

Loan Guarantee Scheme for Covid Affected Tourism Service Sector (LGSCATSS)

The scheme aims at extending loan to the distressed tourism sector to help them discharge their liabilities and restart their business affected due to Covid-19 pandemic.

Hon'ble Finance Minister announced guarantee/collateral free loan guarantee scheme for tourism sector on 28.06.2021. M/o Tourism launched 'Loan Guarantee Scheme for Covid Affected Tourism Service Sector (LGSCATSS)'.

Salient features of Loan Guarantee Scheme for Covid Affected Tourism Service Sector (LGSCATSS)

Eligibility:

- Individuals, Business Enterprises/MSMEs engaged in Travel & Tourism viz Tourist Guides, Tour Operators/Travel Agents/Tourist Transport Operators, constituted as Proprietorship, partnership, registered company, trusts and LLPs (limited Liability Partnership) or any other legal entity shall be eligible under the scheme.
- Tourist Guides and Travel and Tourism Stakeholders having borrowing arrangement with the Bank or non-borrowers having SB/CA with the Bank as on 31.03.2021 shall be eligible for assistance under the scheme.
- Tourist guides should be recognized/approved/registered by Ministry of Tourism and State Govts/UT Administrations.
- Travel & Tourism Stakeholders means Tour Operators/Travel Agents/Tourist Transport Operators recognized/ approved/registered by the Ministry of Tourism, Govt. of India.\
- Registration Certificate issued by State Govts/UT Administrations/Ministry of Tourism should be dated prior to 31.03.2021, as the loan is envisaged for business affected due to Covid-19 pandemic.
- If the target beneficiary has already availed benefit under GECL-1.0 or GECL-3.0, he shall have to close/ pay off the dues under GECL, before applying for coverage under LGSCATSS scheme of the M/o Tourism. Likewise, if an eligible borrower has availed assistance under LGSCATSS, he shall have to close/ pay off the dues under LGSCATSS, before applying for coverage under GECL.

Loan Amount:

- Up to Rs. 1.00 lakh each for registered Tourist Guides and
- Up to Rs.10.00 lakh each for registered Travel & Tourism Stakeholders.

Facility:

- WCTL and
- Term Loan facilities

Validity:

- Valid up to 31.03.2023 or till guarantees for an amount of Rs 250 crores are issued under the scheme, whichever is earlier.

Tenor:

- Moratorium period- 12 months
- Repayment period- 48 months
- Total tenor-60 months

Processing fee / Guarantee fee: Nil

Collateral security: NIL

<https://sbi.co.in/web/business/sme-government-schemes/lgscatss>