

Marketing Associates

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Chennai : R. Hirachand ☎ 8266808/8259009 P. Krishnan ☎ 4896016/9840076016 V. K. Sudharsan ☎ 4741559/3715771/9832704178 Satish Kumar ☎ 4338788/9840189123	Kanpur : P. K. Sinha ☎ 255462/9838003721 Rachit Consultants ☎ 306721/9839084120 Sunrise Consultant ☎ 580473/9839031073 S.P.N. Financial Services ☎ 316035/9839031632
Delhi : Anil Khara ☎ 24625777/24621060 A. K. Capital Markets Ltd. ☎ 23381458 Bajaj Capital ☎ 26384352 Rashmi Madan ☎ 25880828/29/9810009789 SPA Capital Services Ltd ☎ 25517371/25515086 Shri. V. P. Mittal ☎ 23722566/9810186081 Risk & Asset Mgmt Co. ☎ 25633360 International Software ☎ 22373785 Vinod Kumar Anand ☎ 26124707/9810125871	Kolkata : Dilip Kumar Dey ☎ 4666885/9830046444 E.F. Securities ☎ 2205886
	Mumbai : S.J. Investment ☎ 22855603/22023607/9820235285 ABN Investments ☎ 22674260/5696026 Blue Chip Corporate Investment Centre ☎ 22703494/5 Pioneer Investments ☎ 228623421/28010129 SLJ Finance ☎ 22036623/22065739 M/s Soba Infosec Pvt. Ltd. ☎ 9820011398 SPA Capital Services ☎ 52338880 Ashwin Vajani ☎ 22315056/23410097

Our Registrars

Name & Addresses	Schemes Serviced by them	Telephone	
1. M/s. Datamatics Financial & Software Services Ltd. Plot No. B-5, Street No. : 6 Off Part 'B' Cross Lane, Marol, Andheri (East), Mumbai - 400 093.	Dhanashree 89 - Redeemed	Dhanaraksha '89 2821 33 83	
	Dhanavridhi 89 - Redeemed	Dhanasamridhi upto 2821 33 92	
2. M/s. BigShare Services Pvt. Ltd. E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072	Dhan 80 CC (1) - Redeemed	LICMF Equity Fund (Old) 2856 06 52	
	Dhanavarsha (1) - Redeemed	Dhanavidya 2856 06 53	
	Dhanavarsha (2) - Redeemed		
	Dhanashree 90 - Redeemed		
	Dhan 80 CC B (2) - Redeemed		
3. M/s. Sharepro Services Satam Estate, 3 rd Floor, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099	Dhan 80 CCB (1) - Redeemed	Dhanasahayog 2821 51 68	
	Dhanavarsha (3) - Redeemed	Dhan 88 (1) 2832 98 28	
	Dhanavarsha (5) - Redeemed	Dhan Tax Saver 95 2834 82 18	
	Dhanashree 91 - Redeemed		
	Dhanalakshmi (1) - Redeemed		
	Dhanavarsha (4) - Redeemed		
	4. M/s. MCS Ltd. Shri Padmavathi Bhavan, Plot No. 93, Road No. 16, MIDC Area, Andheri (East), Mumbai - 400 093.	Dhanavarsha (6) - Redeemed	Dhanavarsha (12) 2836 86 81
		Dhanavarsha (7) - Redeemed	LICMF Tax Plan 2820 57 41
Dhanavarsha (8) - Redeemed		Dhan Tax Saver 96 2820 57 42	
Dhanavarsha (9) - Redeemed		LICMF Children's Fund 2820 17 85	
Dhanavarsha (10) - Redeemed		LICMF Govt. Sec.Fund	
Dhanavarsha (11) - Redeemed		LICMF Bond Fund	
Dhanavarsha (13) - Redeemed		LICMF Liquid Fund LICMF Equity Fund (New) LICMF Index Fund	



facets of
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Investment Manager
Jeevan Bima Sahayog
Asset Management Company Ltd.
4th Floor, Industrial Assurance Bldg., Opp. Churchgate Station, Mumbai 400 020. Tel. : 22851661/63
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RISK FACTORS : Mutual Funds and Securities investments are subject to market risks and there is no assurance and no guarantee that the objectives of the Mutual Fund will be achieved. As with any investment in stocks and shares, the NAV of the units issued under the scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor/AMC/Mutual Fund does not indicate the future performance of the schemes of the Mutual Fund. The name of the scheme does not in any manner indicate either the quality of the scheme, its future prospects or returns. Please refer the offer documents of the schemes before investing.

Market Review:

EQUITY MARKET

The Sensex that was hovering around 3340 – 3350 levels for a long time could finally breach the resistance level of 3370 and is holding strong at 3390 levels. The current market rally has been broad-based with good momentum in sectors like steel, cement, pharmaceuticals, IT and banking. The correction expected somewhere around mid-December did not materialise due to the positive undertone. The market seems to be in a consolidating phase close to 3400 levels.

Historically, the period between November to March has always been bullish. Fresh allocations from FIIs are expected towards mid-January'03. The manufacturing sector has posted a robust growth of 6.4% in the quarter ending December 2002 compared to 2.6% growth in the corresponding period last year. Hence December quarter end results are likely to be encouraging. In addition, Budget expectations would further factor into the system. Besides all this the falling yields in the Bond markets may compel investors to take a fresh look at the equity market. There could be some shifting of funds from the Debt to the Equities. We can therefore safely assume history to repeat itself.

Coming to the concerns, the key concern as on date is the US-Iraq relationship. What if war breaks out? As a consequence, how high can the oil prices go? The market may totally take a different direction in such an extreme situation. Barring this particular issue, the undertone remains positive.

DEBT MARKET

The month of December started on a cautious note due to the measures taken by RBI to cool down the overheated G-sec market. In line with the above, it further raised the issue size of 91 day treasury bill auction (limited to four auctions) from Rs.250 crores to Rs. 1000 crores. The move was aimed at correcting the short-term yield curve besides mopping up excess liquidity. This dampened the market sentiment on fears of tightening of liquidity. One year treasury bill yields that were ruling below the repo rate shot up to 5.5%. However, the comfortable liquidity, and positive sentiments due to strong forex inflows, news of RBI reducing the minimum daily CRR balance requirement from 80% to 70% drove down the yields and the 10 year benchmark breached the level of 6.25%. Rally in gilt prices can be attributed to the strong fundamentals of the economy and massive deposit accretion of banks with no investment avenues. The bullish sentiments have driven down the 10 year benchmark yield to a new low of 6.07% by the end of the month.

The bond market reacted in line with the g-sec market and the yield on AAA rated 5-year corporate paper fell to 6.12%. The spread between top rated corporate paper and corresponding G-sec has come down to 30 basis points. Yield on short-term money market instruments like commercial papers have fallen to 5.60% from 5.85%. The call money rates are hovering in the range of 5.25% to 5.65%.

Area Offices

Bangalore
10A, Chandra Kiran Bldg., Kasturba Rd., Bangalore.
☎ 9845172957/ 2210180/2295598.

Chennai
15, Anna Salai, Chennai.
☎ 9840050770/8555883.

Indore
U V Business Centre, 'Snehil', 9/1-A South Tukoganj, Indore.
☎ 9827039472/520262.

Kanpur
Jeevan Vikas, 16/98, M.G. Road, Kanpur.
☎ 9839034610/312285.

Kolkata
Hindustan Building, 4, Chittaranjan Avenue, Kolkata.
☎ 9831054132/2126710.

Mumbai
Industrial Assurance Building, Opp. Churchgate Station, Mumbai.
☎ 9869008496/22885971/22842439.

New Delhi
Jeevan Prakash, 25 K. G. Marg, New Delhi.
☎ 23359190/23314396 / 9811179757

Chief Agents

• AHMEDABAD	- N. S. Shah	☎ 6420623/ 6440573
• ALLAHABAD	- Amarnath Vaish	☎ 401758
• AMBALA	- Gulshan Kumar Sabharwal	☎ 2641798/3184661/9812129366
• AMRITSAR	- Kapil Kumar Khurana	☎ 540237/500782
• ASANSOL	- Harnam Singh	☎ 254719
• AURANGABAD	- Ashok K. Amritkar	☎ 350275
• BANKURA	- M.K. Sarkar	☎ 55878
• BAREILLY	- R. A. Gupta	☎ 420263
• BARODA	- Haresh Shah	☎ 361900/362030
• BHILAI	- Harish Chandra Malik	☎ 393324/392156
• BHOPAL	- P. C. Gupta	☎ 671882/9826033883
• BILASPUR	- Ashish Agrawal	☎ 63832
• CALICUT	- Jayanth Kumar R.	☎ 366784
• COCHIN	- Olive Capital & Services	☎ 369175/370545
• COIMBATORE	- P. Srinivasan	☎ 498872/496962/492530
• CUTTACK	- Manoranjan Acharya	☎ 300678/9861050678
• DEHRADUN	- Jeetendra Mohan Sharma	☎ 9837024453/771217
	- Kul Bhushan Rai Bhatia	☎ 767940/760334
• DEWAS	- Manoj Singhal	☎ 9827227430/23743
• DHANBAD	- Sanjay Shekhar	☎ 209126/205273
• DURGA PUR	- Kamlesh Agarwal	☎ 548037/9832163733
• ERODE	- V. Subramani	☎ 259433/9842752445
• ETAWAH	- Subodh Kumar Saxena	☎ 253026
• GHAZIABAD	- Priyanshu Jain	☎ 9810340302/4751576
• GURGAON	- Blue Circle Financial Services	☎ 6366782
• GUWAHATI	- Bhartia & Co	☎ 9864012608/543612/523604
• GWALIOR	- R. P. Arora	☎ 2324003/2325285
• HOSUR	- R. Subramaniam	☎ 42886/9842743167
• HOWRAH	- Santosh Kumar Jain	☎ 2310047/6652285
• HYDERABAD	- K. Narasimha Rao	☎ 55666883/9848012483
• JABALPUR	- Jagdish Nagdev	☎ 411486/9827066823
• JAIPUR	- A.K. Shrivastava	☎ 742808/9828020773
	- Rajesh Jajoo	☎ 407044
• JAJPUR	- Himansu Panda	☎ 21244
• JALANDHAR	- Akshay Kumar Marwah	☎ 225310/241310
• JAMNAGAR	- Jadeja J.M	☎ 660098
• JAMSHEDPUR	- Birendra Kumar Singh	☎ 487376/423733
• JHANSI	- Pawan Nagaria	☎ 330122/442175
• KOLHAPUR	- Jagadshree Investments	☎ 680030/416003
• KORBA	- Ramnath Ojha	☎ 42548
• KOTA	- Shashank Jain	☎ 2331150/9829124854

• KOTTAYAM	- K.P. Aravindaksha Panicker	☎ 567339
• LUCKNOW	- Ajay Mohan Shrivastava	☎ 9839064947/787525
• LUDHIANA	- A.K. Arora	☎ 701302/9814104767
• MADURAI	- A.S.Kannapan	☎ 586966/9843075295
• MANGALORE	- Adelia T. Rodrigues	☎ 435161/434171
• MEERUT	- Vijay Kumar Jain	☎ 9837052732/520835
• MORADABAD	- Multigain Investments	☎ 317174/320759
	- Madan Mohan Bhatia	☎ 312189
• MYSORE	- V. S. Ravish	☎ 541168
• NAGERCOIL	- K. G. Mahadev	☎ 230881/9842130881
• NAGPUR	- Swap Consultants Pvt. Ltd.	☎ 525584/535584
• NASHIK	- Pramod Puranik	☎ 314997/314057
• NAVSARI	- M/s. NJ India Investment Pvt. Ltd.	☎ 53782/9824114952
• NELLORE	- G. V. Nagesh	☎ 336801
• ONGOLE	- Brahma Rao	☎ 31042
• PALAYAMKOTTAI	- S.Balasubramanian	☎ 577604/531251/9842158207
• PATHANKOT	- Marwah Financial Consultants	☎ 22201/22205
• PONDICHERRY	- M. Ramesh Kumar	☎ 2224133
• PUNE	- A. M. Shah	☎ 5386428
	- Kamalakar Badbade	☎ 6139159/6053069
• RAIGARH	- Jawahar Motwani	☎ 22812/23293
• RAIPUR	- Vijay Kumar Parmar	☎ 526446/ 9827164351
• RAJAHMUNDRY	- Koduri Sridhar	☎ 422207
• RAJKOT	- Rajesh Kumar Mehta	☎ 224736/226439
• RAMPURHAT	- Sanjay K. Bhowmick	☎ 55602
• RANCHI	- Shubham Capital	☎ 9835116774
• RATLAM	- Pushpendra Joshi	☎ 35300
• ROURKELA	- Animesh Chandra Ray	☎ 574992
• SALEM	- V. Kasinathan	☎ 2210875/9842710875
• SHIMOGA	- Laxmi financiers	☎ 20447/60447
• SURAT	- Bimal Shah	☎ 3472689/9825127620
• TIRUCHY	- A. M. Rajasekar	☎ 760334/9843066334
• TRIVANDRUM	- Vamadevan V.	☎ 418139
• TUMKUR	- C. S. Prabhu Dev	☎ 257860
• UJJAIN	- Prayas Vyas	☎ 710450
• VARANASI	- Shree Prakash	☎ 451861/392169
• VELLORE	- Latha Thomas	☎ 220356
• VIJAYWADA	- Rama Brahman	☎ 9849333289
	- Sublime Financial Services	☎ 5562483
• VIZAG	- Sublime Financial Services	☎ 5566883
• WARDHA	- Tanvi Financial Services	☎ 40341/50341

LICMF Govt. Securities Fund

An Open-ended Gilt Scheme

A zero credit risk investment opportunity ideally suited for risk averse investors through investment in Govt. Securities. Liquidity through daily sale and repurchase facility.

MONTH ON MONTH NAV MOVEMENT



NAV (Rs.) as on 31/12/2002 Dividend: 11.7468; Growth : 16.1836

SCHEME COMMENTARY

The G-sec market continues to be bullish on the back of ample liquidity. The long-term securities have outperformed the short and medium term securities.. We have been moving with the market taking advantage of price movements. The fund has declared a dividend of 4% for third quarter of the current financial year. The outlook in the short to medium term on the gsec market is positive.

PORTFOLIO (as on 31/12/2002)

SECURITIES	MKT. VAL. (Rs. lakhs)
GSECS 7.46% 2017	3342.60
GSECS 10.71% 2016	2098.50
GSECS 7.40% 2012	1641.30
GSECS 10.25% 2021	1409.00
GSECS 11.40% 2008	1269.00
GSECS 9.85% 2015	927.15
GSECS 11.03% 2012	676.50
MONEY MARKETS & OTHER CURRENT ASSETS	2549.03

FUND SIZE (as on 31/12/2002) Rs. 13913.08 Lakhs

Avg Portfolio Duration: 7.74 Years

DIVIDEND HISTORY

March 2000	- 2.50%	Nov. 2001	- 3.50%
May 2000	- 2.50%	March 2002	- 7.00%
Nov. 2000	- 2.50%	July 2002	- 3.00%
March 2001	- 3.50%	Oct. 2002	- 3.50%
July 2001	- 3.00%	Jan. 2003	- 4.00%

ANNUALISED RETURNS

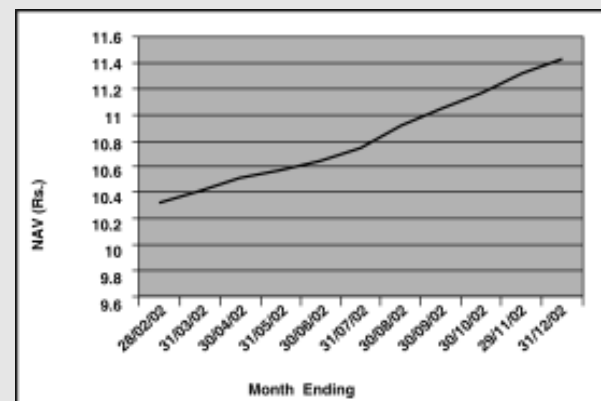
Last 1 year	22.25%
Since inception (29.11.1999)	16.86%

LICMF Children's Fund

An Open-ended Debt Scheme for Children

LICMF Children's Fund provides long term growth of capital through a judicious mix of Investments mainly in quality debt Securities with relatively low levels of risk.

MONTH ON MONTH NAV MOVEMENT



NAV (Rs.) as on 31/12/2002 :11.4314

PORTFOLIO (as on 31/12/2002)

SECURITIES	RATING	MKT. VAL. (Rs. lakhs)
RELIANCE INDUSTRIES	AAA	212.52
R E C	AAA	189.42
H D F C	AAA	185.49
I C I C I BANK	AAA	110.56
GE CAPITAL	AAA	106.95
POWER GRID CORP.	AAA	101.85
BALLARPUR INDUSTRIES	D1+	100.96
NALCO	AAA	74.79
MADRAS CEMENT	AA	117.39
GLENMARK PHARMACEUTICALS	AA	105.72
TATA CHEMICALS	AA	80.22

FUND SIZE (as on 31/12/2002) Rs. 1391.86 Lakhs

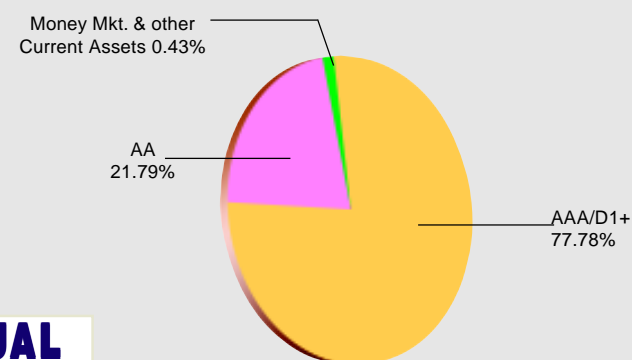
Avg Portfolio Duration: 1.99 Years

Avg Maturity: 2.39 Years

ANNUALISED RETURNS

Last 1 year	12.62%
Since Inception (12.11.2001)	11.71%

RATING PROFILE



DHANARAKSHA'89

An Open-ended Insurance linked Tax Saving Scheme

A unique Insurance linked Tax Savings Scheme. ● Life insurance cover ● Free accident insurance cover ● Income Tax Rebate on contributions u/s 88 ● Maturity Bonus.

EQUITY PORTFOLIO

Top Holdings	Market Value (Rs. in Lakhs)	Top Holdings	Rating	Mkt Value (Rs. in Lakhs)
LARSEN AND TOUBRO	221.02	RELIANCE IND.	AAA	812.70
DR REDDY'S LAB	179.63	N T P C (PTC)	AAA	651.26
SATYAM COMPUTER	125.06	T I S C O	AA+	547.71
RANBAXY LABORATORIES	124.96	MADRAS CEMENT	AA	469.54
H P C L	107.52	BOROSIL		
GRASIM	93.68	GLASSWORKS	A	434.94
RELIANCE INDUSTRIES	87.51	INDIA CEMENT	D	337.50
B H E L	60.41	ONGC		
BAJAJ AUTO	50.23	POWER FIN. CORP.	AAA	332.08
ZEE TELEFILMS	46.80	GLENMARK PHARMA.	AA	317.17
A C C	44.58	UTI INSTITUTIONAL		
HERO HONDA	44.37	GAIL		
ONGC	41.98	INVESTOR	AAA	300.00
CANARA BANK	40.31	N H P C	AAA	278.74
S C I	37.13	GSECS	Sov.	239.83
G A C L	35.69	ITC		
B P C L	34.68	UNION BANK OF INDIA	4.43	
N A L C O	23.15	S B I	AAA	230.97
G A I L	19.38			
N I I T	18.73			
HINDUSTAN LEVER	18.18			
INFOSYS TECHNOLOGY	11.93			
POLARIS SOFTWARE	8.49			
ITC	6.60			
UNION BANK OF INDIA	4.43			

DEBT PORTFOLIO

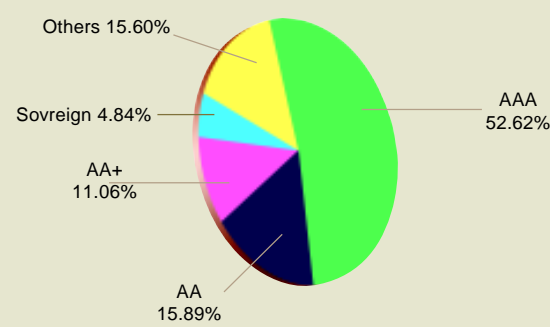
FUND SIZE (as on 31/12/2002) Rs. 6991.42 Lakhs

NAV (Rs.) as on 31/12/2002 :10.9121

DIVIDEND RECORD

Year	Rate	Year	Rate
1989-90	12.5%	1996-97	6.0%
1990-91	13.0%	1997-98	10.0%
1991-92	13.5%	1998-99	10.0%
1992-94	15.0%	1999-2000	10.0%
(18 months)		2002-2003	7.5%
1994-95	7.5%		

DEBT



Avg Portfolio Duration: 2.57 Years

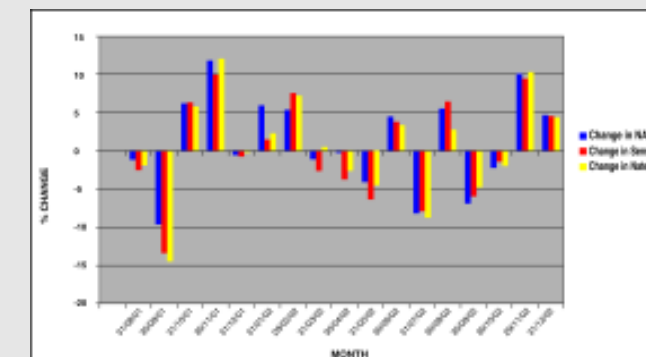
Avg Maturity : 3.09 Years

LICMF EQUITY FUND

Formerly known as Dhanvikas (1)
An Open-ended Equity Scheme

Originally launched as a Close Ended Growth Scheme in January'93 the scheme, has been made Open Ended from 16/04/98. The objective of the Scheme is to provide capital appreciation through investment in equity. High liquidity through daily sale and repurchase facility available.

MONTH ON MONTH NAV CHANGE COMPARISON V/S CHANGE IN BENCHMARK



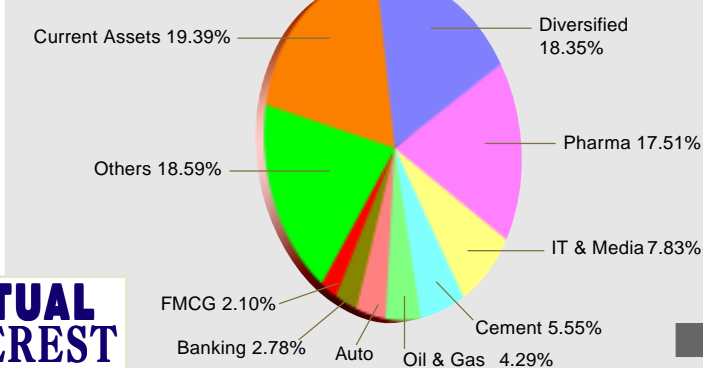
NAV (Rs.) as on 31/12/2002 : 6.2152

PORTFOLIO (as on 31/12/2002)

Holdings Top 25	Mkt. Value (Rs. lakhs)
RELIANCE INDUSTRIES	282.27
RANBAXY LABORATORIES	271.12
CIPLA	259.28
ITC	198.12
GRASIM	169.22
LARSEN AND TOUBRO	148.65
CONCOR	127.90
A C C	126.71
B H E L	110.39
HINDUSTAN LEVER	63.61
ONGC	58.15
N I I T	56.18
BAJAJ AUTO	50.23
INFOSYS TECHNOLOGY	47.71
SATYAM COMPUTER	44.14
ICICI BANK	42.17
G A C L	41.45
M T N L	39.84
HCL TECHNOLOGIES	39.19
G A I L	38.61
T I S C O	37.88
S B I	35.33
ZEE TELEFILMS	32.66
B P C L	32.51
T E L C O	32.27
MONEY MARKET & CURRENT ASSETS	587.43

FUND SIZE (as on 31/12/2002) Rs. 3029.77 Lakhs

SECTORAL ALLOCATION



LICMF LIQUID FUND

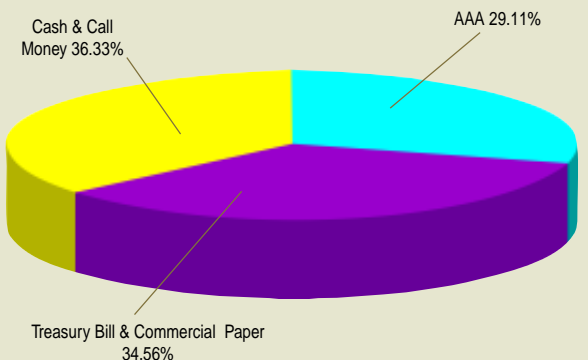
An Open-ended Liquid Scheme

The Scheme seeks to generate reasonable returns with low risk and high Liquidity.

PORTFOLIO (as on 31/12/2002)

Holdings	Rating	Mkt. Value (Rs. lakhs)
CITICORP FINANCE -A1	AAA	991.28
I C I C I BANK LOAN RECEIVABLES SERIES(II)	AAA	807.85
PANATONE FINVEST	AAA	494.46
M A L C O	AAA	299.02
CHOLAMANDALAM FINANCE -A1	AAA	144.30
TREASURY BILLS & COMMERCIAL PAPER		3249.34
CASH (CALL MONEY)		3415.13

NAV (Rs.) as on 31/12/2002 Dividend: 10.4055; Growth : 10.5654



FUND SIZE (as on 31/12/2002) Rs. 9401.38 Lakhs

Avg Portfolio Duration: 0.55 Year

Avg Maturity : 0.56 Year

ANNUALISED RETURNS

Since Inception (18.03.2002) 7.09%

DIVIDEND HISTORY

March 2002 - Rs. 0.0204 per unit April 2002 - Rs. 0.0831 per unit
May 2002 - Rs. 0.0472 per unit

LICMF TAX PLAN

An Open-ended Equity linked Tax Saving Scheme

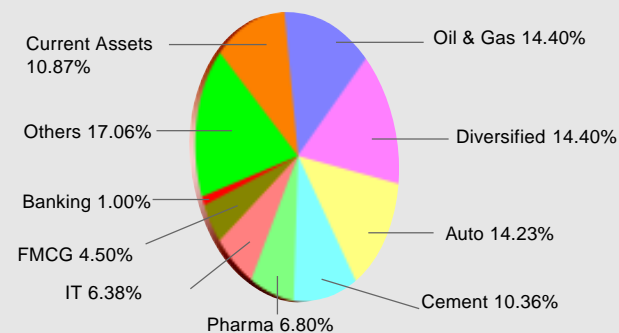
Seeks to provide capital growth along with tax rebate through prudent investments in the stock market.

PORTFOLIO (as on 31/12/2002)

Holdings	Mkt. Value (Rs. lakhs)
A C C	8.26
LARSEN AND TOUBRO	8.01
RELIANCE INDUSTRIES	7.02
O N G C	7.00
TATA POWER	6.66
T E L C O	6.05
BAJAJ AUTO	5.02
HINDUSTAN LEVER	5.00
HERO HONDA	4.75
DR REDDY'S LAB	3.82
G A I L	3.51
GRASIM	3.47
G A C L	3.27
B H E L	3.19
CIPLA	3.15
INDIAN OIL CORPORATION	2.98
SATYAM COMPUTER	2.78
I T C	2.64
WIPRO	2.45
M T N L	1.90
H P C L	1.44
UNION BANK OF INDIA	1.12
PUNJAB TRACTORS	1.11
B P C L	1.08
ZEE TELEFILMS	0.98
N I I T	0.94
HCL TECHNOLOGIES	0.93
RANBAXY LABORATORIES	0.59
MONEY MARKETS	12.09

NAV (Rs.) as on 31/12/2002 : 7.6909

FUND SIZE (as on 31/12/2002) Rs. 111.18 Lakhs



LICMF INDEX FUND

An Open-ended Index Linked Equity Scheme

An open ended Index linked equity scheme seeking to provide capital growth by investing in index stocks.

RE-OPENED : 5th December, 2002

- CHOICE OF PLANS** : Sensex Plan, Nifty Plan and Sensex Advantage Plan
- MINIMUM INVESTMENT** : Minimum investment Rs. 5000/- and additional investments in multiples of Rs.500/- thereafter.
- PRESET TRIGGER OPTION** : Benefit from timely encashment of appreciation.

NAV (Rs.) as on 31/12/2002

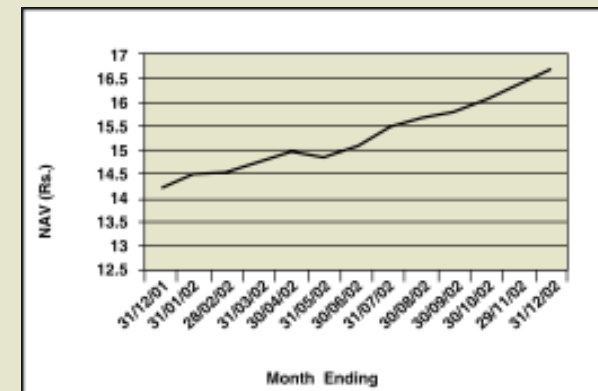
Sensex	-	10.0745
Nifty	-	10.0934
Sensex Advantage Plan	-	10.0550
FUND SIZE (as on 31/12/2002)		In Lakhs
Sensex	-	542.05
Nifty	-	598.75
Sensex Advantage Plan	-	497.05

LICMF Bond Fund

An Open-ended Debt Scheme

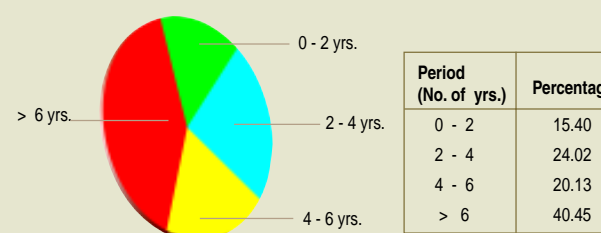
The Scheme generates reasonable returns through investment in quality debt and money market instruments. Liquidity through daily sale and repurchase facility is available on all business days.

MONTH ON MONTH NAV MOVEMENT



NAV (Rs.) as on 31/12/2002 Dividend: 11.3776; Growth: 16.6935

Maturity Profile (In years)



Avg Portfolio Duration: 6.01 Years

Avg Maturity: 6.47 Years

DIVIDEND HISTORY

October 1999	-	4.00%	Nov. 2001	-	3.50%
March 2000	-	4.50%	March 2002	-	3.50%
May 2000	-	3.00%	July 2002	-	3.00%
Nov. 2000	-	3.50%	Oct. 2002	-	3.00%
March 2001	-	4.50%	Jan. 2003	-	3.00%
July 2001	-	4.00%			

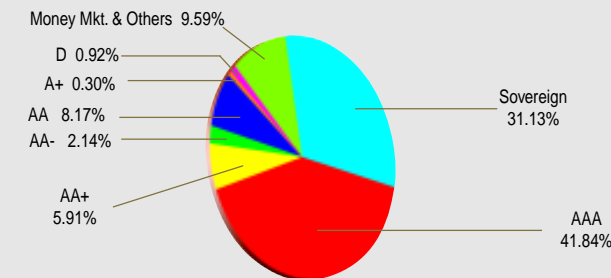
RETURNS

	Annualised
Last 1 year	17.21%
Last 3 years	15.56%
Since inception (09.05.1999)	15.06%

SCHEME COMMENTARY

The soft interest rate scenario has augured well for our fund. We have been tracking the debt market closely and taking advantage of the market movements. The fund has declared a dividend of 3% for third quarter of the current financial year. It is estimated that the interest rates will continue to remain soft due to the comfortable liquidity and positive sentiments prevailing in the money & debt market.

PORTFOLIO RATING ANALYSIS



PORTFOLIO (as on 31/12/2002)

Holdings	Rating	Mkt. Value (Rs. lakhs)
GSECS	Sovereign	63343.20
RELIANCE INDUSTRIES	AAA	16753.34
I C I C I BANK	AAA	7808.41
I O C	AAA	5896.92
POWER FINANCE CORP.	AAA	5801.49
POWER GRID CORP.	AAA	3520.96
H D F C	AAA	3366.12
MARUTI UDYOG	AAA	3238.39
BANK OF BARODA	AAA	2748.01
S B I	AAA	2309.75
N P C	AAA	2191.84
I R F C	AAA	2169.10
TATA TELESERVICES	AAA	1909.95
G A C L	AAA	1701.73
M A L C O	AAA	1690.54
ALLAHABAD BANK	AAA	1381.04
STANDARD CHARTERED	AAA	1351.99
N T P C (PTC)	AAA	1302.53
ANZ GRINDLAYS	AAA	1258.23
ABN AMRO BANK	AAA	1209.87
R E C	AAA	1150.88
I O C (PTC)	AAA	1094.89
TATA SONS	AAA	1027.81
GRASIM INDUSTRIES	AAA	1000.04
EXIM BANK	AAA	1000.00
ALFL-A1(PTC)	AAA	997.95
GE CAPITAL	AAA	962.58
T E L C O (PTC)	AAA	936.47
JET AIRWAYS(PTC)	AAA	869.88
ALFL-A2(PTC)	AAA	821.57
I C I C I BANK LOAN RECEIVABLES SERIES(II)	AAA	706.87
CITIBANK	AAA	641.69
CITICORP FINANCE -A1	AAA	575.65
CITICORP FINANCE -A3	AAA	514.91
CITICORP FINANCE	AAA	513.96
CHOLAMANDALAM FINANCE -A3	AAA	505.39
CITICORP FINANCE -A2	AAA	505.35
CITIBANK -A2(SERIES2002)	AAA	502.65
K M F L (ABS) SERIES-IID	AAA	498.21
ALFL-A3(PTC)	AAA	495.69
PANATONE FINVEST	AAA	494.46
K M F L (ABS) SERIES-IIC	AAA	489.70
K M F L (ABS) SERIES-IIB	AAA	483.79
ALFL-A4(PTC)	AAA	461.78
K M F L (ABS) SERIES-IIA	AAA	283.85
LARSEN & TOUBRO	AA+	3674.24
TATA POWER	AA+	2308.20
FINOLEX CABLES	AA+	1877.54
H U D C O	AA+	1790.30
T I S C O	AA+	1232.35
ELECTROSTEEL CASTING	AA+	582.49
BALLARPUR INDUSTRIES	AA+	570.45
T E L C O	AA-	2062.11
ASHOK LEYLAND	AA-	1630.22
I P C L	AA-	659.82
TATA CHEMICALS	AA	2807.11
A C C	AA	2672.18
ESSEL PROPACK	AA	2644.82
MADRAS CEMENT	AA	2301.96
MAHINDRA & MAHINDRA	AA	1693.90
L G ELECTRONICS	AA	1058.26
L & T FINANCE	AA	1029.05
NICHOLAS PIRAMAL	AA	1012.91
INOX AIR PRODUCTS	AA	543.63
FINOLEX INDUSTRIES	AA	515.94
ASHOK LEYLAND	AA	345.32
HINDUSTAN INKS	A+	610.29
B P L	D	1875.00
MONEY MKTS & OTHERS		19520.23

FUND SIZE (as on 31/12/2002) Rs. 203507.76 Lakhs

MUTUAL INTEREST