

Date :

Mr. _____

DIN: _____

Dear Mr. _____,

Sub: Appointment as Independent Director

We are pleased to inform you that upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors (‘the **Board**’) of Bayer CropScience Limited (‘the **Company**’) and approval of the Shareholders at the Annual General Meeting held on 28th August, 2014, you are been appointed as an independent director of the Company (‘**Independent Director**’). This letter sets out the terms of your appointment.

1. Appointment

- 1.1. Pursuant to the provisions of Section 149, 152 read with Schedule IV of the Companies Act 2013 (“Act”) and any other applicable provisions of the Act and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (including any amendments thereof for the time being in force), you are appointed as an Independent Director on the Board of Directors of the Company with effect from 28th August 2014 and you will hold office upto 31st March, 2019. Your appointment is also subject to the maximum permissible Directorships that one can hold as per the provisions of the Companies Act, 2013, the Rules made there under and the Listing Agreement.
- 1.2. The term Independent Director should be construed as defined under the Companies Act, 2013 and the listing agreement
- 1.3. The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. The Company is at liberty to disengage Independent Director earlier subject to compliance of relevant provisions of Companies Act, 2013.
- 1.4. As an Independent Director you are expected to bring objectivity and independence of view to the Board’s discussions and to help provide the Board with effective leadership in relation to the Company’s strategy, performance, and risk management as well as

ensuring high standards of financial probity and corporate governance. The Board and Audit Committee meets atleast four times in a year. Besides, there are other Committee meetings like Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee meetings (Board Committees) which are ordinarily convened twice in a year. You will be expected to attend Board, Audit Committees and Board Committees to which you may be appointed and Shareholders meetings and to devote such time to your duties, as appropriate for you to discharge your duties effectively. Ordinarily, all meetings are held in Mumbai.

- 1.5. By accepting this appointment, you confirm that you are able to allocate sufficient time to meet the expectations from your role to the satisfaction of the Board .

2. Board and Committees

- 2.1. As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board established by the Company. Upon your appointment to any one or more Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.

3. Professional Conduct

As an Independent Directors you shall:-

- a. uphold ethical standards of integrity and probity;
- b. act objectively and constructively while exercising your duties;
- c. exercise responsibilities in a bonafide manner in the interest of the Company;
- d. devote sufficient time and attention to your professional obligations for informed and balanced decision making;
- e. not allow any extraneous considerations that may vitiate your exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision-making;
- f. not abuse your position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- g. refrain any action that would lead to loss of your independence;
- h. if circumstances arise under which you may lose your independence, you will immediately inform the Board; and
- i. assist the Company in implementing the best corporate governance practices.

4. Role and Functions

Your role and functions as an Independent Director shall comprise:-

- a. helping in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- b. bringing an objective view in the evaluation of the performance of board and management;
- c. scrutinizing the performance of management in meeting agreed goals and objections and monitor the reporting of performance;
- d. satisfying yourself on the integrity of financial information and that financial controls and systems of risk management are robust and defensible;
- e. safeguarding the interests of all stakeholders;
- f. balancing the conflicting interests of the stakeholders;
- g. determining appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management; and
- h. moderating and arbitrating in the interest of the Company as a whole, in situations conflict between management and shareholder's interest.

5. Duties

As Independent Director you shall:

- a. undertake appropriate induction and regularly update and refresh your skills, knowledge and familiarity with the Company;
- b. seek appropriate clarification/information and where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c. strive to attend all meetings of the Board and its Committees of which you are a member;
- d. participate constructively and actively in the Committees of the Board in which you are a member;
- e. strive to attend the general meeting of the Company;
- f. where you have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that your concerns are recorded in the minutes of the Board meeting;
- g. keep yourself well informed about the Company and the external environment in which it operated;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or its Committees;
- i. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure yourself that the same are in the interest of the Company;

- j. ascertain and ensure that the Company has an adequate and functional vigil mechanism and ensure that the interest of a person who uses such mechanism are not prejudicially affected on account of such use;
- k. report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. acting within your authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- m. not disclose any confidential information unless such disclosure is necessary in connection with the proper performance of your duties or expressly approved by the Board or required by law.

6. Code of Conduct and Insider Trading

- 6.1. You are prohibited from dealing in the Company's shares during the period when the trading window is closed. Being designated officers of the Company for the purpose of the insider trading guidelines, you need to pre-clear all trades (buy/sell/gift) from the Compliance Officer. You are required to comply with the applicable insider trading laws and regulations.
- 6.2. You are also required to affirm and abide by the Code for Independent Directors or any amendment thereof prescribed by the Schedule IV of the Act and the Code of Conduct for Directors formulated by the Board pursuant to Clause 49 of the Listing Agreement.

7. Conflict of Interest

Your holding of directorships of other organizations, shall not give rise to any conflicts of interests in relation to your appointment as an Independent Director of the Company. Should you become aware of any conflict or potential conflict during your appointment, you are expected to notify the same to the Board. Apart from the applicable law and good corporate governance practices, there are no other additional limitations. You shall disclose to the Board, any material interest may have in any transaction or arrangement that the Company may enter into with any entity. Such interest should be disclosed by you immediately when such transaction or arrangement comes up at any meeting of Directors, so that your interest can be appropriately recorded in the minutes. As an Independent Director you shall not engage in any activity that is not expected from an Independent Director.

8. Liability/Indemnity

The Company maintained a Directors insurance policy to cover the personal liability of directors for claims made against them while serving on the Board/Committee of the Company. However, as an Independent Director you will be liable in respect to such acts of omission or commission by the Company which occur with your knowledge, attributable

through Board processes and with your consent or connivance or where you had not acted diligently.

9. Disqualifications

The Company is at liberty to disengage your services earlier subject to compliance of relevant provisions of the Act, Rules made thereunder and the Listing Agreement.

10. Fees

10.1. Pursuant to the provisions of Section 197 of the Act and Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, you shall be paid sitting fees for attending meetings of the Board or Committees thereof, as may be decided by the Board.

10.2. In addition to sitting fees, you will be entitled to commission as may be decided by the Board and approved by the members pursuant to the provisions of Section 197 of the Act.

10.3. In addition to the above, independent directors would be entitled to the reimbursement of *only* the following items of expenditure that may be incurred in traveling to the place of the Board meetings and other committee meetings of the Company and back to their normal place of residence:

- (a) First class (for international travel) and business class (for domestic travel) airfare from the normal place of residence to the place of the Board or committee meetings and back to their normal place of residence.
- (b) Accommodation at our campus or any hotel as determined by the Company for the duration of Board and committee meetings, and during the day prior to and after such meetings.
- (c) Out-of-pocket expenses, like conveyance, food, and incidentals that are incurred during the days of the Board and committee meetings.

11. Separate meetings

You along with the fellow Independent Directors shall hold at least one meeting in a year, without the attendance of non-Independent Directors and members of the management. You shall strive to be present at such a meeting which shall:-

- a. review the performance of the non-independent directors and the Board as a whole;
- b. review the performance of the Chairman, taking into account the view of executive directors and non-executive directors; and
- c. assess the quality, quantity and timelessness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

12. Mechanism for evaluating Board members

Your performance evaluation as Independent Director will be done by the entire Board of Directors, excluding you in accordance with the Company's evaluation policy. On that basis, it shall be determined whether to extend or continue your term of your appointment as Independent Director.

As an Independent Director, you are expected to bring objectivity and independence of view to the Board's discussions and provide the Board with effective leadership in relation to the Company's strategy, performance and risk management as well as ensuring high standards of financial probity and corporate governance.

This letter is being issued in compliance with the Act and Rules made thereunder and the recent amendments by SEBI to the Listing Agreement as regards manner of appointment of Independent Directors.

It is our pleasure to have you on the Board and we are confident that your association, expertise and advice will immensely benefit the Company and the Board.

Yours sincerely

For Bayer CropScience Limited

Vice-Chairman & Managing Director

I hereby acknowledge receipt of and accept the terms set out in this letter.

Signature:

Name:

DIN:

Date:

Place: Mumbai