

**Constitutional Court Ruling No. 31 - 32/2563 (2020)**

Central Bankruptcy Court

Applicant

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Respondent

Constitution, section 3 paragraph two, section 25, section 27 paragraph one and paragraph three, and section 37 paragraph one;

Emergency Decree on Asset Management Company, B.E. 2541 (1998), section 3, section 4, section 4/1, section 6, section 7 and section 8.

The Emergency Decree on Asset Management Company, B.E. 2541 (1998) was a law intended to resolve problems pertaining to low quality assets affecting the economic system and financial institutions of the country for public interest. Section 3, section 4, section 4/1, section 6, section 7 and section 8 were provisions which prescribed the rules, conditions and procedures for establishing, operating and managing low quality assets. The provisions did not authorise the Governor of the Bank of Thailand to approve an asset management company to become a creditor of any particular debtor, or to grant a preferential right to any debtor. The provision governed the transfer of asset from one creditor to another, not a conversion of debt which extinguished the prior debt. The rights and duties of debtor remained unchanged. Furthermore, there was no increase in burden or duties on the debtor than the existing debt. A debtor was still able to raise arguments available against the original creditor against the new creditor who had been assigned the receivable rights. However, repayment of debts had to be made with the creditor assuming the rights in lieu of the original creditor since such debt had been transferred by operation of the law. The provision was not inconsistent with the rule of law, not a restriction of right or liberty of a person, not inconsistent with the principle of equality and non-discrimination, and not a violation of rights in property of a person. Hence, the provision was neither contrary to nor inconsistent with section 3 paragraph two, section 25, section 27 paragraph one and paragraph three and section 37 paragraph one of the Constitution.