



BANK OF THAILAND NEWS

Communications and Relations Office, Management Assistance Department
Tel. 0-2283-5016-7 FAX 0-2281-5648 www.bot.or.th

No.113/2001

Bank of Thailand Has Accused Against Persons Violating Law on Exchange Control

As the Bank of Thailand by Division of Exchange Control, Financial Markets Operations Group had examined transactions of foreign currency purchase done by Ratanakosin International Co.,Ltd., Thanasubthavee Co.,Ltd., and Eastern Petro Power Co.,Ltd., it was found that in 1998 there were 94 borrowings, all amounting to 24.73 million US dollars, remitted inward via commercial banks. However during the years 1998 to 2000 there was evidence of repayment of the borrowings in an amount of 222 million US dollars, which was 197.27 million US dollars, approximately equivalent to 7,496.26 million bath (38 baht per 1 US dollar), more than the amount borrowed and remitted inward. The three companies had purchased foreign currencies for repayment of the borrowings via commercial banks with showing loan contracts made in 1998 and credit advices as evidence everytime they purchased. It was found that the same evidence had been used 473 times, and forged credit advices had been used 116 times. Furthermore, it was not found that there had been relevant reports in E.C.3 form attached to the credit advices referred to.

The purchase of foreign currencies for the repayment of the three companies was for other purposes than repayment which general companies should do in usual practices. Such acts are deemed to be offences under law on exchange control, law on customs, and law on anti-money laundering, which affect directly to national system of exchange control and stability of baht value. In addition that is a factor causing economic problem nowadays.

As a result, the Bank of Thailand has filed with the Commissioner General of the Royal Thai Police a formal accusation against all of the three companies and people involved. The Royal Thai Police has given excellent cooperation; assigning this case to a particular group of investigation officers who has worked rapidly and successfully; the accused have been already arrested now.

Bank of Thailand

31 August 2001