

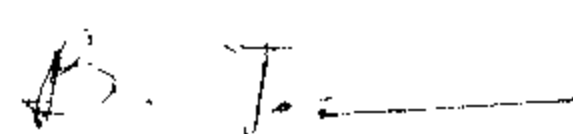
ABSTRACT

Title : Factors Affecting Clients' Repayment to the Bank of Agriculture and Agricultural Cooperatives in Chomthong District, Chiang Mai Province

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Major Field : Cooperative Economics

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The objectives of this study were to investigate 1) economic and social backgrounds of the clients of the Bank of Agriculture and Agricultural Cooperatives ; and 2) factors affecting the clients' repayment to the bank. The total number of respondents was 200, consisting of 100 samples of the clients repaying the loans to the Bank of Agriculture and Agricultural Cooperatives, Chomthong district, Chiang Mai province and 100 samples of the clients who did not repay the loans. The samples were selected by the simple random sampling method and the data was collected by means of questionnaires and analyzed by using the Statistical Packages for the Social Sciences.

The results were as follows :

1. Most of the clients were male, 41-60 years old, had completed grade 4, married, had 4-6 household members and an average membership period of 11-15 years. The average agricultural landholding of the loan-repaying clients was 8.44 rai and that of the non-repaying clients was 8.30 rai. The average income from agriculture of the loan-repaying clients was 61,222.70 baht per year and that of the non-repaying clients was 47,401.90 baht per year. The average non-agricultural income of the loan-repaying clients was 25,840.00 baht per year and that of the non-repaying clients was 25,615.00 baht per year. The

average agricultural expenditure of the loan-repaying clients was 25,321.60 baht per year and that of the non-repaying clients was 24,901.60 baht per year. Household expenses of both groups ranged from 20,000.00 baht to 40,000.00 baht per year. The loan-repaying clients received an average of 79,514.00 baht of loan from the Bank of Agriculture and Agricultural Cooperatives and the non-repaying clients received 74,271.00 baht.

2. The factors affecting the clients' loan repayment were size of landholding, amount of investment, agricultural and non-agricultural incomes, use of loans according to the objectives, collateral, checking and follow up of loan repayment by banking personnel.

It is recommended that simple farm record be kept by the clients to be aware of their financial conditions. Farming should be practiced within the potential of each area and marketing factors. Integrated farming should be carried out to reduce risk. When earning incomes in any period of production, the clients should repay some of the loans to reduce their burden.

Supervised credits should be provided by the bank, so that the credits will be used efficiently according to the objectives. Information about production, credit, saving and marketing should be provided to the clients. There should be good coordination with government agencies. Lastly, the bank regulations should be revised to correspond with present situations.