



GOVERNMENT OF KERALA

Abstract

Tourism Department - Crisis in the tourism industry due to the out break of COVID-19 - Tourism Employment Support Scheme -Relief scheme - Approved - Orders issued.

TOURISM (C) DEPARTMENT

G.O.(Rt)No.269/2020/TSM

Dated,Thiruvananthapuram, 14/08/2020

Read : Letters No. DIRECTOR-4046/2020 dated 28.6.2020, 10.8.2020 and 11.08.2020 from the Director, Department of Tourism.

ORDER

Kerala Tourism has been a significant contributor to the economy of Kerala for decades with revenue of Rs.45,019 crores to the sector in 2019 and providing employment to approximately 1.5 million people, directly or indirectly. The tourism industry in Kerala is facing unprecedented challenge by the COVID-19 virus pandemic which brought the entire tourism industry to a grinding halt with an estimated loss of Rs.20,000 crores. This effect of COVID-19 is expected to affect the tourism industry for more than 6 months before the tourists get enough confidence to travel. Many of the staff in various tourism establishments are facing lay off / unpaid leave / reduced wages due to nil business and they are facing lot of hardships.

2) In order to safeguard the interests and to provide support for the employees in the tourism industry, the Director of Tourism, as per the letters read above, proposed a loan interest subvention scheme in association with Kerala Bank (Kerala State Cooperative Bank) for the employees in the tourism sector. In this scheme, Kerala Bank will provide short term loans to the employees as requested by the establishments at an interest rate of 9% per annum. The Department of Tourism will absorb 6% of the interest for a total period of 18 months and the remaining 3% will have to be borne by the borrower concerned. The employer shall submit the list of employees (permanent/contract/daily wage) working in their establishment and can avail a loan up to Rs.30,000/- per employee in the

following 3 categories:

Category 'A' :- Rs.30000/- per employee

Category 'B' :- Rs.25000/- per employee

Category 'C' :- Rs.20000/- per employee.

The Loan scheme of Kerala Bank for the employees in the tourism sector and the Guidelines regarding eligibility and procedure for implementation of the scheme are appended to this order. The validity period for availing the loan shall be till 30.09.2020 and the repayment shall be done by the loanee in 18 months including 4 months moratorium.

3) Financial commitment to Government in this scheme for a total loan amount of Rs.100 crores at the rate of 6% interest subvention for 18 months is approximately Rs.9 crores. The Department of Tourism requires an initial amount of Rs.2 crores initially for the interest subvention under this scheme.

4) Government have examined the matter in detail and are pleased to approve the Tourism Employment Support Scheme as detailed above and as per the loan scheme of Kerala Bank and the guidelines appended to this order. Sanction is also accorded to meet the amount required to provide interest subvention under this scheme from the subsidies plan head of account "3452-80-800-90(26)-33(P)-Incentives for Creation of Infrastructure facilities and Tourism products in the private sector".

5) The Director, Department of Tourism shall furnish re-appropriation proposal to provide funds under the head of account "3452-80-800-90(26)-33(P)-Incentives for Creation of Infrastructure facilities and Tourism products in the private sector" from the head of account "3452-80-104-99(P)-Conservation, Preservation and Promotion of Heritage, Environment and Culture" to meet the initial requirement of Rs.2 crores towards this scheme.

6) The Director Department of Tourism shall prepare an online portal for implementation of the scheme.

(By order of the Governor)

RANI GEORGE
SECRETARY

The Director, Department of Tourism, Park View, Thiruvananthapuram.
The Chairman & Managing Director, Kerala State Co-operative Bank

(Kerala Bank),Thiruvananthapuram.

The Principal Accountant General (A&E) Kerala,Thiruvananthapuram.

The Accountant General(Audit-I&Audit-II)Kerala, Thiruvananthapuram.

Finance Department (Vide U.O.(f) No. 1531387/EXP.B3/190/2020-FIN dated 03.08.2020).

Planning & Economic Affairs Department (Vide U.O.(f) No. PLGEA-A2/123/2020-PLGEA dated 10.08.2020).

Information & Public Relations (Web & New Media) Department

(For publishing in the Government website).

Stock File / Office Copy.

Copy to:- PS to Minister (Tourism).

PA to Secretary (Tourism.)

CA to Additional Secretary (Tourism).

Forwarded /By order

Section Officer