



June 06, 2023

To,
The General Manager,
Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

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Dear Sir / Madam,

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In furtherance to our letters dated June 01, 2023 pursuant to Regulation 30 read with part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosure of the transcript of the Investor Meet held on June 01, 2023 has been made on the website of the Company at <https://www.bayer.in/en/investors/investor-presentation> as well as submitted to the Stock Exchange for dissemination and records.

Thanking you.

Yours faithfully,

for ! ! !
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Company Secretary and Compliance Officer

Encl: As above

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**Transcript of the Investor Meet of Bayer CropScience Limited held on Thursday,
June 1, 2023**

Commencement Time: 04:00 pm IST

End Time: 5:05 pm IST

Management Participants:

Mr. D. Narain – Vice Chairman & Managing Director and Chief Executive Officer

Mr. Simon Wiebusch – Whole-time Director

Mr. Simon Britsch – Executive Director & Chief Financial Officer

Mr. Nikunj Savaliya – Company Secretary & Compliance Officer

Nikunj Savaliya	Good afternoon, ladies, and gentlemen. I am Nikunj Savaliya, Company Secretary and Compliance Officer of Bayer CropScience Limited, would like to extend a warm welcome to all of you attending this meet. I can see over 65 participants, and some are still joining as I speak. This is an extraordinary occasion that brings together an exceptional group of individuals who are passionate about driving our company's success and exploring the endless possibilities that lie ahead. On behalf of the company, I would like to express our heartfelt gratitude for your presence today. Your support and engagement are vital to our continued success, and we value the opportunity to discuss our progress with you today. Let me introduce our speakers for this meet, and may I invite them on screen please. Mr. D. Narain, Vice Chairman and Managing Director and CEO of the Company. Mr. Simon Wiebusch, Whole-time Director of the Company and Mr. Simon Britsch, Executive Director and Chief Financial Officer of the Company. Throughout this event we aim to provide you with an overview of our company's operations, financial performance, and strategic growth drivers. We are committed to fostering an environment of open dialogue and constructive engagement as we firmly believe that your perspective and questions are invaluable in shaping our future course. The sequence of today's meet will be to start with a presentation by the management team followed by a question and answer session. We understand the importance of open dialogue and we are here to address your questions and concerns with utmost transparency. We have received several questions by email in advance and we will be covering some of these during our presentation itself and rest of the questions will be taken up in the Q&A session. If you have additional questions, please locate the chat icon at the bottom of your screen and send in your questions to us through the Chat Box. We will attempt to answer as many questions as possible with the exception of items of commercial confidence. Considering time constraints if any question
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	remains unanswered, please reach out to us at ir_bcsl@bayer.com. Please note that we are recording this interaction and the recording will be available at the company's website. Presentation slides are available at BSE website as well as company's website under the investor section. With that I now request Mr. D. Narain for his address. D, over to you.
D. Narain	Thank you, Nikunj. A warm welcome from me as well to all of you joining the call. It is indeed an honour and pleasure to have you join us in today's investors' deliberation. If you can get the slides, let me start with setting the context on why as a management team we are really excited with where Indian agriculture is going and where we as Bayer CropScience are positioned to take advantage and not just advantage also deliver significant value to Indian agriculture. If you go to the next slide, I would start at a point where we hosted our Global CEO of Bayer CropScience, Rodrigo Santos, who is also a member of the board of management of Bayer, recently in the month of March. He joined as the CEO early last year and as he has spent the last 18 months in his role, his visit to India was very timely for a number of reasons. If you look at where Bayer India and Bayer CropScience India stands within the Bayer CropScience world, we are proud to say that we are in the top 5 countries in the world. Number two, we already are a microcosm of entire Bayer CropScience with the products and portfolio already present in India. Three, and most importantly we reach almost 20 million out of the 50 million smallholders that we as Bayer CropScience touch globally which is one of our biggest goals that we have as to how do you enable smallholders earn their livelihoods. And in this whole journey [I think the slides are moving faster. I want to see the slides with Rodrigo in it, I am not sure I think the slides are moving faster, can we go back to the Rodrigo slide please]. As part of this visit there were a couple of key takeaways that Rodrigo clearly could see for himself. Number one, and he stated it publicly as well that we in India have the unique opportunity to lead the world of global agriculture in the decades ahead as we stand today. Number two, he also said that we in India have the opportunity to do it inclusively especially from a smallholder perspective which is so critical to deliver the value for agriculture and the country as a whole as we see this. The third piece which he also quickly identified is post Covid and the entire disruption to the global value chain or food value chain, the huge

	opportunity we in India (is) have to increase global exports of agriculture. And finally, the whole topic of regenerative and sustainable agriculture and how can India take the lead in the world of smallholder farming to deliver regenerative agriculture. Why do I make this as a key pivotal point and the starting point of our conversation. This is because as the world's leading company offering innovation in agriculture, it is extremely important that Rodrigo saw this and also completely aligned with the huge opportunity that is there in front of us and how we in Bayer with our continuous innovations can bring those innovations and bring value to agriculture. So, that's the reason why I set the context of this visit which was so critical for us as the management team in the country. And all of what I am sharing with you he stated publicly as well. If you go to the next slide which is where I would like to talk briefly on the macro context and why this connects to the comments of Rodrigo which I just shared. One is if you look at the macro level from the needs of the country and obviously, we have the distinction of being the world's largest populated country. The topic of food security is front and centre. Not just food security, the topic of nutritional security is also right along with the same plane of food security. But then overarching all of these is a big shadow of what I see is the impact of climate change and how are we going address both these two challenges of food and nutritional security in the decades ahead. But when we talk about the challenges and the needs it is important to understand and this again the team here, I think, have clearly got to a place where we have said there are 4 or 5 key challenges that we need to address collectively to solve these needs that I just laid out. One is all of you interact with smallholders, what is very, very clear is the access to good quality inputs is foundational and that is where the whole starting point is, and that's where the role that we have as people companies have a major opportunity to play. The second one is more and more especially in terms of climate change the whole topic of agronomy and agronomy knowledge becomes exceptionally critical. The third piece is none of this is going to start without access to cost effective financing and which again is a major challenge for smallholders in India as we speak even today. And to top it all is the whole challenge of labour and labour availability at critical moments. Finally, it doesn't stop at these four it comes down to connectedness to markets to being able to sell the produce at the right time at the right price.
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	Why do I highlight all these? I highlight all these because for the first time as an industry, multiple set of stakeholders there is a clear alignment that these are the 4 or 5 key challenges that we need to crack if we have to deliver on the huge potential that Rodrigo realized as he walked away. And the good news is even as we speak there are major change drivers happening which I think are moving in the right direction to solve it and why do I say that. Number one, the whole topic of collectivization of farmers and small farmers is foundational. None of us can reach every individual farmer, but collectivization of farms and getting you know, clusters of 100-200-500 farmers is a starting point. So therefore, we will talk more about this as we get into the discussion; the whole topic of FPOs and enabling FPOs to succeed is the starting point. Digitization and the way the entire farming ecosystem is starting to get digitized by large companies like ours and including the numerous start-ups investing on digitization is I think going to be a game changer for the future. The third topic is mechanization and not just mechanization, small farmer mechanization, those that are critical to solve the challenges of the small farmer ecosystem are very critical. Focus on sustainability, I already said climate change but even more than climate change even as we speak, water and water availability in some of the key crops like rice is emerging as a key challenge. And rural entrepreneurship again is starting to emerge as a huge opportunity. If I take all these 5 that I laid out, as we speak there is a clear move towards bringing all these together in a very focused way to start driving to make a big change to solve these big problems that I just laid out. But even more important than all this I would think is the enabling policy environment of the government at the central government level and more and more states recognizing that these need to be solved to make a difference is emerging and I think which is a positive thing. And all of these have one singular goal - how do you improve farmer income. Because I think when the government said doubling farmer income at a time 4-5 years ago, it would have been a slogan. But I genuinely believe today it has reached a point where the entire ecosystem clearly sees this as the most important change that needs to be done. Now, as we go to the next slide please, how can we and how are we as Bayer approaching it, right. It all starts with you know, and I am sure you are going to be talking more as we go through these, the starting pillar of this is we have to perform and deliver today. And on this vertical I can very proudly say that with all the action that we have taken in the last 4-5 years, the strong focus we have in driving business holistically across all the different parameters whether it is top line growth, cost optimization, cost management, whether it is managing the whole cash flow and risk mitigation, all of these are key KPIs we
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	track consistently and you will see how it has panned out in this time frame. But more important than all of these is in the same time frame creating space for investing for the future which comes to my next bucket which we call – transformation. And what does transform mean? Everything that I talked about cannot happen with business as status quo. In the last 4-5 years we have talked initiatives, projects but they are no longer initiatives and projects. Today as we speak the kind of ecosystem that we are building through transforming the whole crop system is coming to fruition and this is what we call transformation, and we will talk about how are we progressing in this dimension. But most important all this is creating a holistic ecosystem which brings all the key stakeholders together to improve farm income and also sustainability and that is a big focus for us. And this to me is going to be enabled with strong collaborations and partnership. We as Bayer alone cannot solve it. And I am clear on this improving productivity alone doesn't translate to farm income, it is foundational to it, but it is not the only answer to the problem that we are seeing, and that's the reason why the holistic partnership and managing the whole thing collaboratively is going to be key. If we go to the next slide, I will stop and transition over to Simon, but here is what I will leave a message and then come back later on. What you are going to hear today is steps we have already taken but more importantly what we are so excited as we look at the future, how we are going to build on it, and also how we are going to accelerate some of these initiatives which are going to become long term growth drivers and not just initiatives. I will give to Simon Britsch to talk about results ultimately results matter, so Simon, over to you and let's hear your part of the presentation please. Thank you.
Simon Britsch	Thank you very much D. Hello everyone, and also very warm welcome from my end. I will now walk you through the financial end and sustainability performance for the financial year that ended in March 2023. However, as D said I will also use the opportunity to take a look over our performance over the last 4 years basically since the merger with Monsanto India Limited in 2019. Next slide please. So, these are the financial highlights for the year 2022-23. Starting from the top with revenue from operations. Here we witness a good growth of around 9% which was achieved with underlying strong liquidation and very much driven by good growth in both value and volume. Volume growth was achieved in particular in our corn seeds portfolio. Moving onto earnings per share, you can see that we were able to translate the revenue growth into profit, we were quite successful in managing inflationary pressure in both COGS and operating expenses.

	Looking now at how much of that profit we have shared, you know, that we have already paid an interim dividend of Rs. 100 per share in November last year and are proposing to pay another Rs. 30 per share as final dividend. If approved by the shareholders, this would lead to a total pay-out ratio of 77%, meaning that we continue significantly share profit with our owners. Lastly in terms of return of capital employed, we also saw good growth of 190 basis points compared to the last year ending with 33%. Next slide please. Let's also now take a look at sustainability. From this year onwards we will share with you some of the KPIs that we are reporting as part of the BRSR framework. Starting with the lefthand side focusing on our employees. In terms of gender diversity, the overall ratio of female employees was 21% at the end of last year, and during that same year approximately one third of our newly hired employees are female. In addition to that, we continuously invest into safe and healthy workplaces and also ensure that all of our employees are covered by wellbeing measures. Moreover, we checked that all of our value chain partners operate under good health and safety practices and working conditions. Now focusing on the righthand side of the slide, I am just picking a few of the KPIs illustrating our work to reduce our ecological footprint. As we are reporting these for the first time, today is more about setting the baseline and going forward we plan to report our progress on this. Our main focus areas are usage of renewable energy sources, consumption of water in our operations, greenhouse gas emissions and the total plastic waste that we have generated, recovered and disposed. So, as mentioned in my introduction earlier on I am taking the opportunity today to review our financial performance since the merger with Monsanto India. Overall, we believe that we have holistically managed all of the relevant financial KPIs. Let me delve deeper starting with revenue from operations. We have achieved a CAGR of 12.5%. This top line growth was driven by broadening the smallholder reach, launching new products and also brand building activities. Moving onto EPS, we accomplished a CAGR of almost 17% which shows that we have been able to expand our earnings despite inflationary pressure on costs and also on the supply chain challenges. I would also like to highlight that this earnings expansion has not been achieved on the basis of reduced investment, but on the contrary we continuously invest into our long term growth. On the lefthand side is an overview of the cumulated cash flow from operations over the years versus the dividends that we paid out, you can clearly see that we have paid out almost 90% of the cumulated operating cashflow over last 4 years. I would also like to mention the
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	fact that we have been very successful in converting our profit into cash. This was also achieved by focusing on a stringent working capital management with special attention on strong collections from our customers. Lastly, looking at the return on capital employed, we have been able to grow that KPI by 500 basis points over the last 4 years which clearly underlines or continues the strong execution of a very efficient capital management. Thank you very much for your attention, and now I would like to hand over to Simon Wiebusch to walk you through the business performance.
Simon Wiebusch	Thank you, Simon. Good afternoon and namaste also from my side. I am thrilled to share with you more details on our operations. First and foremost, I am proud to say that as an organization we stuck to our strategy and favoured liquidation over sell in; as has been our source of success for many quarters now. We believe to entertain the cleanest channel of the industry and have diligently expanded our go-to-market focusing on smallholder famers and digital outreach. On the sales side we have seen excellent uptake of our newly launched insecticide, Vayego, as well as continued growth in Laudis and our rice herbicide Council. Also corn seeds have performed well with spring corn being on par with a record last year despite productive challenges. On Roundup I am happy to say that against volume shortages last year we were able to maintain top line given positive price developments. Clearly things are normalizing from beginning of this calendar year with availability resuming and prices returning to more normal levels as well. This is causing some strains in the distribution system. We do believe that with rain setting in and land preparation happening also Roundup consumption will follow the trend towards increased herbicide usage driven by labour shortage in agriculture. Horticulture, corn and paddy, achieved new heights. We have doubled down on brand building which I would refer to later still. Liquidation was slightly higher than sales, though they are converging now. Still we can deviate at quarter end and we will always follow the liquidation trail. Launch product liquidation is key as a measure to launch success and we are very happy with what see here right now. Farmers are increasingly picking up crop solutions especially where export orientation prevails. But also, the link between our corn seeds and Laudis, the corn herbicide remains very strong. We lead the industry in channel discipline, I am convinced of that. And as confirmed by our trade partners we are also seeing ever reducing return percentages which helps us to improve our overall operational efficiencies. Last year we did see good rains, though especially the northern belt was a bit undersupplied. Less disease pressure especially in potatoes reduced fungicide demand specifically towards the end of the year and Q4. We continue to see robust commodity prices leading

it to good farm investment with some pressure specially during harvesting obviously still emerging which can harm sentiment. All this in essence led into good acres overall.

Where our focus in the last couple of years was clearly on stabilizing the underlying business, we performed, now our transform initiatives are clearly converging with an expanding our go-to-market strategy. We believe that Indian agriculture is collectivising, is mechanising, digitizing and becoming more sustainable.

In the subsequent slides we would dive a bit deeper into these things.

First, I would like to highlight that Bayer CropScience is clearly aligning its activities with societal needs that can be met through agricultural interventions. Our horticultural leadership is aimed at improving access to more nutritious food, catering to our nation's needs as well as enabling exports to regulated markets. We drive the adoption of Dry Direct Seeding in rice to reduce labour pressures and improve the water and methane

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consumer will mandate more collectivized farming. Market research constantly confirms that there is still a knowledge access and trust gap in Indian agriculture. This is amplified by lack of access to finance and poor market linkage especially where the money system is not in place.

	potentially the most exciting development that I see today. Next slide please. While sustainability has many angles, not least the profitability of farming per se, I would like us to focus on dry direct seeding of rice as a sustainable alternative to traditional transplanting and flooding. While labour shortage is the number one driver at farmer level, we see significant additional benefits around water conservation, methane emission reduction, and that makes the system future ready. We even believe farmers can earn from participating in carbon credit generation by changing their cultivation method from transplanting paddy to DSR. This is probably the single biggest sustainability intervention that can be imagined for Indian agriculture. We'll wait to see adoption at scale. With this, I would like to thank you for your attention, and hand back to D. Thank you very much
D. Narain	Thank you Simon. All I can do is conclude by saying, the team here is super excited with all the opportunities that are there in front of us. But we also know that this is not going to be easy. And a big part of this whole drive, which we started by saying we need to perform for today as we transform for both today and the future. And we think we have the right elements of the strategy to deliver on this. And what is also even more critical for this is, this will require, and you've already seen us doing it, strong engagement with all stakeholders to drive the policy changes and the support of the entire ecosystem to make all these real. And we are clearly on that journey, and as we look at the future, in number of these initiatives, we'll keep coming back to you. Of course, in some of them, we might have to pivot based on the learnings, but the bottom line in all these is, the innovation is no longer being driven by us as a pure product or a technology innovation company, but our strive is to innovate the entire ecosystem to deliver value for small farmers, improve farm incomes, and as Simon very clearly eluded to this sustainability at the core of everything that we will strive to deliver. So thank you, and back to Nikunj for the Q&A.
Nikunj Savaliya	Thank you very much for the detailed presentation and sharing comprehensive understanding of our company's operations, performance, as well as strategic growth drivers. We now open the session for Q&A, and I invite all three of you again for taking questions one by one. We have already received few questions right now, some of them are still flowing. What I'll essentially do is, I'll combine similar questions and make a broad question to all of you or put it to one of you. There are couple of questions which is seeking details about the breakup of the sales, the turnover. The question is, what is the breakup in sales in terms of domestic agro-chemical and corn seeds sales during the last financial year 2022-23? Simon Britsch, I think you can take this question to start with.

Simon Britsch	Sure. Very happy to answer this one, I think it's a recurring question. So during the year, domestic agro-chemicals contributed 81% and domestic corn seeds was 13% of total sales.
Nikunj Savaliya	Thanks Simon. There's another question you can also take. It's on Glyphosate. So during the year, what's been the contribution of Glyphosate in overall crop protection business growth?
Simon Britsch	Overall, actually we saw a decline of RoundUp/ Glyphosate by 2% compared to the previous year, which was due to supply chain constraints.
Nikunj Savaliya	There's another question on corn, Simon Wiebusch, you can take this. How do we see maize business scale up? What is the current market share and target market share considering multiple product launches?
Simon Wiebusch	Your audio was failing on me, but I think I got the gist. What I would say is, in India up until now, we've basically talking about two major grains, which have been rice and wheat. My personal perception is that we're starting to talk about a third one more and more, and that obviously is corn, maize. So, fundamentally I am convinced that, what we've seen also in a lot of other markets, corn becomes more important, and we see it in acre expansion, we see it in also in profitability for farmers to a certain degree and to the commodity price that is out there. We are the company that invests most into breeding globally, we have the biggest germplasm pool. So, in many ways, we are well set to also have a strong position in corn in the country. And I can tell you, whenever we're launching a hybrid with a good fit, we do that very very successfully. So, I'm very positive about our future for corn in the country.
Nikunj Savaliya	Thank you, Simon. Couple of questions for new products. What is the percentage of revenue from new launches? Simon Britsch, perhaps you can take this question.
Simon Britsch	It's difficult to hear. It was something about new launches?
Nikunj Savaliya	Okay, let me repeat the question, if that's the case. The question is, what percentage of revenues come from new product launches?
Simon Britsch	Okay, so how much share of revenue from new launches. So, you might know that in the recent past we've launched a couple of products like Vayego, Council Activ and also new hybrids of Dekalb in India. These launches represent, let's say, a high single-digit of last year's sales.
Nikunj Savaliya	Okay, got it. Thanks Simon. There's another question on channel inventory and liquidation. Simon Wiebusch, I think you can take this. What led to double-digit liquidation growth in Q4 FY23 when industry demand has largely been sluggish due to lower pest infestation?

Simon Wiebusch	Good work. (laughs). Quite honestly, as I've been alluding to, we are very very focused on liquidation in terms of how we incentivise our sales team. There has been good investment into chilly. To a certain degree, chilly was taking up quite a bit of insecticides, and generally, the new launch of Vayego, there was good business also in wheat and Momiji in the north. So, in many ways, a very successful Q1 in terms of liquidation, sorry Q4, in this context, the 1 st quarter of the calendar year; barring only fungicides and potato. So, that's the only one, potatoes and onions didn't take as many fungicides as we would have seen last year. Everywhere else we were quite happy. Also, a little bit better in apple than last year.
Nikunj Savaliya	Thank you, Simon. Another question on inventory, Simon Britsch, perhaps you can take this. How much high cost inventory are we sitting on? When will it be liquidated and what are the reasons for increase in inventory levels in FY23?
Simon Britsch	Okay, so let me answer it in the following way. So the higher inventories that you see in our balance sheet at the end of Q4, are mainly in preparation for the upcoming season and business growth, and there has also been an increase in the material cost.
Nikunj Savaliya	Thank you. There are two more questions. The first one is, what is the contribution of overall sale of top five products in the overall sale in FY22-23?
Simon Britsch	You're asking about contribution of top five products, correct?
Nikunj Savaliya	Yes.
Simon Britsch	You know, our top five products, Dekalb, RoundUp, Nativio, Laudis and Council Activ, and similar to last year, this represents around 44% of our total domestic sales.
Nikunj Savaliya	Thank you. The next question is, what are the key factors that enabled the company to hold its margin at such a high level despite falling Glyphosate prices and the channel inventory overall. Simon Britsch, I think you can take this question.
Simon Britsch	Sure. So actually, we are able to slightly expand our gross margins. There are three main factors. One is the mixed effect from higher corn sales, second favour on the RoundUp pricing due to market shortage, and third is basically carry over benefits by having cheaper inventories that we saw in pre-crisis times.
Nikunj Savaliya	Thanks Simon. There's another question on Glyphosate, Simon Wiebusch, you can take this. The question is for FY24, what sort of revenue decline do you expect for Glyphosate? Have Glyphosate prices already corrected by Q4 FY23? Are they expected to decline further in 1 st quarter of FY24?

Simon Wiebusch	With all honesty, Glyphosate is a bit of a moving target which we know also from a global perspective. I think what's fair to say is that the prices have come back quicker than in many ways would have been expected. Having said that, the market last year was extremely short. Which means, that we do believe that the availability of Glyphosate and the possibilities to place the quantities that the market needs, might help to compensate, and most probably will actually overcompensate the loss of price effect that we see with Glyphosate being more affordable. So in many ways, the underlying, let's say a normalised view on Glyphosate continues to show growth trajectory driven primarily by labour shortage in the country.
Nikunj Savaliya	Thank you, Simon. There's another question. Please name the new products launch during FY23? How many new products do you expect to launch in the upcoming financial year, which is FY23-24?
Simon Wiebusch	I repeat myself here. I don't measure ourselves on new product launches as a number. That is absolutely irrelevant in our business, barring maybe in the corn seed business where really new launches are important to keep the portfolio fresh. I mean, looking at it right now, statistics, we have 29 label expansions coming, and potentially, 4 new product registrations are really in the registration pipeline. Whether they might be coming through or not, depends a little bit on when we get it through the regulatory body. And we are, as we speak, launching a new hybrid also in Kharif for corn. So, it is a continuous process for us. What is more important to me is, we want these launches to have success. So we put a lot of effort into launch preparation and also follow up. And as I said, before for me, the liquidation of a new product is really the measure. One thing is to push a new product into the channel and hope that it will go. But, much more important is really to say adoption and liquidation. That's where the focus lies. And, our portfolio overall, I'm referring to a product like Vayego quite frequently, is actually modernising and it's taking up a larger proportion of the sales. I believe, Simon was already saying 8%, which is a lot if you think of how a, especially crop portfolio can sustain over many many years.
Nikunj Savaliya	There's another question, Simon Wiebusch, you may take it and D may pitch in if needed. Do you expect elevated channel inventories of agro-chemicals to depress industry growth in FY23-24, next financial year?
Simon Wiebusch	I said several times now, our channel is very clean and is ready to go for the season. I cannot speak for competition. Still, I do believe everybody is gearing up for a good Kharif season. So from that perspective, I think we need to speak after the season, if anything, to take a call whether there's a problem with channel imports.
Nikunj Savaliya	Okay. There's another question. Are there any global updates on post pressure supply chain? Would you like to share anything? Simon Wiebusch may be you can take that.

Simon Wiebusch	I think it's fair to say that we are still in an inflationary environment globally. So, let's say operational expenses on a global level, and that obviously also goes for the side of production or for production sides that continue to be higher than what we would have seen in the past. We know that in some areas of the world also energy prices are up. On the other hand, we also know that China is probably right now seeing rather a bit of deflationary pressure. On growth, I do believe that we will continue to see an elevated level of cost to goods on average in the agro-chemical area. And, definitely when you look at seeds, given just the simple fact of high commodity prices in corn and also to a certain degree in rice, means that the cost of goods on the side of seeds would definitely not be going down, but would rather be influenced by upward pressure.
Nikunj Savaliya	Thank you Simon. Another question more on a future outlook. Simon Wiebusch, maybe you can take this. Bayer has achieved excellent growth in crop protection and corn driven by good monsoon and strong portfolio of new products. What are our future plans in this segment? How do we plan to gain market share?
Simon Wiebusch	Well, I hope that was also little bit of good work there. (laughs). But quite honestly, let's look at the fundamentals, right? We're a nation of 1.4 billion people. We know from all projections that with a growing middle-class or middle-income class, the demand for foods, especially nutritious food would grow. So, the market fundamentals in India per se are already so positive that we must be expecting growth. Personally, I do believe that we will see a drive towards quality, we will see farmers being more selective at what they use. Especially also, with the cause and effect that you can build with digital interventions, they would be looking for quality inputs which should play towards our strength. As I said, the integrated models, also the smallholders and the reach that we've built is where we definitely want to go out. Let's say, an unscientific statement usually is, given my low single-digit acre share in this country, the growth opportunity is definitely statistically on my side. D, you might want to add something.
D. Narain	No, I think you've said it all. I mean, they've said it before, right? This whole share thing needs to be looked at very differently, right? It's such a large market, we have to expand the market. And that means, the more you're able to create access to smallholders, and you end up having your portfolio reaching to more smallholders. That itself is where the real opportunity is. I don't think if he's looked at if we go back and look where we started 4-5 years ago, if we'd stuck to the typical competitive dynamics in saying hey this is whatever size of the market and let's play in that, that clearly, I don't think would have got us to where we are. So, for us, this whole ecosystem needs to be shaped very differently from the broader perspective. And Simon, three weeks ago we had a horticulture forum in Delhi, and even for us, it was amazing when some of the statistics that were shared by the government, that the whole fruits and vegetables'

	production needs to go up by 3x to 4x in the next atleast two decades or so, or even less than that, is a huge opportunity, and that cannot be just solved by just business as usual. So that's the way we are approaching. It's no longer just competition as usual, it's how do you create and grow into a market which doesn't exist today.
Nikunj Savaliya	Thank you, Simon and D. The next question is on corn, and Simon Wiebusch, maybe you can take this. It's an elaborative one. Corn prices have increased year on year, which is good news for our company as corn is our key product. What trends in corn are we seeing for the coming year? Can you also share your future plans and outlook on this corn portfolio? We believe this to be an important growth driver as combined strength of corn pesticides and corn seeds can do miracles for our company.
Simon Wiebusch	I partly referred to it before. Remember my statement third grain. Corn will become increasingly more important in India. And this is also linked to the demographics and what we were saying in terms of rising incomes. There is a need for more animal fodder. We see right now a segment opening up very very quickly, which is silage, to do also with feeding cattle, and the advantages of silage on milk production. And, the third and not the least, which is a little bit forward looking, is the whole topic around fuel ethanol. The Indian Government has decided higher percentages of ethanol in traditional fuels, which will have an effect, most probably also on corn demand. Most important, corn is profitable. It is profitable for farmers and can actually fix better in certain cropping areas of the country, especially where water availability may not be so abundant. And, I believe we will be seeing a contraction of rice acres with more move towards direct seeding and potentially higher yields per acre, which will give more room also for corn. So, yes, absolutely right, we are a company which is well placed in corn and we will benefit out of more acres of corn. And I believe, we are also the ones who will be able to offer to farmers the white corn, which means the germplasm that will perform best for what they need, be it need, be it, as I said, silage fodder, or be it, in that sense, also potentially energy and fuel.
Nikunj Savaliya	Thank you, Simon. There is one question on the monsoon forecast and its impact. There is a lot of fear around El Nino, but IMD has still predicted a 96% normal rainfall. How do you think this will impact sales of crop protection and seed portfolio?
Simon Wiebusch	Yeah. I'm not privy to any weather information which is not available for everybody else, and El Nino is Spanish to me. But, what is very clear is, Indian agriculture is influenced by monsoon, and that is something I cannot completely leave aside. Still, we have as an organisation, worked very very hard during the bad monsoon years, if I may call them so, to become more resilient and be as an organisation more agile to moving to areas which I call green spots. Last year we had a good percentage monsoon, but we had a very poor distribution if you look at the Ganga plains and the central part and north central

	part of the country. And that means, you need to then see where is crop being grown, and that might potentially also lead to more, let's say, feet on the ground to make sure you also generate the liquidation there. Long story short, we always plan with a normal monsoon and a good distribution, but we are agile to move wherever its necessary. And, if the monsoon doesn't fill the dams, then it's very clear that this will have an effect on the later part of the season, and that's something that we will have to deal with at that time.
Nikunj Savaliya	Thank you, Simon. We have just completed our schedule time of 5 p.m. but, I'll still take two more questions here. The first one is about industry market and global landscape, a little longer one, and perhaps D and Simon Wiebusch, you can take this. Of the total investment which is happening in Europe by European companies, there has been a shift of investment by companies and new investment is now happening in USA. USA has cheap land, cheaper resource of energy due to shell gas, and faster approval process for setting up a plant. Could this be considered as a threat for companies here in India, where the shift of investment from Europe to USA instead of India, could refrain India of taking the advantage of Europe + 1 strategy?
Simon Wiebusch	I'll try to give it a quick one, and then maybe D, you come in. India is in a global competition, as everybody knows. Now when you talk about Europe + 1, I assume you're talking about production. It is true that with the regulation, with the Ukraine war, with general assumptions, production in Europe, especially of basic chemicals, is most probably not going to be the area of future investment. And yes it is true, India is here competing probably primarily with something like the United States. My personal view is, everybody will always atleast look at India, and it's India's chance to ensure that people understand. It is a future market, it is a huge market, and that is, to my mind, the most important thing to always keep in the back of our heads. Personally, if I were to invest, I would always look at the local potential demand, because you never know how international trade flows will move and say where do I have potentially footprint weaknesses versus other geographical areas. The next one to me is, yes, India is giving certain incentives, but we all know that there is also challenges and the more as we see positive trends there. Also, the Indian Government ensures that, let's say, foreign investment and local companies can act competitively. The probability of India being a large player in any of all fields and D was alluding to the opportunity also to be a major food exporter. And to that point I believe, especially in horticulture, we have these opportunities. We are going to be a player. Don't think anything in the next 20-30 years without India at the back of your mind. D?
D. Narain	No Simon, I think you said it all. The only additional point I'll add is, if there is one learning coming out of COVID for the entire industry globally is, don't put all your eggs in one basket. So, this whole thing about Europe + 1, is it US, is it India? I think clearly, it is going to be

	well spread out to diversify the risk. But even more important I think Simon is, your point. What will drive investments will be global competitiveness. And the more we can be competitive at a global scale with the strong domestic market itself as a strong base, I think the chances of attracting investments here will continue to be significant. So, I think it's early stages, but I do really believe India stands a very strong competitive position to also have a strong base going into the future.
Nikunj Savaliya	Thank you, Simon and D. I'll take the last question which is on operating expenses, and I think Simon Britsch can take this question. Considering downward trend in other expenses in Q4 FY22-23, whether this reduction could be more of a recurring number going forward?
Simon Britsch	Okay, so the downward trend that we saw in the other expenses in Q4, let's say, was mainly driven by two factors. One is that which is more accounting measure, because this is a position where you will also show the incentive in kinds. When the previous year we had the best share of the 3-year program and this year only 1 year program, that's one factor. And the second one is also reduced logistics cost, because we also had less exports in that quarter. So overall, I would say, for operating expenses, we saw the expenses growing in line with inflation. Needless to say, we have also now initiated measures in the last quarter now to further focus on being cost conscious, while still investing into future growth and also alternate business models.
Nikunj Savaliya	Thank you, Simon. So, with that, that was the last question we received. There are 2-3 more questions, I think we'll reach out to the shareholders with our answers. Ladies and gentlemen, I would like to express my appreciation to each and every one of you who are joining us today. Your support and belief in our vision has been instrumental in driving our success, and we are truly grateful for your partnership. As we conclude this Annual Investor Meet, I encourage you to carry forward this enthusiasm and insights gained from today's discussion. We remain committed to providing you with information and the resources needed to make informed choices. On behalf of the entire company, I extend my best wishes for your wellbeing and success. And with this, I close this investor meet. Thank you once again.

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