

Despite Intervention by Putin, Travel Agency Shuts Down

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Bankrupt tour company Lanta-Tur Voyage ceased operations on Tuesday amid a criminal fraud case against its management and questions over whether tour customers will receive full refunds for trips they paid for but could not take.

The company's management gathered staff on Tuesday and told them the agency was shutting down, an unnamed tour industry source told Interfax.

About 3,000 Russian tourists were temporarily stranded in countries around the globe last month after the company suddenly announced it was broke.

Investigators later announced that the company's management was suspected of intentionally holding back payment for hotels and flights for its customers and pocketing the money.

The company renewed operations on Feb. 7 after Prime Minister Vladimir Putin had ordered state-run bank VTB to help the firm. The bank agreed to lend Lanta-Tur Voyage \$7 million.

On Tuesday, reports surfaced that the 100 million rubles (\$3.45 million) in guarantees the company had with insurance company Ingosstrakh would not be enough to cover losses sustained by clients who missed out on their tours. The estimated losses by customers will total 300 million rubles, said Association of Russian Tour Operators vice president Vladimir Kantorovich, Interfax reported.

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