

ABSTRACT

Thesis Title : Feasibility Analysis Credit Project for Rural Development of Government Saving Bank

Student's Name : Mr. Anake Wan-a-loa

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Advisory Committee :

- | | |
|---------------------------------------|-------------|
| 1. Assoc. Prof. Asampinpong Chatrakom | Chairperson |
| 2. Assoc. Prof. Ati Thaiyanan | |
| 3. Assoc. Prof. Sunee Chatrakom | |

The main objective of this thesis is to study feasibility credit project for rural development of government saving bank. The primary data receives from interview with the officer of rural development fund and staff of project for rural development of government saving bank. The secondary data is income and expense of the project during 1994-1997. The analytical instrument of this study is benefit-cost analysis, which is net present value, internal rate of return and benefit cost ratio.

The income and expense of project during 1997-2001 were forecasted with time trend by using the regression analysis. The forecasted results are then used forecast in the benefit-cost analysis to decide the investment criteria.

By using 7 % discount rate , NPV and B/C ratio of the project are -1,785.52 and 0.9882 respectively , so the project is not financially feasible. By using 14 % discount rate , however , NPV and B/C ratio are 331.20 and 1.0026 respectively and the project is financially feasible. The internal rate of return on the

the project is 21.31 % means that the government saving bank should invest in its to enhance the quality of life in the rural area.