

ABSTRACT

Abstract of thesis submitted to the Graduate School Project of Maejo University in partial fulfillment of the requirements for the degree of Master of Business Administration in Business Administration

THE EFFECTS OF THE BANK OF THAILAND'S CRITERIA TOWARDS THE LOAN OF
THAILAND COMMERCIAL BANKS : THE CASE STUDY OF THAILAND
COMMERCIAL BANKS IN AMPHUR MUANG, CHIANGMAI

By

DAMRI KWANSUWAN

OCTOBER 2001

The Chairman : **Assistant Professor Phiboonrat Rakyutitham**

Department/Faculty : Department of Agricultural Business Administration and Marketing,
Faculty of Agricultural Business

The commercial bank credit system, which plays an important role in economics crisis, was found affected the performance of the credit system of commercial banks. Therefore, the government, by the Ministry of Finance, set up the policies for the Bank of Thailand to announce the regulations for the commercial banks to follow. They were aimed to the efficiency and security for the commercial banks as well as to enhance them for developing the country's economy in a suitable direction.

The purposes of this research were to study 1) the effects of the Bank of Thailand's criteria towards the loan of the commercial banks in Amphur Muang, Chiangmai 2) the capability of the commercial banks in following the policies of the Bank of Thailand 3) problems, obstacles and guidances in improving the credit system of the commercial banks to be in line with the current economics situation as well as in the future. The respondents of this research were the executives in 80 commercial banks in Amphur Muang, Chiangmai. The data

were collected by means of questionnaires pretested for reliability, validity and analyzed by using the SPSS/PC⁺. The findings were as follow:

1. The policies of the Bank of Thailand had an impact on the commercial bank loan in a high level with the mean score of 3.58.

2. The policies of the Bank of Thailand had an impact on the actions to follow of the commercial banks in a high level with the mean score of 3.75.

3. The policies of the Bank of Thailand caused problems and obstacles in the performance of the commercial banks in a high level with the mean score of 3.88.

It can be concluded that the policies of the Bank of Thailand had an impact on the performance of the commercial banks, the controlling of legal cash reserve ratio of the commercial banks, deposit and loan interest rate, the caution of loan to be of good quality and the benefit to the country's economy. The increasing of competition between the commercial banks were in the direction that the Bank of Thailand aimed for.