

**Minutes of the 14th Annual General Meeting
Thai Rayon Public Company Limited**

Date of the Meeting: Tuesday 30th January 2007 at 16.00 hrs.
Venue of the Meeting: Plaza Athenee Bangkok Hotel, V.A. Drawing Room (2nd Floor), Wireless Road, Bangkok
Chairman: Mr. Amolat Thakral – the director of the Company was elected as the Chairman of the Meeting.
Attendance: Meeting was attended by 25 shareholders in person and 11 shareholders by proxy, representing in aggregate 122,918,706 no. of shares, which is equivalent to 60.97% of the issued shares capital of the Company, thus, constituting a quorum under Article 34 of Article of Association of Association of the Company and Section 103 of the Public Company Act B.E. 2535.

The Chairman welcomed the Shareholders and requested President of the Company to introduce the following directors, management team and auditors from Ernst & Young Office Limited to the Meeting:

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| 1. Mr. P.M. Bajaj | President & Director |
| 2. Mr. Amolat Thakral | Director |
| 3. Mrs. Rachani Kajiji | Director |
| 4. Mr. Vijesh Kapoor | Senior Vice President |
| 5. Mr. Sanjay Mahajan | Vice President, Commercial |
| 6. Mr. Sanjay Kumar Verma | Vice President, Marketing |
| 7. Mr. Sanjeev Kumar Kaul | Asst. Vice President, Engineering |
| 8. Mr. Ram Gopal Agrawal | Asst. Vice President, Process & Development |
| 9. Mr. Pramote Pattanamongkol | General Manager, HR & Administration |
| 10. Mr. Supachai Phanyawattano | Auditor |
| 11. Ms. Nittha Chutipongpisit | Assistant Auditor |

Before moving onto the agenda in the notice, the Chairman briefed the Meeting regarding the voting procedure. In order to avoid the valuable time of the shareholders, in the event of poll being called and none of the shareholders voting for "not approve or abstain", those agendas will be mutatis mutandis taken as approved by the shareholders.

But if any shareholder is voting against, the procedures for counting the votes shall be as under:

1. In case the shareholders attended the meeting by themselves, in the event of poll being called, those entitled would like to vote for "not approve or abstain" should raise the hands and the company's officer would collect the voting cards for those shareholders to count such votes.
2. In case the proxy-holders attended the meeting, in the event of poll being called, those entitled would like to vote for "not approve or abstain" those proxy-holders should raise the hands and identify the name of shareholders & number of shares they represent and the company's officers would collect the voting cards to check the number of votes represented by such proxy-holders.

The Chairman then declared the 14th Annual General Meeting opened and proposed the meeting to consider the matters according to the agenda.

After the Chairman had declared the meeting open, there were additional 9 shareholders present (including those represented by proxies) representing 2,237,550 shares, totaling 45 shareholders and proxies attending the meeting, representing the total of 125,156,256 shares equivalent to 62.08% of the issued shares capital.

Agenda 1 To approve the Minutes of Annual General Meeting No.13

The Chairman proposed the Meeting to consider and approve the Minutes of 13th Annual General Meeting of the shareholders held on January 30, 2006, copies of which had been distributed together with the Notice to all shareholders prior to this meeting. The

Chairman invited shareholders to ask question or voice their observation. Shareholders raised some issues, which were summarized as under:

- The question raised and answer given during the Meeting should be recorded in the Minutes.
- Map of the venue of the meeting should be included in the Notice.

The Chairman noted the shareholders' suggestions and asked the Company Secretary to follow the same. As there were no further questions, the Chairman requested the Meeting to approve the Minutes of 13th Annual General Meeting of the shareholders held on January 30, 2006.

Upon a motion duly made, seconded and carried, the Meeting unanimously approved the minutes of the 13th Annual General Meeting of the shareholders of the Company held on January 30, 2006.

Agenda 2 To acknowledge the performance of the Company

The Chairman informed to the Meeting that the performance of the Company for the year 2006 has been described under the content "Directors' Report to the Shareholders" and "Major Changes and Other Events" in the annual report. On request of Chairman the President made the following summarized report to the shareholders and noted the questions from the shareholders as under:

- Total Revenues were Baht 5,957 Million, reduced by 4.6% due to lower equity income from associated companies due to various reasons at their business.
- The net income reduced to Baht 1,161 million from Baht 1,532 million, a decrease of 24% due to lower equity & dividend income from associated companies, as also lower operating income from VSF business by 11%. Overall, all the businesses witnessed lower operating income due to energy cost impact on raw materials prices, production cost, logistics costs and Thai baht strengthening.

The company has taken the following major strategic steps towards:

- Expanding its production capacity from 220 TPD to 390 TPD by installing 4th & 5th production line. The 4th Line is already now in operation – invested amount Baht 940 million and the 5th Line will be ready by end of March 2008 – total investment Baht 865 million
- Building up new CS₂ plant with gas based new production technology in Saraburi Province to be operative in March 2008 – Investment Baht 656 million.
- Expanding into new high value added product range i.e. Modal fibre from Line No. 4
- Acquisition of pulp plant in Canada to support the raw material supply of pulp – Baht 70 Million invested in last year
- Long term investment plan to produce dissolving pulp in Laos ROP by going into Eucalyptus tree plantation on 325,000 Rais of land– Baht 56 million invested in last year
- Acquisition of VSF plant in China- invested Baht 342 Million invested in last year

The Chairman invited shareholders to ask question or voice their observation. The President later answered the shareholders' inquiries as follows:

- The share of profit from investments accounted for under equity method reduced from Baht 718 million to Baht 407 million, due to lower profits of associated companies mainly from Thai Carbon Black Public Company Limited (TCB) and Thai Acrylic Fibre Co., Ltd. (TAF) as their raw materials cost went up due to oil price increase. Moreover, strengthening of Thai Baht had an impact on its operational performance as their large revenue comes from exports. The associated company cannot increase the selling price in the same proportion as that of raw material price increase due to market conditions.
- The operational performance of both TCB & TAF should improve in year 2007, if the oil price & Baht exchange rate will not have much volatility. TAF's operational performance has been improving from April 2006 onwards.

As there were no further questions, the Chairman requested the Meeting to acknowledge and adopt the said report.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED UNANIMOUSLY that the performance of the Company for the year 2006 has been described under the content "Directors' Report to the Shareholders" in Annual Report as circulated to the Shareholders be and the same are hereby adopted and approved."

Agenda 3 To approve the audited Balance Sheet and statement of Income for the year ended September 30, 2006.

The Chairman informed the Meeting that a copy of the audited Balance Sheet as at September 30, 2006 and Statement of Income for the year ended on that date as described under the content "Financial Statements" in the annual report. The auditor expressed unqualified opinion that these financial statements were presented fairly in accordance with generally accepted accounting principles and the Audit Committee has informed the details of this matter in the Audit Committee's Report and the Board considered it to be correct, complete and adequate.

The Chairman invited shareholders to ask question or voiced their observation.

As there were no questions, the Chairman then requested the Meeting to consider and approve the same.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED UNANIMOUSLY that the audited Balance Sheet as at September 30, 2006 and the Statement of Income for the year ended on that date be and the same are hereby adopted and approved."

Agenda 4 To consider and approve the dividend payment

The Chairman informed the Meeting that the Company has a policy to pay dividend according to the cash profit generated after considering appropriately the requirement of fund for business and investments. This year, the company recorded net profit of Baht 1,162 million, a decrease of 24% over 2005. The earning from VSF operations in 2006 was lower by 11% at baht 612 million as compared to Baht 686 million in 2005, while the share of profit from investments accounted for under equity method decreased sharply by 43% from Baht 718 million in 2005 to Baht 407 million in 2006. Considering the cash flow generation from the earnings and funds requirement for expansion, modernization and new investments in the upcoming year, the Board has recommended to pay dividend at Baht 1.10 per share for the year 2006, amounting of Baht 221.76 Million or 28% of net profit. If approved, the dividend payment would be made on February 14, 2007.

The Chairman invited shareholders to ask question or voice their observation. Shareholders raised some issues regarding dividend policy should be changed and identify the number of percentage from net profit.

On request of the Chairman the President explained to the shareholders that, as compared to the various SET listed companies, the dividend per share of Thai Rayon is better and the directors have been following a conservative and consistent dividend payment policy. In addition, considering the project in hands for strategic investment & business growth, the Company would require approximate Baht 3,600 million of new capital expenditure and Baht 1,000 million for working capital. However, in view of a question from the shareholder, the matter of changing dividend policy shall be brought to the attention of Board of Directors for re-consideration.

As there were no further questions, the Chairman requested the Meeting to consider and approve the same.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED UNANIMOUSLY that the dividend @Baht 1.10 per share for the year ended September 30, 2006 as recommended by the Board of Directors, is hereby approved. "

"RESOLVED further that the dividend amounting to Baht 221,760,000 (Baht: Two Hundred Twenty One Thousand Seven Hundred Sixty Thousand Only) be paid on February 14, 2007 from Unappropriated Retained Earnings of the Company."

"RESOLVED further that Mr. P.M. Bajaj, President of the Company be and is hereby authorized to take all necessary steps to make the payment of the dividend."

Agenda 5: To consider the appointment of Directors in place of those who retire by rotation.

The Chairman informed the meeting that, as stipulated in the Company's Articles of Association Article no. 13, one third of the Board of Directors would be retiring by rotation at the Ordinary General Meeting of Shareholders but are eligible to be re-elected as directors. This year, there are four directors who are due to retire by rotation namely (1) Mr. S.S. Mahansaria (2) Mrs. Rajashree Birla (3) Mr. Amolat Thakral and (4) Mr. Shailendra Kumar Jain. The profiles and nomination procedure of the directors who retire by rotation have been disclosed in the annual report.

The Chairman invited shareholders to ask question or voice their observation. Shareholders raised some issues regarding that the name of directors for voting individually be classified in voting card.

The Chairman later on noted the shareholders' voice and asked the company secretary to follow the same.

As there were no further questions, the Chairman proposed the Meeting to re-elect the above-mentioned directors individually to be the company's directors for another term.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED BY MAJORITY that (1) Mr. S.S. Mahansaria (2) Mrs. Rajashree Birla (3) Mr. Amolat Thakral and (4) Mr. Shailendra Kumar Jain as a directors of the Company for another term."

Agenda 6 Payment to the Chairman & Director of the company

The Chairman informed the meeting that in the Board of Directors' Meeting held on August 15, 2006 approved the resignation of Mr. Prachitr Yossundara, Director and Chairman of the Company, due to health reasons with effect from October 1, 2006 and appointed Mr. K.M. Birla, the director of the company, as the Chairman of the company.

Mr. K.M. Birla, the foreign director has been rendering certain services to the Company, in his personal capacity besides being Chairman. Considering his duties and responsibilities, the Board has approved a consideration of USD 100,000.- per annum.

The Chairman invited shareholders to ask question or voiced their observation. Shareholders raised some issues, which were summarized as under:

- Besides this remuneration, do the company pay other remunerations to the Board member?
- Why did the Board propose the remuneration of new Chairman higher than ex Chairman?

The President explained to the shareholders that the Company pays only the meeting fee to each director who attends the meeting @Baht 25,000 per meeting. Besides this, the director who is member of the audit committee, is additionally paid @Baht 10,000 per meeting. The President further clarified that the Board has proposed to approve the payment to Mr. K.M. Birla for the services he is rendering to the Company in his personal capacity under agreement and not as remuneration to the Chairman. As Mr. Birla has vast business knowledge, he is able to provide business vision and guidance on global marketing, projecting the future of VSF business and benchmarking of business etc. Therefore, the amount proposed to be paid to him is appropriate considering his services to the company.

As there were no further questions, the Chairman proposed the Meeting to approve the same.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED UNANIMOUSLY that the Meeting pass the resolution to approve the services fee of USD 100,000.- per annum to Mr. K.M. Birla as proposed by the Board of Directors."

Agenda 7 To appoint the Auditors and fix their remuneration

The Chairman informed the meeting that in accordance with Article No. 36 of the Company's Articles of Association, the annual general meeting shall appoint the Company auditor and fix their remuneration.

For the year 2007, the Board and the Audit Committee has proposed the Meeting to appoint (1) Mr. Narong Puntawong, CPA No. 3315 or (2) Ms. Thipawan Nananuwat, CPA No. 3459 or (c) Ms.Siraporn Ouaanunkun, CPA No. 3844 of Ernst & Young Office Limited to be the auditor for another term. The audit fee was proposed at Baht 950,000 for the year 2007 (2006: Baht 900,000) plus out of pocket expenses.

The reason for the said proposal was that M/S Ernst & Young Office Limited has multinational networks and has been providing their service since 2002 with competence and skill to the satisfaction of the company. As regards relationship of the auditor and their office, they are neither advisor nor shareholders of the company.

The Chairman invited shareholders to ask question or voice their observation.

As there were no questions, the Chairman then requested the Meeting to consider and approve the same.

Upon a motion duly made, seconded and carried, it was:

"RESOLVED UNANIMOUSLY that (1) Mr. Narong Puntawong, CPA No. 3315 or (2) Ms. Thipawan Nananuwat, CPA No. 3459 or (c) Ms.Siraporn Ouaanunkun, CPA No. 3844 of Ernst & Young Office Limited to be the auditor for another term. The audit fee was proposed at Baht 950,000 for the year 2007 plus out of pocket expenses. "

Agenda 8 To consider other business (if any)

The Chairman advised that this agenda was provided for the shareholders to ask questions and/or for directors to clarify any queries of the shareholders (if any). No issue would be proposed for consideration and approval therefore, no voting would be made.

The Chairman then invited the shareholders to ask questions. Among the questions, the President answered including the progress of various issues like (1) China Project, which will be doubling capacity from 30,000 TPA to 60,000 TPA in this year. (2) Acquisition of 2nd Canadian pulp mill, which will be converted from paper grade pulp into dissolving grade wood pulp in the year 2008 at an investment of Canadian Dollars 50 million. (3) The 4th line production, which will produce new product "MODAL" fibre which has properties of high tenacity and stability fibre used in manufacturing of fashion fabrics.

The shareholders have requested to visit the factory and proposed the date of visit on February 24, 2007. The President confirmed the date of visit of shareholders and asked the Company Secretary to do the needful.

There being no other business to be discussed, the Chairman thanked the shareholders for attending the meeting.

The meeting was adjourned at 17.20 hrs.

Mr. Amolat Thakral
Chairman of the Meeting