

JINTANA DETPON. (2014). **Factors Affecting the Loans Repayment of Members of**

Agricultural Cooperatives in Nakhonratchasima Province

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ABSTRACT

The objectives of this research are: (1) to study the general qualitative aspects of members of the agricultural cooperatives in Nakhonratchasima Province; (2) to investigate the factors that affect the loan repayment of the members; and (3) to study the assistance needed as required by the agricultural cooperative members. About 329 samples were interviewed from the members of Dankhontod Agricultural Cooperative Limited and Khamsakaesaeng Agricultural Cooperative Limited and the data were analyzed by percentage, arithmetic mean, and standard deviation.

The results of the study revealed that:

Many samples are landholders which an average of 11-20 Rai of holding size and are located outside the irrigation system areas. Most of the products are sold to merchandisers rather than to the agricultural cooperatives because of the competitive price and convenience in trading. In term of members' income, the results show that a large proportion of income comes from sugar cane, cassava, and other products, for examples, chili, and maize. Another large portion of expenditures is on labor, fertilizer, and land rentals. It also reveals that the members have no other liabilities such as housing, vehicle, and electrical appliances leasing before making loans with the agricultural cooperative. It shows that they spend the loans accordingly as its objective and are able to pay on time.

In the study of the loan repayment to the agricultural cooperatives, it shows that the factors affecting payment ability are deteriorated products problem, depreciation in product price, and unexpected expenditures. The results also reveal that most of the members were never been asked to pay back through written letter or by telephone. Most of them are asked to repay by the agricultural cooperative officers and the repayment comes from selling their products. The problem of repayment resulting from the products deteriorated and are solved by paying back and lending the returns

Similarly, in paying back other liabilities, most of them never been asked to repay through written letter. The repayment comes from their revenues by selling the products and wage income. The devastation of the product is the main reason for unable to pay back and is solved by paying back, then lending the returns, in order to postpone repaying.

It is suggested that agricultural cooperatives should promote using agricultural technology to reduce the labor cost and support the use animal and natural fertilizer in the production. In addition, they should produce good harvest of agricultural products, in order to avoid risks. By so doing, there is sufficiency for family expenditures, thereby abundance in living.