



Bayer CropScience Limited

Code of Conduct for Directors

Introduction & Philosophy

The Company and the world in which we operate continue to change with dynamic speed. Despite all the change, one thing remains constant: our values. Bayer's quest for competitive excellence begins and ends with our commitment to lawful and ethical conduct and adhering to the Bayer values.

Sound principles of Corporate Governance are critical for obtaining and retaining the trust and respect of investors and other key stakeholders and interested parties - including employees, recruits, customers, suppliers, government officials and the people at large.

At the core of Corporate Governance is the role of the Board of Directors in overseeing how management serves the long-term interests of shareowners and other stakeholders. An active, informed, independent and involved Board is essential for ensuring Bayer's integrity, transparency and long-term strength.

It is felt that the Board has a special responsibility to lead in these standards. Directors need to be our most constructive critics and our wisest counsellors.

This Code of Conduct is prepared considering that the Company has been handed over by the various stakeholders in trust and the Board of Directors are the trustees of these stakeholders and owe a responsibility to ensure that the organisation is managed in a manner that protects and furthers the interest of our stakeholders. Adoption of this Code of Conduct will send a strong message regarding the importance of ethical behaviour at Bayer and the protection of investors' interests. This Code is also formulated in accordance with the requirements of the Listing Agreement of the Stock Exchange, Mumbai as well as our own vision of good governance.



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Application

- The Code of Conduct applies to all Directors of Bayer CropScience Limited, including Alternate and Additional Directors.

General

- The Directors shall at all times exhibit high standards of integrity, commitment, independence of thought and judgement and shall act in the best interest of the Company. They shall fulfil their fiduciary obligations towards all stakeholders.

Representation

- The Directors shall at all times represent the interest of the Company's stakeholders and try to enhance and maintain the reputation of the Company by ensuring compliance of all applicable laws and using the power of the office in the best interest of the Company.

Participation

- The Directors shall demonstrate their commitment to the Company by participating in Board and Committee Meetings through high levels of attendance. They shall prepare themselves for all meetings and shall make positive contributions to the discussions and the decision making process.

Conflict of Interest

- The Director shall endeavour to avoid having his or her private interests interfere, or appear to interfere, with the interests of the Company or his or her ability to perform his or her duties and responsibilities objectively and effectively.



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- The Director shall avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees or obligations by the Company.
- The Director shall make full disclosure to the entire Board of any transaction or relationship that the director reasonably expects could give rise to an actual or apparent conflict of interest with the Company and seek the Board's authorization to pursue such transaction or relationship.
- The Director is expected to avoid situation in which his/her personal interest could conflict with the interest of the Company. In the event, when any such conflict of interest arises in the course of the business, the same may be reported to the Board for their approval.

Corporate Opportunities

- In carrying out their duties and responsibilities, Directors shall avoid making use of corporate opportunities for themselves, that are discovered through the use their position as Directors for personal gain or competing with the Company.
- If the Director reasonably believes that a contemplated transaction might be a corporate opportunity or a competitive transaction, the Director shall make full disclosure to the entire Board and seek its authorization to pursue such transaction.

Share-ownership

- The Director shall not trade in the securities of the Company while having inside information concerning the Company until after that information has adequately been disseminated to the market.



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- The Director will also comply with all reporting requirements of the Securities and Exchange Board of India, Stock Exchange and other statutory agencies.

Confidentiality

- The Directors shall maintain at all times the confidentiality of the information and the records of the Company and must not make use of or reveal such information or records except in the ordinary course of performance of their duties. This obligation applies not only during the Director's term, but thereafter as well.

Mutual Respect

- The Directors shall express their opinions, unencumbered, yet always with the goals of flexibility and compromise whenever achievable by remaining open to different viewpoints.
- The Directors shall work with and respect the opinions of their peers and leave personal prejudices out of all Board and Committee discussions.

Obligations

- The Director shall not engage in conduct likely to bring discredit to the Company.
- The Director shall at all times comply with the spirit, as well as the letter of law and with the principles of this Code.
- The Director shall ensure that management is complying with applicable laws, rules and regulations.
- In carrying out their obligations, the Directors shall endeavour to ensure that management is causing the Company's assets and resources to be used by the Company and its employees only for legitimate business purposes of the Company.



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Encouraging the Reporting of Illegal or Unethical Behaviour

- The Directors shall endeavour to ensure that management is causing the Company to promote ethical behaviour and to encourage employees to report evidence of illegal or unethical behaviour to appropriate Company personnel.
- The Directors shall endeavour to ensure that the Company will not allow retaliation against any employee who makes a good faith report about a possible violation of the Company's Code of Business Conduct, policies or any legislation.

Media

- The Directors shall not in the context of the Company's business and practices make any comment to the media or press or make themselves available for interviews by the media without prior approval of the Board.
- The Directors shall also ensure that any comments made by them to the media or press outside of the context of the Company's business and practices is attributed to them in their personal capacity and not in their capacity as Directors.

Conclusion

The Directors of the Company have always shown high levels of professionalism. This Code will further enable the Directors to uphold the spirit of Corporate Governance and anchor the core values of business conduct, transparency and professionalism thus re-enforcing the status of the Company as a Responsible Corporate Citizen.

It is the responsibility of the director to become familiar with and understand this Code, seek further explanation and advice concerning the interpretation and requirements of this Code, as well as any situation which appears to be in conflict



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with the same. Directors may direct questions regarding the application or interpretation of these guidelines to the Company's Board.

Any waivers of or amendments to this Code may be made only by the Company's Board of Directors and will be disclosed promptly as required by applicable law. The Board of Directors shall determine appropriate actions to be taken in the event of violations of this Code.

Clause 49 of the Listing Agreement stipulates that all Board members shall affirm compliance with the Code on an annual basis. The annual declaration in the format given below may please be furnished.

Draft of the Acknowledgement

I, _____ hereby confirm that for the year ended _____, I have complied with the Bayer CropScience Limited, Code of Conduct for Directors, as adopted by the Board at its meeting held on 24th March, 2005.

Signature -

Date -