



**CENTRAL BANK OF SRI LANKA
BANK SUPERVISION DEPARTMENT**

08 May 2019

CIRCULAR

No. 07 of 2019

CONCESSIONS GRANTED TO TOURISM INDUSTRY

In view of the adverse impact on tourism industry due to the current situation of the country, licensed commercial banks and licensed specialised banks, hereinafter referred to as licensed banks, are requested to grant the following concessions to those individuals and entities in the tourism industry, who wish to avail such concessions.

- (i) Licensed banks may grant a moratorium to individuals and entities who have registered with Sri Lanka Tourism Development Authority or any other authority/ agency to provide services to tourism, on a case-by-case basis.
- (ii) The moratorium shall be granted for performing loans (both capital and interest) till 31 March 2020, in respect of outstanding credit facilities as at 18 April 2019.
- (iii) The Board of Directors of the licensed bank or any other authority delegated by the Board of Directors shall approve the granting of moratorium.
- (iv) Licensed banks shall convert the capital and interest falling due during the moratorium period into a term loan which shall be recovered from July 2020 onwards. A concessionary rate of interest may be charged for this facility.
- (v) The licensed bank and the borrower shall agree on the repayment period and the rate of interest on the above loans.
- (vi) Licensed banks may maintain non-performing loans in the same category for classification and provisioning purpose, during the moratorium period.
- (vii) Licensed banks shall waive off the penal interest to be charged on non-performing loans, during the moratorium period.
- (viii) Licensed banks shall use the funds in Enterprise Sri Lanka Loan Scheme (Jaya Isuru) and Sawbagya Loan Scheme of the Central Bank of Sri Lanka to grant working capital facilities, if necessary, after taking into account the moratorium granted for capital and interest dues.



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- (ix) Licensed banks shall maintain necessary documents to substantiate the granting of such concessions.
- (x) Licensed banks shall report the moratorium availed by borrowers as per the format in Annex I, to the Director of Bank Supervision on a monthly basis by 15th of the succeeding month.

A handwritten signature in blue ink, appearing to read 'A A M Thassim'.

**A A M Thassim
Director of Bank Supervision**

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Details of Borrowers Availing Concessions Granted to Tourism Industry

Serial No.	Name of the Borrower	Amount Outstanding Rs. '000 (as at 18.04.2019)	Amount Considered for Moratorium Rs. '000	Loan Classification (performing/ NPL category)	New loan for dues during moratorium		Interest Rate	Source of funds for the new loan (Jaya Isuru/ Sawbagya)
					Repayment Period			

Please email to bsddb@cbsl.lk with a copy to dbsd@cbsl.lk by 15th of the subsequent month.