members whose names appear on the Register of Members of the Company as the holders of Equity Shares as on Tuesday, August 08, 2017 and as per the list of beneficial owners of the shares as at the close of business hours on Tuesday, August 08, 2017, as per the details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.”


CHAIRMAN'S INITIALS

HELD AT ON TIME

RESOLUTION NO.3:**Re-appointment of Mr. Peter Mueller (DIN: 03582162) as Director:**

“RESOLVED THAT Mr. Peter Mueller (DIN: 03582162) be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

RESOLUTION NO.4:**Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the Statutory Auditors of the Company:**


“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (ICAI Firm Registration No. 117366W/W-100018) be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s. Price Waterhouse, Chartered Accountants, the retiring Auditors) for a term of five years commencing from the conclusion of 59th Annual General Meeting of the Company till the conclusion of 64th Annual General Meeting to be held in 2022 (subject to ratification of their appointment by the Members at every Annual General Meeting) on such remuneration plus taxes as applicable, out-of-pocket expenses etc. as may be mutually agreed upon by the Board of Directors and the Auditors.

RESOLVED FURTHER THAT the Vice Chairman & Managing Director and Chief Executive Officer or Executive Director and Chief Financial Officer or the Company Secretary of the Company be and are hereby authorized to do all such acts and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution.”

RESOLUTION NO.5:**Appointment of Dr. (Ms.) Miriam Colling-Hendelkens (DIN: 07839649) as a Director of the Company:**

“RESOLVED THAT Dr. (Ms.) Miriam Colling-Hendelkens (DIN : 07839649) who was appointed as an Additional Director of the Company with effect from June 06, 2017 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 153 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 the candidature of Dr. (Ms.) Miriam Colling-Hendelkens for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Vice Chairman & Managing Director and Chief Executive Officer or the Executive Director and Chief Financial Officer or the Company Secretary of the Company be and are hereby severally authorized to sign and file the prescribed forms, returns, documents, applications and deeds with all authorities including the Registrar of Companies, Maharashtra, along with the requisite fees in respect of the said appointment.”


CHAIRMAN'S INITIALS

HELD AT ON TIME

RESOLUTION NO 6:**Ratification of Remuneration to Cost Auditor:**

“RESOLVED THAT pursuant to Section 148(3) 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 remuneration payable to M/s. D. C. Dave & Co., Cost Accountants, having Firm Registration No. 000611, appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company relating to “Insecticides” for the financial year ending March 31, 2018, being Rs. 0.55 Millions (Rupees point five five Millions only) plus taxes as applicable and out of pocket expenses incurred in performance of their duties be and is hereby ratified and confirmed.

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

RESOLUTION NO.7:**Approval of transaction with Bayer AG:**

“RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), to enter into material contract(s)/arrangement(s)/transaction(s) with Bayer AG, a Related Party as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the SEBI Listing Regulations, for purchase of goods, sale of goods, professional and support services, recoveries and other obligations if any on such terms and conditions as may be mutually agreed upon between the Company and Bayer AG and as given under the statement setting out the material facts annexed to the Notice, for Item No 7.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) 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 the resolution”

RESOLUTION NO.8:**Approval of transaction with Bayer Vapi Private Limited:**

“RESOLVED THAT pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), to enter into material contract(s)/arrangement(s)/transaction(s) with Bayer Vapi Private Limited (“BVPL”), a Related Party as defined under Section 2(76) of the Companies Act, 2013 and Regulation 2(zb) of the SEBI Listing Regulations, for purchase of goods, sale of goods, professional and support services, recoveries, rent income/expenses and other obligations if any on such terms and conditions as may be mutually agreed upon between the Company and BVPL and as given under the statement setting out the material facts annexed to the Notice, for Item No 8.

CHAIRMAN'S INITIALS

HELD AT ON TIME

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) 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 the resolution”



CHAIRMAN 12.09.2017

CHAIRMAN'S INITIALS

MINUTE BOOK

PAGE NO

HELD AT ON TIME

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CHAIRMAN'S INITIALS