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THE GUARANTEE (LOAMS) ACT CAP 461

- In accordance with the provisions of the Guarantee (loans) Act (Cap 461) the following information is laid before the National Assembly relating to a guarantee by the Government of the bligations of Bamburi Portland Cement Company Limited (hereinafter referred to as "THE BORROWER") in respect of a credit to be established by the European Investment Bank (hereinafter referred to as "THE BANK") and drawn in favour of "THE BORROWER" in all amount equipment to 6.5 million ECU'S equivalent to approximately 60 million Kenya Shillings.
 - 2) The Bank intends to finance "THE BORROWER" having regard to the provisions of the Second ACP-EEC convention of LOME (hereinafter referred to as "THE CONVERTION").
- 3) The Credit is to be used for financing of a project for the convention of two oil-fired kilns(in "THE BORROWER") Cement production plant in Mombasa to coal and the uprating of its capacity from 800,000 to 1 million tons of clinker per annum and the making of further specific plant improvements.
- 4) The Bamburi Portland Cement Co. Ltd. was incorporated on 20th July, 1951. The authorised Share Capital of the Company is presently KShs. 127 million and will be increased by a forthcoming Rights issue to KShs.157 million. equity of the Campany is as follows:-

Kenya Government	20%
Cementia Holding A.G. Zurich	37%
Bruce Circle Industries, London	37%
Sundry Shareholding through Nairobi	
Stock Exchange	6%
Total	100%

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THE GUARAGEE (LOADS) ACT ONE AST

- In eccordance with the provisions of the Guaragues (loans) Act (Sep 451) the full wing information is less before the School Assembly relating to a surantousy the Sovernment of the obligations of Damburi Fortland Company Similar (generals for referred to as Similar County) in respect of a credit to as established by the Langerian Langer form referred to as Fifth Banks) and Investment Dank (Sovernmenter referred to as Fifth Banks) and drown in favour of Still Collection to approximately 60 million COURS equivalent to approximately 60 million to 5.5 million COURS equivalent to approximately 60 million to 5.5 million COURS equivalent to approximately 60 million to 5.5 million COURS equivalent to approximately 60 million
- 2) The unix intends to finance "THE SOLAR WE saving rejust to the provinter of the Sedons ACF-MES convention of the (hereinstess refer to one of the Convention).
- 3) The Gredit is to be used for finencing of a project instance convention of two call-fired kilns(in "Did wall-oning to General production plant, in mondess, to copi on the upon this of its capacity from 200,000 to i million form of quilled per show and the waking of further specific piece
 - 4) the lamburi Portland Cement Co., Ltd. was incomposed on Porth July, 1951. The authorized Share Capacal of the Company is presently (She, 127 aillion and will be increased by a forthcoming Rights days to Kaha, 157 million. Showed equity of the suppny is as icllower-

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- 5) The loan will bear interest at the nominal subsidised rate 8 per cent per annum calculated on the amount of loan drawn and outstanding from time to time payable half-yearly in arreas on specified dates.
- 6) The principal amount of the loan will be repaid over a period 10 years commencing after a grace period of 2-2% years.
- 7) The effectiveness of the loan is conditional upon a guarantee being provided by the Government. The National Assembly is therefore requested to approve that the Government may guarantee repayment of the loan referred to in paragraph 1 and other charges therein.
- 8) The current total contigent liability of the Government in respect of guarantees given under section of the Guarantee (loans) Act (other than those specified in the schedule to the Act) amounts to £314,730,894 with the guarantee of a sum equivalent to £3,000,000 now proposed, the aggregate will be increased to £317,730,894 of which £12,585,583 will fall within paragraph (a) and £305,145,311 within paragraph (b) of section 3(3) of the Act.

DR. MUNYUA WAIYAKI (HOW. DR. MUNYUA WAIYAKI)

- 5) The loca will bear interest it the noting sw sidised to tate 8 per control of change of the canonat of loca frows one out outsets and the track to the product helf-years place on specified detect.
- 6) The principal amount of the loan will be repord ever of period (0 years commended of circums accommended of 2-2% years.
- (7) The effectiveness of the took is conditional aparts of the Mattonal guarantee being provided by the Covernment, the Mattonal Covernment as they are requested to copyright of the Lagrantee being the Covernment was guarantee being apparent of the lagrantee to percurse there are larger to the contract of the contrac
- 6) The citrent total monthest limiting of the divergment of a respect of guarantees from ander solicited and the cutrensites (legar) Act totaler than them there exectles and the solved solved in the little country to again, 730,000 and which case from grantees of a sun equivalent to 13,000,000 and grappeson, the cugarefore will be increased to as 177,730,000 or with the fall within paregraph (s) on again to the within paregraph (s) on again to the within paregraph (b) of section 3(3) of the fat.

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