

Statement VIA

Loans & Advances and Other Non-Development Expenditure

(Taka in Crore)

Description	Budget 2007-08	Revised 2006-07	Budget 2006-07
A. Receipts			
Financial Institution	35	36	45
Non-Financial Institutions	2616	2105	1204
Government Employees	100	92	92
Sub-Total - Receipts :	2751	2233	1341
B. Payments			
Non-Financial Institutions	237	663	10
Government Employees	125	115	120
Sub-Total - Payments :	362	778	130
Loans & Advances - Net (B-A) :	-2389	-1455	-1211
C. Payment of liabilities vested upon Government :	7523	0	0
Loans & Advances and Payment of Liability - Net (B-A+C) :	5134	-1455	-1211
D. Structural Adjustment :	300	29	0
E. Non-ADP Employment Generation Programmes :	588	579	548

Explanatory Notes :

1. The Government provides Guarantees and Counter Guarantees against loan negotiated by various State-owned financial and non-financial enterprises. Most of them are for implementing different public policies and programmes. If the contracting organisations fail to pay their loan in-time, the guarantees are invoked and the liabilities for payment are vested upon the Government. Consequently, this has future fiscal implication. For the first time, to improve transparency, a list of such guarantees and counter guarantees (valid beyond 30th June 2007) is appended below:

List of Guarantees & Counter Guarantees (Valid beyond 30 June, 2007)

(In Crore Taka)

Sl. No.	Purpose of Guarantee/Counter Guarantee	In Favor of	Issue Date	Amount
Guarantee (A) :				
1	Installation of a Sub Marine Cable System for connectivity with the international super highway	Islamic Development Bank	04/05/2005	Not Mentioned
2	To ensure payment of contract no. BCMP-77 between Petrobangla and China National Machinery Import and Export (CMC) Corporation according to amended repayment schedule (Amend no.2)	China National Machinery Import and Export Corporation	11/06/2006	Not Mentioned
3	For running seven financially viable mills of BJMC	BJMC	14/05/2005	1.50
4	For meeting emergency working capital requirement of BSFIC	Sonali Bank and Janata Bank	19/10/2006	10.00

List of Guarantees & Counter Guarantees
(Valid beyond 30 June, 2006)

(In Crore Taka)

Sl No	Purpose of Guarantee/Counter Guarantee	In Favor of	Issue Date	Amount
<u>Guarantee (A):</u>				
5	Insurance coverage under AVN52C for liability to third parties (other than (1) air carrier's own passengers and (2) employees)	Bangladesh Biman Corporation	20/07/2006	1,050.00
6	Refinancing to Rajshahi Krishi Unnayan Bank	Bangladesh Bank	20/12/2005	125.00
7	Installation of Digital Radio Links and Digital Telephone Exchange at Chittagong Hill Tracts	M/S Ningbo Success Information Industry Co. Ltd.	25/07/2004	0.00
8	Refinancing to Bangladesh Krishi Bank	Bangladesh Bank	26/01/2006	150.00
9	For purchasing raw jute by BJMC	Janata Bank	27/02/2006	3.00
10	Special credit to meet temporary liquidity crisis	Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank	27/02/2006	1.50
11	For purchasing raw jute by BJMC	BJMC	27/02/2006	12.00
12	Cash credit to BJMC for export of jute to Sudan	Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank	27/02/2006	10.00
13	Payment of Eid-UI-Fitr festival bonus to BJMC employee	Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank	27/02/2006	2.00
14	Special credit to meet temporary fund crisis	Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank	27/02/2006	2.00
15	For purchasing raw jute by BJMC	Sonali Bank, Janata Bank, Agrani Bank and Rupali Bank	27/02/2006	15.00
Sub-Total (A) :				1,382.00
<u>Counter Guarantee (B):</u>				
1	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	03/04/2006	175.00
2	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	03/12/2006	175.00
3	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	04/10/2006	1,050.00
4	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	04/10/2006	175.00
5	Procurement of crude oil and petroleum	Bangladesh Bank	08/10/2006	1,750.00

List of Guarantees & Counter Guarantees
(Valid beyond 30 June, 2006)

(In Crore Taka)

Sl No	Purpose of Guarantee/Counter Guarantee	In Favor of	Issue Date	Amount
	products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh			
6	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	10/01/2007	350.00
7	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	10/12/2006	175.00
8	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	12/11/2006	175.00
9	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	13/09/2006	175.00
10	Procurement of MOP fertilizer by BADC under Janata Bank loan	Janata Bank	13/11/2006	178.50
11	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	15/10/2006	175.00
12	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	20/02/2006	175.00
13	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	20/02/2006	175.00
14	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	20/06/2006	1,400.00
15	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	22/11/2006	1,050.00
16	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	24/04/2006	700.00
17	Procurement of crude oil and petroleum products under Murabaha agreement between	Bangladesh Bank	24/07/2006	350.00

List of Guarantees & Counter Guarantees
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(In Crore Taka)

SI No	Purpose of Guarantee/Counter Guarantee	In Favor of	Issue Date	Amount
	Islamic Development bank and the Govt. of Bangladesh			
18	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	24/12/2006	175.00
19	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	29/05/2006	210.00
20	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	31/08/2006	175.00
21	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	31/08/2006	175.00
22	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	08/05/2007	1,400.00
23	Procurement of crude oil and petroleum products under Murabaha agreement between Islamic Development bank and the Govt. of Bangladesh	Bangladesh Bank	22/05/2007	1,050.00
Sub-Total (B) :				11,588.50
Grand Total (A+B) :				12,970.50