

TABLE OF CONTENTS

	Page
LIST OF TABLES	iv
LIST OF DIAGRAMS	v
LIST OF MAPS	vi
ACKNOWLEDGEMENT	vii
Chapter	
I. INTRODUCTION	1
Causes for the growth of finance companies in Malaya	1
Objectives of this study	1
Approach of study	2
Scope and limitations of study	2
II. DEFINITIONS, TYPES AND CHARACTERISTICS OF FINANCE COMPANIES IN MALAYA	3
Definitions of finance companies in Malaya.....	3
Types of finance companies in Malaya	4
Characteristic features of finance companies in Malaya	4
III. GENERAL POLICIES AND PRACTICES OF FINANCE COMPANIES IN MALAYA	5
A. Hire purchase finance companies	5
Form of hire purchase financing	5
Agency feature in hire purchase financing	5
Policies influencing amount of loan, rate of hiring charge and period of repayment	6
Some general considerations for approval of application for hire purchase financing	13
B. Industrial finance companies	18
Form of industrial financing	18
Terms of financing	18

C. House finance companies	18
Form of financing	19
Terms of financing	19
IV. POLICIES AND PRACTICES OF SELECTED FINANCE COMPANIES IN MALAYA	20
MALAYSIAN INDUSTRIAL DEVELOPMENT FINANCE LTD.	
- A case study	20
Objectives of M.I.D.F.L.	20
The General Policies	20
Historical development and growth	21
Role of M.I.D.F.L. and how it promotes industrialization	22
Basic policy-considerations on loan-making	29
Procedure of loan application, loan appraisal and loan disbursement	30
Some problems faced by M.I.D.F.L.	31
A Conclusion - M.I.D.F.L. and economic development of Malaya	31
MALAYA BORNEO BUILDING SOCIETY LTD.	
- A case study	33
Objectives of M.B.B.S.	33
Policies of M.B.B.S.	33
Historical development of M.B.B.S.	33
Role of M.B.B.S. and how it promotes thrift and home-ownership	34
Organisational structure of M.B.B.S.	41
Some legal considerations affecting M.B.B.S.	43
Conclusion	45
V. AN APPRAISAL OF FINANCE COMPANIES IN MALAYA	46
Hire purchase finance companies	46
Industrial finance companies	47
House finance companies	49
A final conclusion	49
Appendix	
I. Advantages of leasing from Malaysian Australian Finance Ltd.	51
BIBLIOGRAPHY	53

LIST OF TABLES

Table		Page
1.	Share Capital, Liability, Mortgage Assets and Number of Active Accounts of M.B.B.S. (1950-1965)...	35
2.	Loan Release of M.B.B.S. and the Value of Work Done on Residential Units in Malaya (1963-1964).....	44

LIST OF DIAGRAMS

Diagram	Page
1. Loans and Investments Approved and Disbursed by M.I.D.F.L. (1960-1965)	23
2. Industries financed by M.I.D.F.L. (1960-1965)	24

LIST OF MAPS

Map		Page
1.	Industrial Estates Assisted by H.I.D.F.L.	28
2.	Areas covered by each Branch Office of H.B.B.S.	42

ACKNOWLEDGEMENTS

The writer wishes to express his gratitude to his supervisor Mr. Goh Joon Hai, for his assistance and patient guidance in the writing of this graduation exercise.

L.R.C.