



MICO
Bosch Group



MOTOR INDUSTRIES CO. LTD.



Cover page:

We manufacture high-precision nozzles at the Nashik plant with world-class machines and state-of-the-art technologies.

The inset pictures highlight VCO Nozzle, K-factor Nozzle and Hydro-eroded Nozzle having advanced features catering to the needs of new generation vehicles. These offer distinct advantages like reduced smoke and particulate emission, high injection pressure/penetration and improved spray velocity.

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About MICO



MICO is a subsidiary of Robert Bosch GmbH, Germany. Founded in 1951, MICO pioneered the manufacture of automotive spark plugs and diesel fuel injection equipment in India. With access to the international technology of Bosch, conscious commitment to quality and more than 10,000 employees, MICO is the largest manufacturer of diesel fuel injection equipment in the country and one of the world's largest. In addition, MICO manufactures industrial equipment, auto-electrical, gear pumps for tractor applications, electric power tools, packaging machines and Blaupunkt car audio systems.

Partnering MICO in its quest for quality are its suppliers, including those in the small-scale sector. An all-India network of over 4,000 authorised representations ensure widespread availability of both products and after-sales services.

About Bosch



The name of Robert Bosch is closely associated with the automobile. Today, Bosch is synonymous with automotive equipment such as fuel injection, braking and driver-information systems and also for a whole range of other product areas: power tools, household appliances, thermotechnology, automation technology and packaging machinery.

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® Registered Trademark of Robert Bosch GmbH

Board of Directors, Committees, etc.**Directors**

H. Zimmerer, *Chairman*
 Y.H. Malegam
 Dr. J.J. Irani
 F. Fehrenbach
 Dr. G. Krueger
 A. Nobis,
Managing Director
 M. Lakshminarayan,
Joint Managing Director
 V.K. Viswanathan,
Joint Managing Director

Company Secretary

B.S. Iyer

Auditors

S.R. Batliboi & Co.

Bankers

State Bank of India
 Canara Bank
 Citibank, N.A.
 Deutsche Bank AG

Registered Office

Hosur Road
 Adugodi
 Bangalore-560 030

Stock Exchanges (where the shares of the Company are listed)

Bangalore Stock Exchange Limited
 51, Stock Exchange Towers
 1st Cross, J.C. Road
 Bangalore-560 027

The Stock Exchange
 Phiroze Jeejeebhoy Towers
 Dalal Street
 Mumbai-400 001

Audit Committee

Y.H. Malegam, *Chairman*
 H. Zimmerer
 Dr. G. Krueger

Shareholders' / Investors' Grievance Committee

H. Zimmerer, *Chairman*
 Y.H. Malegam
 A. Nobis
 V.K. Viswanathan

Remuneration Committee

H. Zimmerer
 Dr. J.J. Irani
 Dr. G. Krueger

Investment Committee

Y.H. Malegam
 Dr. J.J. Irani
 A. Nobis
 V.K. Viswanathan

Property Committee

H. Zimmerer
 Y.H. Malegam
 A. Nobis
 M. Lakshminarayan

Share Transfer Committee

Y.H. Malegam
 Dr. J.J. Irani
 A. Nobis
 V.K. Viswanathan

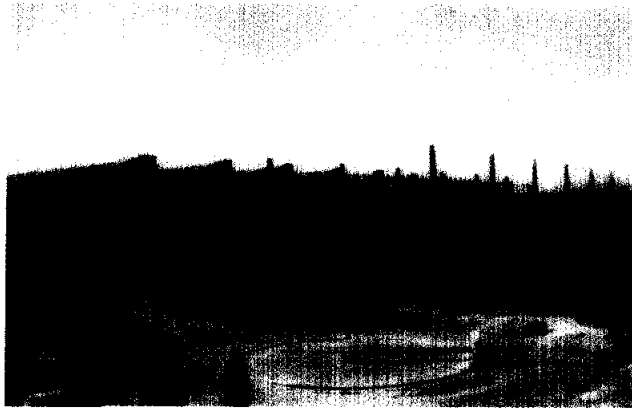
Committee on Borrowings

Y.H. Malegam
 Dr. J.J. Irani
 A. Nobis
 V.K. Viswanathan

Five Decades of MICO



1953: Construction of the first factory building at Bangalore



1954: Manufacture of Spark Plugs



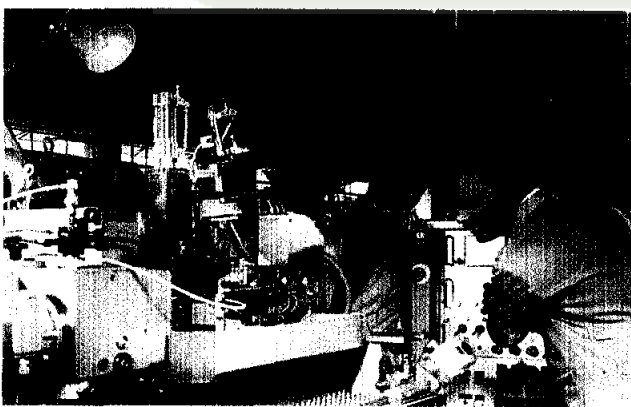
1954: Manufacture of Single-Cylinder FIE



1954: Manufacture of Nozzle-holders



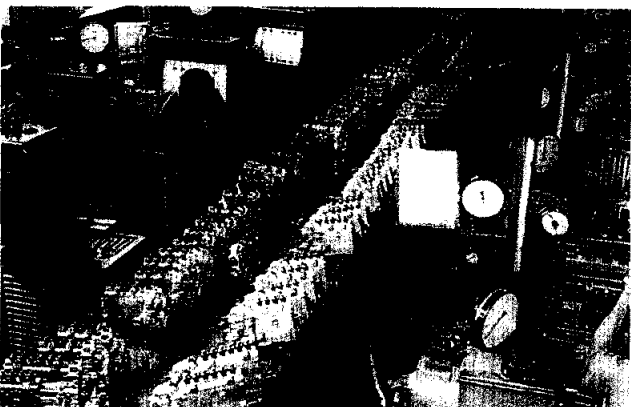
1955: Manufacture of Delivery Valves



1955: Manufacture of Elements



1956: Manufacture of Multi-Cylinder FIE



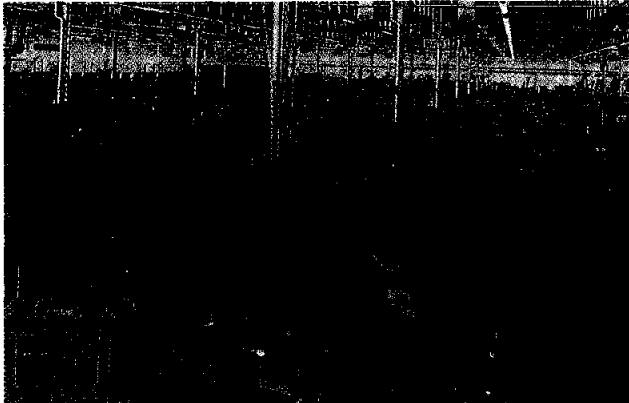
1966: Manufacture of Spark Plug Insulators



Five Decades of MICO



1972: Manufacture of Nozzles



1986: Manufacture of VE Distributor Pump



1989: Manufacture of Auto Electricals



1990: Naganathapura plant goes in to production



1993: Assembly of Bosch Power Tools



1994: Manufacture of Packaging Machines



1996: Blaupunkt Car Audio Systems launched



1999: Jaipur plant goes into production



Financials at a Glance



	(Rs. Million)									
	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992
Sales	16063	16523	15100	12982	13732	11636	9315	7280	5633	5246
Of which export sales	1928	1998	1779	1921	1906	1417	964	781	618	609
Profit before taxation	1290	1434	1698	1158	1405	1242	1158	839	531	492
Less : Provision for tax on income	582	622	640	459	602	633	632	470	285	305
Profit after taxation	708	812	1058	699	803	609	526	369	246	187
Add : Other adjustments (Net of tax)	109	309	-	-	-	-	-	-	-	-
Profit before appropriation	817	1121	1058	699	803	609	526	369	246	187
Appropriations :										
Debenture redemption reserve	-	-	-	-	-	-	-	10	10	10
Capital redemption reserve	20	20	-	-	-	-	-	-	-	-
Capital reserve	3	-	5	30	1	5	56	79	-	17
Dividend	99	106	99	84	99	91	84	76	68	61
(%)	(31)	(31)	(26)	(22)	(26)	(24)	(22)	(20)	(18)	(16)
Tax on dividend	10	11	11	8	10	9	-	-	-	-
General reserve	685	984	943	577	693	504	386	204	168	99
Total	817	1121	1058	699	803	609	526	369	246	187
Paid-up capital	341	361	381	381	381	381	381	381	381	381
Reserves	6002	4863	4673	3725	3119	2425	1916	1474	1182	1004
Net worth	6342	5224	5054	4106	3500	2806	2297	1855	1563	1385
Gross block	13699	13179	12046	10775	9650	7515	6039	4883	4176	3562
Net block	2463	2711	2926	2812	2852	2083	1653	1264	1175	1121
Additions to Gross block	1133	1327	1538	1373	2199	1542	1227	771	649	741
Earnings per share (EPS) (Rs.)	240*#	305*@	278	184	211	158	138	96	65	49

* Based on weighted average of the number of shares.

Adjusted EPS for deferred tax credit : Rs. 208.

@ Adjusted EPS for change in inventory valuation: Rs. 178.

MOTOR INDUSTRIES COMPANY LIMITED

Registered Office : Hosur Road, Adugod, Bangalore - 560 030

NOTICE TO MEMBERS

NOTICE is hereby given that the FIFTIETH Annual General Meeting of the Company will be held at 10.30 a.m. on Tuesday, the 11th June 2002 at Trinity Hall, Taj Residency, 41/3, Mahatma Gandhi Road, Bangalore - 560 001, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st December 2001 and Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare a dividend.
3. To elect Directors in place of Mr. H. Zimmerer, Mr. F. Fehrenbach and Mr. A. Nobis, who retire by rotation and are eligible for re-election.
4. To consider and, if thought fit, to pass, with or without modification, the following resolution as a special resolution:
"RESOLVED that the retiring auditors, Messrs. S.R. Batliboi & Co., Chartered Accountants, being eligible for re-appointment be and are hereby appointed as Auditors of the Company for the financial year ending 31st December 2002, to hold office until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors."

SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:
"RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the said Act and pursuant to Article 72 and 105 of the Articles of Association of the Company, and subject to the approval of the Central Government, if any as applicable, consent of the Company be and is hereby accorded to the re-appointment of Mr. A. Nobis as Managing Director of the Company for a period of 5 years from 17.12.2002 to 16.12.2007 and for the payment of remuneration set out in the Agreement dated 28.02.2002 between the Company and Mr. Nobis."

By order of the Board

Bangalore
28th February 2002

B.S. Iyer
Company Secretary

- NOTES : (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- (b) Explanatory statement pursuant to Section 173 of the Companies Act, 1956, in respect of special business is annexed hereto.
- (c) The Register of Members and the share transfer books of the Company will remain closed from 16.05.2002 to 31.05.2002, both days inclusive.
- (d) The Company has admitted its Equity Shares in the Depository System of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDS) and has offered investors the facility to hold shares in electronic/demat form and to carry out scripless trading of these shares.
- (e) The shares of the Company are mandated by the Securities and Exchange Board of India for trading in dematerialised form by all investors.

- (f) Dividend as recommended by the Directors for the year ended 31st December 2001, if declared, will be payable to those Members, whose names appear in the Register of Members, as at the close of business on 15.05.2002 and the dividend warrants will be posted to them on or after 12.06.2002.
- (i) *Beneficial owners holding shares in electronic/demat form are requested to notify any change in their address, bank account, mandate, etc. to their respective Depository Participant.*
 - (ii) *Members holding shares in physical form are requested to notify any change in their address, bank account, etc. to the Company.*
 - (iii) *With a view to preventing fraudulent encashment of dividend warrants, Members holding shares in physical form are advised to furnish to the Company particulars of their bank account with a request to the Company to incorporate the same in the dividend warrant.*
- (g) The identity/signature of the Members holding shares in electronic/demat form is liable for verification with specimen signatures as may be furnished by NSDL/CDS to the Company. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
- (h) Registrar and Transfer activity for shares held in physical form continue to be carried out in-house.
- In respect of shares held in electronic/demat form, the Company has appointed Alpha Systems Private Limited, 30, Ramana Residency, Ground Floor, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003, as Registrar.
- The Register of Members is maintained at the Registered Office of the Company.
- (i) Pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, dividends for the financial year ended 31st December 1995 and thereafter, which remain unclaimed for a period of 7 years from the date of transfer of the same as referred to in sub-section (1) of Section 205A of the Act, will be transferred to the Investor Education and Protection Fund of the Central Government established under sub-section (1) of Section 205C of the Act. According to the provisions of the Act as amended, no claims shall lie against the said Fund or the Company for the amounts of dividend so transferred nor shall any payment be made in respect of such claims.
- Intimation in respect of unclaimed dividend has been mailed to the concerned Members.
- (j) Pursuant to Section 109A of the Companies Act, 1956, shareholders may file Nomination in respect of their shareholdings. Any shareholder willing to avail this facility may submit to the Company the prescribed form 2B (in duplicate), if not already filed.
- (k) Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- (l) **Members are requested to inform the Company on or before 31.05.2002 the Permanent Account Number or General Index Register Number allotted by the Income Tax authorities and the income tax ward/range/district where assessed/assessable, as the same is required to be mentioned in the Certificate of Tax, in respect of tax if any, deducted at source from the dividend.**

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956

Item 5:

The shareholders at the Annual General Meeting held on 25.05.2000, subject to the approval of the Central Government, approved the appointment of and the payment of remuneration to Mr. A Nobis, Managing Director, for a period of 5 years up to 16.12.2004. The Central Government approved the appointment of Mr. Nobis for a period of 3 years up to 16.12.2002.

The Board of Directors at their meeting held on 28.02.2002 approved the re-appointment of and remuneration payable to Mr. Nobis, Managing Director of the Company for a period of 5 years from 17.12.2002 and accordingly an Agreement dated 28.02.2002 was entered into between the Company and Mr. Nobis.

The terms of the re-appointment of Mr. Nobis as contained in the Agreement dated 28.02.2002 referred to in the resolution at item 5 of the Notice are set out below :