

# Financial relief measures for tourism-linked institutions affected by Easter blasts

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Two designated state banks may provide relief to the tune of Rs. 100 billion to hotels and other institutions affected by the Easter Sunday blasts, in the form of a one year moratorium, to help in reviving the tourism industry, subject to Central Bank regulations, Central Bank Governor Dr. Indrajith Coomaraswamy said.

"At present there have been 3,641 requests to banks for a moratorium. The amount considered for the moratorium is Rs. 101 billion and so far 945 requests have been approved and 2,696 are under process of approval, the Governor said at the monthly monetary policy review press briefing held at Central Bank auditorium on Thursday.

Under the moratorium up to Rs. 1.2 million will be given to any affected entity to support the sector in the aftermath of the disaster. Registration with Sri Lanka Tourism is a mandatory, he said

'All funds will be disburse through the Bank of Ceylon and People's Bank subjected to the Central Bank regulations, the CBSL chief said.

Coomaraswamy added. 'The tourism industry is showing a faster recovery than expected. Tourism firms and employees in the industry can apply for the moratorium on debt. Therefore, all tourism firms registered with the Sri Lanka Tourism could obtain the moratorium.

The moratoriums are also applicable to borrowings from finance companies, which make up around 7 percent of the financial system.

There was some delay in implementing the moratorium, as it took time for banks to instruct their branches on the matter. The moratorium will not reduce bad loans in banks.

'People who had bad loans when the moratorium took place are not eligible for the moratorium.'



Dr. Indrajith

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