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KEY WORD : DIVIDEND/DISTRIBUTION/COMPANY

SURIYONT SOTTHIDAT : LEGAL PROBLEMS ON DIVIDEND DISTRIBUTION OF A COMPANY. THESIS ADVISOR : ASSO.PROF. PISES SETHSATHIRA, 196 PP.
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Dividend distribution is important to both the shareholders and the company itself as well as its creditors. For the shareholders, dividend is one of the fundamental rights of the holder of share; for the company, dividend distribution would result in reduction of profit which is the main sources of internal cash flow of the company; and for its creditors, unlawful distribution of dividend would cause the company's equity which is deemed as part of security to be decreased or impaired. Therefore, in order to protect all such parties' interest, the laws have prescribed the rules and methods to maintain the company's equity capital.

Some provisions of Thai laws concerning dividend distribution are not clear, such as the definition and description of profit and legal reserves, and some required provisions concerning dividend distribution are lacking. Consequently, problems always arise in applying and interpreting the relevant laws.

This thesis will study on legal problems concerning of dividend distribution emphasizing on 4 subjects namely source of dividend, legal reserves, declaration of dividend and distribution of dividend against the law.

In order to solve the problems mentioned above, the following suggestions are therefore proposed:

1. In interpreting or applying any laws, it is essential to consider and have respect for the objectives and legal theory of such laws.
2. In case the problem relates to any other provisions of laws, such other provisions should be taken into account and applied in solving such problem.