

8th December 2011

Subject : Invitation to the Annual General Meeting of Shareholders No.19/2011

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

Enclosures :

1. Copy of Minutes of the Annual General Meeting of Shareholders No.18/2010
2. Annual Report for the year 2011
3. Profiles of the proposed persons to be elected as directors
4. Profiles of the proposed persons to be elected as Audit Committee members
5. Duties and responsibilities of the Audit Committee
6. Information of Independent Director to act as a proxy in the Annual General Meeting 2011
7. Definitions of Independent Directors
8. Criteria and process for nomination of a Director
9. Company's Article of Association relating to the Shareholders' Meeting
10. Documents required to be presented for attending the Meeting
11. Proxy Form A / Form B / Form C
12. Request form for printed copy of Annual Report
13. Map of the venue of Annual General Meeting

The Board of Directors of Thai Rayon Public Co.,Ltd. at the Meeting No.87 has resolved that the Annual General Meeting of Shareholders No.19/2011 ("AGM") will be held on Monday, 26th December 2011 at 15.00 hrs. at Star 29 Room, 29th 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.18/2010 held on 28th January 2011

The Board's Opinion: The Board has considered appropriate to propose in the Annual General Meeting to approve the minutes of the Annual General Meeting of Shareholders No.18/2010. 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 30th September 2011

The Board's Opinion: The performance of the Company for the year ended 30th September 2011 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 30th September 2011 and the statements of income for the year ended on 30th September 2011

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 30th September 2011, which the Board and the Audit Committee have considered to be prepared as per the generally accepted 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 2011.

The Company's dividend payment policy is to distribute dividend of 20-35% of the net income based on separate financial statements, after making necessary provisions for reserves as may be required by the applicable laws and considering requirement of funds for future business plans as deemed appropriate by the Board of Directors of the Company.

This year, the Company recorded net profit of Baht 2,833 Million compared to Baht 3,041 Million last year. The Board has recommended to pay a dividend of Baht 2.50 per share for the year 2011, amounting to Baht 504 Million. This dividend amount is fully exempted from corporate income tax under BOI's promotion certificate no. 1845(2)/2551 dated 27th August 2008. The dividend amounting to Baht 504 Million will be paid on 10th January 2012.

The past dividend payment record is as follows:

	2011	2010	2009
Net Profit (Million Baht)	2,833	3,041	463
No. of shares (Million shares)	201.60	201.60	201.60
Dividend per share (Baht)	2.50	1.75	1.00
Total Dividend Payment (Million Baht)	504.00	352.80	201.60
Dividend Payout Ratio (%) (based on separate financial statements)	22	16	36

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. Shyam Sundar Mahansaria | Independent Director |
| (2) Mr. Vinai Sachdev | Independent Director |
| (3) Mr. Hari Krishna Agarwal | Director |

The Company does not have Nomination Committee. However the process of nomination is based on the knowledge and experiences of directors and the Board is of opinion that they should be re-appointed as directors. The criteria and process for nomination of director has been disclosed as per the *Enclosure No.8* and the definitions of Independent Director have been disclosed as per the *Enclosure No.7*.

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 and approve the meeting allowance of directors for the year 2012 at Baht 25,000.- per attended meeting (year 2011: Baht 25,000.- per attended meeting). The profiles of the directors who retire by rotation have been disclosed as per the *Enclosure No.3*.

Agenda 6 To consider and approve the appointment of the Audit Committee whose term is expiring on 30th January 2012

The Board's Opinion: The Board has resolved to appoint the Audit Committee whose term is expiring on 30 January 2012. The Committee has been able to help the Board in studying the matters of importance, provide valuable inputs to the management and review the financial statements and internal control of the Company as well as compliance with the regulations of the Stock Exchange of Thailand and the Security and Exchange Commission.

The Company does not have a nomination committee. However, the selection of audit committee is considered by the Board based on qualifications, experiences and capabilities and is of opinion that they should be re-appointed as members of audit committee.

It is considered appropriate to propose the AGM to approve the appointment of audit committee and approve the meeting allowance of audit committee for the year 2012 at Baht 10,000.- per attended meeting (year 2011: Baht 10,000.- per attended meeting) as follow.

Name	Position	Tenure
1. Mr. Shyam Sundar Mahansaria	Chairman of Audit Committee	3 years
2. Mr. Vinai Sachdev	Member of Audit Committee	3 years
3. Mr. Nirmal Kumar Dalan	Member of Audit Committee	3 years

The profiles of the Audit Committee have been disclosed in the *Enclosure No. 4* and scope of duties and responsibilities of the Audit Committee have been described in the *Enclosure No.5*.

Agenda 7 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 2012 for another term as recommended by the Audit Committee namely;

- (1) Mr. Termphong Opanaphan, CPA No. 4501 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 accounting period from 1st October 2011 to 31st March 2012 is proposed at Baht 850,000.- whereas the remuneration in case of normal accounting year 2012 of twelve months is proposed at Baht 1,100,000.- (2011: 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 Statements 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 8 To approve the change of accounting year from 1st October to 30th September to 1st April to 31st March of every year

The Board's Opinion: In order to the change of the Company's accounting year to be in line with Aditya Birla Group's viscose staple fibre & pulp business, the Board proposed to change the Company's accounting year, which previously starts on 1st October and ends on 30th September of each year to start on 1st April and end on 31st March of each year for convenience of operation of the Company. The first financial year after the change will be for six months period starting 1st October 2011 to 31st March 2012 and thereafter it will follow the normal period of 12 months from 1st April to 31st March.

It is considered appropriate to propose the AGM to approve the change of accounting year from 1st October to 30th September to 1st April to 31st March of every year.

Agenda 9 To approve the amendment of the Articles of Association no.38 to implement change in accounting year of the Company to twelve months from 1st April to 31st March

The Board's Opinion: Due to the change of accounting year which is in line with Aditya Birla Group's viscose staple fibre & pulp business, the Board proposed to amend the Articles of Association no.38 which prescribe that "The accounting year of the Company shall commence on 1st October and end on 30th September of every year" to "The accounting year of the Company shall commence on 1st April and end on 31st March of every year".

It is considered appropriate to propose the AGM to approve the amendment of the Articles of Association no.38 to implement change in accounting year of the Company to twelve months from 1st April to 31st March.

Agenda 10 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 Company has published Annual Report 2011 both in printed form and CD. Please do not hesitate to contact us for printed copy of Annual Report 2011 at Thai Rayon Public Company Limited, 16th Floor, Mahatun Plaza Building, 888/160-1 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330, Thailand (Attention to Ms. Suwanna Chalermwat - Company Secretary) by phone no. +66(0)2253-6745-54 ext. 2550 or fax. no. +66(0)2254-3181 or e-mail at suwanna.c@adityabirla.com as per the *Enclosure No.12*.

The shareholders entitled to attend the meeting and cast votes in the meeting and receive the dividend shall be those listed in the Shareholders' Register of the Stock Exchange of Thailand as of 7th December 2011 and 8th December 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.9*.

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.11*. 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.6*.

The shareholders and the proxy have to present the required documents as per the *Enclosure No.10* for attending the meeting.

For and on behalf of the Board of Directors

(Shyam Sundar Mahansaria)
Independent Director and Chairman of the Audit Committee