

9<sup>th</sup> December 2010

Subject : Invitation to the Annual General Meeting of Shareholders No.18/2010

To : Shareholders of Thai Rayon Public Co.,Ltd.

Enclosures :

1. Copy of Minutes of the Annual General Meeting of Shareholders No.17/2009
2. Annual Report for the year 2010
3. Profiles of the proposed persons to be elected as directors
4. Information of Independent Director to act as a proxy in the Annual General Meeting
5. Qualifications of Independent Directors
6. Criteria and process for nomination of a Director
7. Company's Article of Association relating to the Shareholders' Meeting
8. Documents required to be presented for attending the Meeting
9. Proxy Form A / Form B / Form C
10. Map of the venue of Annual General Meeting

The Board of Directors of Thai Rayon Public Co.,Ltd. at the Meeting No.81 has resolved that the Annual General Meeting of Shareholders No.18/2010 ("AGM") will be held on Friday, 28<sup>th</sup> January 2011 at 15.00 hrs. at Star 29 Room, 29<sup>th</sup> Floor, Plaza Athenee Bangkok, A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok 10330 to conduct the following agenda:

- Agenda 1** To approve the Minutes of the Annual General Meeting No.17/2009 held on 28<sup>th</sup> January 2010
- The Board's Opinion: Board has considered appropriate to propose in the Annual General Meeting to approve the minutes of the Annual General Meeting of Shareholders No.17/2009. The copy of said minutes has been sent to the shareholders together with the notice of this meeting as per the Enclosure No.1
- Agenda 2** To acknowledge the performance of the Company for the year ended 30<sup>th</sup> September 2010
- The Board's Opinion: The performance of the Company for the year ended 30<sup>th</sup> September 2010 appears in the section "Directors' Report to the Shareholders" and other sections in the Annual Report sent to the shareholders together with the notice of this meeting as per the Enclosure No.2. The Board considered appropriate to propose to the Annual General Meeting to acknowledge the performance of the Company.
- Agenda 3** To approve the audited balance sheet as on 30<sup>th</sup> September 2010 and the statements of income for the year ended on 30<sup>th</sup> September 2010
- The Board's Opinion: It is considered appropriate to propose to the Annual General Meeting to approve the audited balance sheet and the income statements for the year ended on 30<sup>th</sup> September 2010, which the Board and the Audit Committee have considered to be prepared as per the general accounting principles. The Audit Committee has reported on this matter in "Report of the Audit Committee" of the Annual Report which has been sent to the shareholders together with the notice of this meeting as per the Enclosure no.2.

**Agenda 4 To consider and approve the dividend payment**

The Board's Opinion: It is considered appropriate to propose to the Annual General Meeting to consider and approve the dividend payment for the year 2010.

The Company's dividend payment policy is to pay dividend in accordance with cash profit generated after considering appropriately the requirement of funds for future business plans. This year, the Company recorded net profit of Baht 3,041 Million compared to Baht 463 Million last year. The Board has recommended to pay a dividend Baht 1.75 per share for the year 2010, amounting to Baht 352.80 Million. This dividend amount is fully exempted from corporate income tax under BOI's promotion certificate no. 1752(2)/2550 dated 2<sup>nd</sup> August 2007. The dividend amounting to Baht 352.80 Million will be paid on 23<sup>rd</sup> February 2011.

The past dividend payment record is as follows:

	2010	2009	2008
Net Profit (Million Baht)	3,041	463	2,233
No. of shares (Million shares)	201.60	201.60	201.60
Dividend per share (Baht)	1.75	1.00	1.30
Total Dividend Payment (Million Baht)	352.80	201.60	262.08

**Agenda 5 To consider and approve the appointment of directors in place of those who retire by rotation**

The Board's Opinion: In accordance with Clause No. 13 of the Company's Articles of Association, "At every annual general meeting, one-third of the number of the Directors shall vacate the office. If the number is not a multiple of three, then the number nearest to one-third must retire from the office. A retiring Director is eligible for re-election."

This year, there are three (3) directors who shall retire by rotation, namely

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|------------------------------|----------|
| (1) Mr. Kumar Mangalam Birla | Director |
| (2) Mrs. Rajashree Birla     | Director |
| (3) Mrs. Rachani Kajiji      | Director |

The Company has no Nomination Committee. However the process of nomination has been considered by the Board by considering the knowledge and experiences of directors. The criteria and process for nomination of director has been disclosed as per the Enclosure No.6.

It is considered appropriate to propose to the AGM to approve the appointment of directors in place of those who retire by rotation because their business experiences and knowledge are highly beneficial for the continued success of the Company. The profiles of the directors who retire by rotation have been disclosed as per the Enclosure no.3.

**Agenda 6 To appoint the Company's auditors and fix their remuneration**

The Board's Opinion: In accordance with Clause No. 36 of the Company's Articles of Association, an annual general meeting shall appoint the Company's auditors and fix their remuneration. The Board proposes the shareholders to appoint Ernst & Young Office Limited to be the Company's auditors for the year ended 30<sup>th</sup> September 2011 for another term as recommended by the Audit Committee namely

- (1) Mr. Narong Puntawong, CPA No. 3315 who has signed the Company's Financial Statements for 4 years starting from year 2007 and/or
- (2) Ms. Thipawan Nananuwat, CPA No. 3459 and/or
- (3) Ms. Siraporn Ouaanunkun, CPA No. 3844

The remuneration of the auditors for the year 2011 is proposed at Baht 1,050,000.- (2010: Baht 1,050,000.-), excluding out of pocket expenses.

The auditors named above have no relationship or conflict of interest with the Company, management, major shareholders or other related persons. Therefore, all proposed auditors are independent to audit and express their opinions on Financial Statement of the Company.

It is considered appropriate to propose to the AGM to consider and approve the appointment of the Company's auditors and fix their remuneration.

**Agenda 7 Other business (if any)**

This agenda is provided for shareholders to ask questions and/or for directors to clarify any queries (if any). No matters will be proposed for consideration and approval; therefore, no voting will be made.

The shareholders entitled to attend the meeting and cast votes in the meeting shall be those listed in the Shareholders' Register of the Stock Exchange of Thailand as of 9<sup>th</sup> December 2010 and 13<sup>th</sup> December 2010 shall be the book closing date.

The shareholders entitled to receive the dividend shall be those listed in the Shareholders' Register of the Stock Exchange of Thailand as of 7<sup>th</sup> February 2011 and 8<sup>th</sup> February 2011 shall be the book closing date.

The registration and document examination of all attendees will take place at the meeting venue during 14.00–15.00 hrs. The Company will conduct the meeting in accordance with the rules for Shareholders' Meeting, which is described in the Enclosure No.7

The Company is pleased to invite the shareholders to attend the meeting at the above-mentioned time and venue. Should you be not available to participate in the meeting by yourself, please appoint your proxy to do so. You may use any one of the proxy forms as appearing in the Enclosure No.9. For your convenience, however, the Company would recommend the Proxy Form B, which provides more definite details of the authorization, and by which you may appoint the Company's independent Director to attend the meeting and vote on your behalf. The Information of the Company's Independent Director to be a proxy in the AGM has been disclosed as per the Enclosure no.4

The shareholders and the proxy have to present the required documents as per the Enclosure No.8 for attending the meeting.

For and on behalf of the Board of Directors

(Mr. Shyam Sundar Mahansaria)

Independent Director and Chairman of the Audit Committee