



## **BANK OF THAILAND NEWS**

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### **Re: Progress of Debt Restructuring in August 2001**

Mr. Tumnong Dasri, Director of the Corporate Debt Restructuring Group, Bank of Thailand reported on the progress in debt restructuring by financial institutions as at July 2001 and by the Corporate Debt Restructuring Advisory Committee of target debtors as at August 2001 as follows.

#### **1. Continued Progress of Debt Restructuring by Financial Institutions in July 2001 (Tables 1-4)**

The debt restructuring by financial institutions progressed continuously over the month of July. During the month of July 2001, a total of 10,555 cases with 39,472 million baht were successfully restructured. Therefore, to date, the accumulated total of 428,716 cases with credits outstanding of 2,288,186 million baht has been successfully restructured so far, reflecting a 2.52 % and 1.76 % increase in the number of cases and credits outstanding, respectively, from May 2001.

Of the debtors that successfully completed debt restructuring during the month of July, 73% (7,712 cases) are private commercial bank debtors. Most of the debtors are in the personal consumption sector (5,765 cases), followed by wholesale and retail trade sector (1,731 cases). Most debtors are based in Bangkok and the Central Region.

A total of 58,031 cases involving credits outstanding of 211,672 million baht are currently in the restructuring process. This reflects decrease from June 2001 by 16.75% and 12.44%, respectively.

#### **2. Progress in Five Billion Baht of Debt Restructuring of Target Cases under the Corporate Debt Restructuring Advisory Committee (CDRAC) in August 2001 (Tables 5-6)**

As at the end of August 2001, target debtors of CDRAC totaled 14,917 cases with credit outstanding of 2,625,796 million baht. Details of the developments are as follows:

1. Over the month of August 2001, a total of 257 cases with credits outstanding of 4,827 million baht were successfully restructured. This included 8 large cases with credits outstanding of 3,802 million baht and 249 small- and medium-sized cases with credits outstanding of 1,025 million baht. To date, the accumulated 9,680 cases with credits outstanding of 1,262,182 million baht (84% of the 11,559 cases with credits outstanding of 1,663,204 million baht that entered into the CDRAC process) have been successfully restructured. Of these, 1,012 cases with credits outstanding of 1,134,932 million baht are large cases while 8,668 cases with credits outstanding of 127,250 million baht are small- and medium sized debtors. Most of the debtors are in the commerce sector (2,440) followed by the personal consumption sector (2,365 cases).

2. To date, 378 cases (representing 3% of the total number of cases that entered into the CDRAC process) with credits outstanding of 10,768 million baht remain in the CDRAC process. Of these, 14 cases with credits outstanding of 8,483 million baht (9 corporate groups, 3 of which are under the Executive Decision Panel process) are large cases while 364 cases with credits outstanding of 2,285 million baht are small- and medium-sized debtors.

3. A total of 4,799 debtors with credits outstanding of 1,194,184 million baht are either in the process of being filed in court or have already been filed in court by their creditors. These debtors can be categorized as follows:

3.1 A total of 1,501 debtors (13% of the total number of target debtors that have entered into the CDRAC process) with credits outstanding of 390,254 million baht have been unable to successfully restructure their debts under the process.

.2 A total of 3,298 debtors with credits outstanding of 802,930 million baht refused to enter into the process in the first place and have been filed in court.

Approximately 98% of the 4,799 debtors were taken to the Civil Court while approximately 2% were taken to the Central Bankruptcy Court.

Bank of Thailand

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[Attachment](#)