

**Minutes of the Annual General Meeting of Shareholders no. 20/2012
of Thai Rayon Public Company Limited**

- Date of the Meeting:** Wednesday, 25th July 2012
- Venue of the Meeting:** The Star 29 Room, 29th Floor, Plaza Athenee Bangkok, A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok 10330
- Chairman:** Mr. Vinai Sachdev – Independent Director / Member of Audit Committee
- Secretary to the Meeting:** Mrs. Suwanna Chalermwat, Company Secretary
- The Meeting started:** 15.00 hrs.
- Attendants:** At the commencement of the Meeting, there were 79 shareholders attending in person and 85 shareholders attending by proxy, totaling 164 shareholders representing 155,179,375 shares equivalent to 76.97% of the issued and paid-up capital. Additional shareholders representing 24,301 shares attended after the commencement of meeting. Thus the total numbers of shareholders attending in person were 89 shareholders and attending by proxy were 88 shareholders, totaling 177 representing 155,203,676 shares equivalent to 76.99% of issued and paid up capital of the Company.

The quorum was constituted in accordance with the law and Clause 34 of the Articles of Association of the Company.

The Secretary to the Meeting welcomed all shareholders. Mr. Nirmal Kumar Dalan, Independent Director and Audit Committee Member of the Company proposed the name of Mr. Vinai Sachdev as the Chairman of the Meeting.

The Chairman convened the Meeting, welcomed the shareholders and introduced the directors to the Meeting as follows:

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| 1. Mr. Vinai Sachdev | Independent Director / Member of Audit Committee |
| 2. Mr. Shyam Sundar Mahansaria | Independent Director / Chairman of Audit Committee |
| 3. Mr. Nirmal Kumar Dalan | Independent Director / Member of Audit Committee |
| 4. Mr. Amolat Thakral* | Director |
| 5. Mr. Hari Krishna Agarwal | Director |

*Left the meeting after agenda 2.

The Chairman then introduced Mr. H.K. Agarwal as Group Executive President of the Company. Mr. H.K. Agarwal introduced management team to the Meeting as follows:

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| 1. Mr. Prasan Kumar Sipani | Joint President (Works) |
| 2. Mr. Ram Gopal Agrawal | Technical Head |
| 3. Mr. Sithipong Horlerttam | General Manager (Production) |
| 4. Mr. Pramod Khandelwal | General Manager (Finance & Commercial) |
| 5. Mrs. Suwanna Chalermwat | Company Secretary |

The Chairman introduced Mr. Termphong Opanaphan, auditor of the Company from Ernst & Young Office Limited, who attended the meeting to provide clarifications on financial statements if any and Mr. Phumrapee Anantasing, Volunteer of Shareholders' Rights Protection, as the representative from Thai Investors Association attending the meeting to evaluate the quality of the meeting and also introduced Mr. Yuthapong Khaosung and Mr. Noppadon Hengsitawat as Independent Lawyers, who attended the meeting as observers.

Before starting discussions on agenda, the Secretary to the Meeting informed the rules for conducting shareholders meeting along with the procedures of voting and counting for each agenda. In the event of vote casting being called and none of the shareholders voting for "Disapprove" or "Abstain", those agendas will be *mutatis mutandis* taken as approved by the shareholders.

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

1. Prior to the voting of any agenda, the Chairman will invite shareholders to ask questions.
2. The voting of each agenda shall be made openly.
3. A shareholder may cast a vote for "Disapprove" or "Abstain" on each agenda on voting cards received when registered. The voting is counted as 'one share one vote'.
4. If there are shareholders who "Disapprove" or "Abstain" on any agenda, then they should raise their hands for the Company's staff to collect the filled voting cards for vote counting.
5. The Chairman will announce the scores of the votes by specifying the number of votes, which are in favor of "Approve, Disapprove or Abstain".
6. If the shareholder or proxy proposes to give any suggestion or ask question, then they can raise hands and give their suggestions or ask the questions after informing their identity.

After shareholders acknowledged the procedure of vote casting, vote counting and announcement of vote results as described above, the Chairman commenced the Meeting and conducted the following business agenda:

Agenda 1 To approve the Minutes of Annual General Meeting No.19 held on 26th December 2011

The Chairman requested the Meeting to approve the minutes of the Annual General Meeting of Shareholders no.19 held on 26th December 2011 as disclosed on pages 8-27 of the notice of the meeting which had been sent to the shareholders together with the notice of this meeting as per the *Enclosure No. 1*.

The Chairman invited the shareholders to ask questions or raise their observations. Shareholders raised some issues which were summarized as follows:

1. A shareholder requested that the minutes of Annual General Meeting should be sent to all shareholders within 14 days from the date of meeting.
 - The Chairman explained that the minutes of AGM will be sent to the SET within 14 days after AGM date and copy of the same will be posted in the Company's website.
2. A shareholder suggested that the minutes of AGM should mention a shareholder instead of minor shareholder.
3. A shareholder suggested that the voting results of each agenda should be shown only after the discussion on that agenda is completed.

The Chairman invited the shareholders for further questions or observations. No question being raised.

The Chairman, then, requested the Meeting to approve the Minutes of Annual General Meeting of Shareholders no. 19 held on 26th December 2011.

After due consideration, the Meeting then passed a resolution to approve the Minutes of the Annual General Meeting of Shareholders no. 19 held on 26th December 2011 by the majority voting as follows:

Approved	155,194,725	votes,	equivalent to	99.99994%
Disapproved	100	votes,	equivalent to	0.00006%
Abstain	-	votes,	equivalent to	-

of the total votes of shareholders attending the Meeting and entitled to vote.

Agenda 2 To acknowledge the performance of the Company for the six months period ended 31st March 2012

The Chairman informed the Meeting that the performance of the Company for the six months period ended 31st March 2012 had appeared in the section "Directors' Report to the Shareholders" on page 6 and other sections in the Annual report which had been sent to the shareholders together with the notice of this meeting as per the *Enclosure No.2*.

The Chairman invited Mr. H.K. Agarwal to explain the performance and financial highlights of the Company for the six months period ended 31st March 2012 to the Meeting.

Mr. H.K. Agarwal explained to the Meeting on the overall performance and summarized financial highlights for the six months period ended 31st March 2012 through presentation as under :

Summary of the key performance for the six months period ended 31st March 2012

1. The Company's total revenue was Baht 5,452 Million against same period of previous year of Baht 6,594 Million, a decrease of 17% from previous period.
2. The VSF production for the six months period ended 31st March 2012 was 65,234 tons, 2% lower compared to the same period of previous year. The Anhydrous Sodium Sulphate production was 55,781 tons, 1% higher compared to the same period of previous year.
3. The total VSF sales volume was 66,991 tons, a decrease of 3%.
4. The Company has recorded a net profit for the six months period ended 31st March 2012 of Baht 258 Million compared to Baht 1,859 Million of last year, a decrease of Baht 1,601 Million or 86%. The profit was lower compared to last year mainly due to lower selling prices of fiber (Baht 1,140 Million), increase in key inputs costs (Baht 360 Million) and a reduction in equity income (Baht 383 Million).
5. The share of income from investment in associated companies under equity method amounted to Baht 102 Million compared to Baht 485 Million in the same period of last year, a decrease of 79% or Baht 383 Million due to lower profits of the most of associated companies because of unfavorable economic and market conditions.
6. Corporate income tax decreased 91% or Baht 314 Million due to lower profits.
7. The investments in associated companies increased to Baht 10,853 Million from Baht 10,539 Million, due to the accounting of net profit of affiliated companies and further investments in equity of Birla Lao Pulp and Plantations Co.,Ltd. and new investment in Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi, Turkey.

Mr. H.K. Agarwal highlighted low cotton prices and surplus global production capacity in VSF which is putting pressure on selling prices of VSF and also informed that at present China accounts for more than 50% of the total VSF production.

The Chairman invited shareholders to ask questions or voice their observations. Some shareholders raised some issues which were summarized as follow:

1. A shareholder suggested that the translation of questions raised by shareholders along with its response should be more clear.
2. A shareholder asked what is the present situation on labor dispute of the Company?
Management explained that the Company has already revised minimum wage as per law and agreement with labour union with effect from 1st April 2012. The labour union has made a request to the management of the Company for increasing the wages of employees who are not eligible for increase in the wages under the minimum wage regulation or under the union agreement. However, the Company is considering request of labour union for increase in wage of employees who are not eligible for any increase under the law for resolving the matter.
3. Some shareholders asked about the key raw material sourcing strategy and reason of buying of sulphur on spot price?
 - Management explained that majority of raw-materials are being purchased under contracts which are linked to some market index based formula. In case of sulphur it is being bought on spot basis based on published international prices of sulphur which is the standard practice trade in sulfur.
4. A shareholder asked about the poor performance of Birla Jingwei Fibres Co.,Ltd., China and it's present status & future outlook?
 - Management explained that due to difficult market situation in China & high prices of pulp in market in the past were the main reasons for poor results. With strong focus in quality and improvement in other operational issues, formula based pulp supply along with lower cost captive power and increased capacity, it is expected to have improved performance in long term from Birla Jingwei Fibres Co.,Ltd.
5. A shareholder asked about period of revenue of Aditya Group AB and reason behind two names i.e. Aditya Group AB and Aditya Holding AB disclosed in Annual Report ?
 - Management explained that figures for revenue are for six months period and also further explained that Domsjo Fabriker Holding AB was acquired by forming two SPVs. First SPV was Aditya Holding AB and second SPV Aditya Group AB was its 100% subsidiary. During the period Aditya Holding AB combined its business with Aditya Group AB, resulting in dissolution of Aditya Holding AB. The Company's shareholding in Aditya Holding AB became a shareholding of the same size in Aditya Group AB. Hence two names are appearing in Annual Report.
6. A shareholder, asked about the progress of investment in Turkey?
 - Management explained that a Company has been formed, Land has been acquired (partial payment has been made and balance will be paid after Environment clearance). Application for Environmental approval has been made and the clearance is expected within 2012. Application for fiscal incentives has also been made which will be cleared after environment clearance. In December 2011, the Company has invested Baht 330 Million (Turkish Lira 60 Million).
7. A shareholder suggested that the questions from shareholders should be answered by Director(s) or the President of the Company. The company secretary should only translate the same.
8. A shareholder suggested that the display board of the AGM at venue of meeting should be in Thai language.
9. A shareholder suggested that the presentation of the Company's performance should also have Thai titles.

As no further questions or observations were made, the Chairman, then, requested the Meeting to acknowledge the performance of the Company for the six months period ended 31st March 2012.

After due consideration, the Meeting then passed a resolution to acknowledge performance of the Company for the six months period ended 31st March 2012 by the majority voting as follows:

Approved	155,200,575	votes,	equivalent to	99.99994%
Disapproved	100	votes,	equivalent to	0.00006%
Abstain	-	votes,	equivalent to	-

of the total votes of shareholders attending the Meeting and entitled to vote.

Agenda 3 To approve the audited balance sheet as on 31st March 2012 and the statement of income for the six months period ended 31st March 2012

The Chairman informed the Meeting that the Company had prepared the balance sheet as on 31st March 2012 and the statement of income for the six months period ended 31st March 2012 appearing on pages 82-161 of the Annual Report, which the Board and the Audit Committee have considered to be prepared as per the generally accepted accounting principles. The Audit Committee had reported on this matter in "Report of the Audit Committee" on page 70 in the Annual report which had been sent to the shareholders together with the notice of this meeting as per the *Enclosure No.2*. The details had been explained in agenda 2.

The Chairman invited shareholders to ask questions or voice their observations. The issues or observations made by some shareholders are summarized as below:

- Some shareholders asked clarifications concerning investment in Birla Lao Pulp and Plantation Co.,Ltd. (BLPP) in Lao.
 - Management explained that at the time of agreement with Lao Government, BLPP got very good terms for the entire project. However, acquisition of land in Laos has been very slow due to inability of Laos Government to provide land to us as per agreement. By year 2011, 13,000 HA (approx) has been planted and this year's target is to make plantation on another 6,500 HA (approx). Total land acquired by year 2011 is 23,500 HA (Hectare Area) and target is to reach 30,000 HA by year 2012. Investment in Laos started since year 2006. Planning for Pulp Mill is dependent upon progress on plantation. Loss from BLPP in year 2012 is mainly due to absence of revenue as production is yet to start and routine administrative expenses incurred are not linked to plantation.
- A shareholder asked the reason of investments in ICICI bonds and K Indian Fixed Income?
 - Management explained that this was done to have better returns on surplus funds as compared to domestic markets at that time.
- A shareholder asked what is the management's strategy on long-term investments which are not paying dividend/interest?
 - Management explained that some of the investments are of strategic interests and are already giving returns in the form of stable supply and formula linked prices for pulp which is a key raw-material while some other investments are expected to give returns to the Company in long run.
- A shareholder asked why did Grasim's GDR held by the Company not converted in equity?
 - Management explained that Company is getting almost same benefits as equity while holding GDRs.
- A shareholder asked why there is no returns on preference shares of AV Nackawic Inc. ?
 - Management explained that the AV Nackawic Inc. is expected to pay dividend once they declare dividend which is dependent on performance of the company.
- A shareholder asked who are the remaining shareholders in Birla Lao Pulp & Plantations Co Ltd. (BLPP), Birla Jingwei Fibers Co.,Ltd. (BJFC) and Turkey project?
 - Management explained that Grasim Industries Ltd., India and PT Indo Bharat Rayon, Indonesia are other shareholders in BLPP (Grasim 40%, PT Indo Bharat 30%), BJFC (Grasim 31% and PT Indo Bharat 19.5%) and Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi (Grasim 33.33% and PT Indo Bharat 33.33%).

7. A shareholder suggested the Company to buy back shares in order to improve the share value of the Company. He also suggested that annual report should contain the report on segment analysis.
 - Management explained that buy back of shares shall impact the free float of shares in the market. It was also explained that Company has only one product and relevant details on its major markets are mentioned in Annual Report.
8. A shareholder suggested that annual report should contain suitably the status of all associated companies for better clarity.

The Chairman, then, requested the Meeting to approve the audited balance sheet as on 31st March 2012 and the statement of income for the six months period ended 31st March 2012.

After due consideration, the Meeting then passed a resolution to approve the balance sheet as on 31st March 2012 and the statement of income for the six months period ended 31st March 2012 by the majority voting as follows:

Approved	155,203,176	votes,	equivalent to	99.99968%
Disapproved	100	votes,	equivalent to	0.00006%
Abstain	400	votes,	equivalent to	0.00026%

of the total votes of shareholders attending the Meeting and entitled to vote.

Agenda 4 To consider and approve the dividend payment

The Chairman informed the Meeting that 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.

For the six months period ended 31st March 2012, the Company recorded net profit of Baht 258 Million compared to Baht 1,859 Million during the same period of last year. The Board has recommended to pay a dividend of Baht 0.37 per share for the six months period ended 31st March 2012, amounting to Baht 74.59 Million. The dividend payment will be made on 14th August 2012 from un-appropriated retained earnings of the Company.

The Chairman invited the shareholders to ask questions or raise their observations. Shareholders raised some issues which were summarized as follows:

1. A shareholder thanked the Company for paying dividend and requested that the Company should pay more in case of higher profits.
2. A shareholder suggested to revise the dividend payment policy to distribute more dividends to shareholders.
3. A shareholder mentioned that the information on dividend payment should also disclose tax liability to shareholders on such dividend.
 - The Chairman informed that dividend policy was recently approved by the Board keeping in view shareholders request made during earlier annual general meetings.

As no further questions or observations were made, the Chairman, then, requested the Meeting to approve the dividend payment for the six months period ended 31st March 2012.

After due consideration, the Meeting passed a resolution to approve the dividend payment of Baht 0.37 per share for the six months period ended 31st March 2012, amounting to Baht 74.59 Million. The dividend payment will be made on 14th August 2012 from un-appropriated retained earnings of the Company and further approved Mr. H.K. Agarwal, Group Executive President of the Company, as authorized person to take all necessary steps to arrange the dividend payment by the majority voting as follows:

Approved	155,203,576	votes,	equivalent to	99.99994%
Disapproved	100	votes,	equivalent to	0.00006%
Abstain	-	votes,	equivalent to	-

of the total votes of shareholders attending the Meeting and entitled to vote.

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

The Chairman informed the Meeting that in accordance with Clause 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 were three (3) directors who had to retire by rotation namely, (1) Mr. Amolat Thakral –Director (2) Mr. Krishna Kishore Maheshwari - Director and (3) Mr. Nirmal Kumar Dalan - Independent Director and were proposed by the Board of Directors to be the directors for another term. The Board agreed with the proposal considering the knowledge and experiences of directors. The criteria and process for nomination of director had been disclosed as per the *Enclosure no.6* and the definitions of Independent Director have been disclosed as per the *Enclosure no.5* and the profiles of the directors who retire by rotation had been disclosed as per the *Enclosure no.3*.

The Chairman invited the shareholders to ask questions or raise their observations. Shareholders raised some issues which were summarized as follows:

1. A shareholder asked why there is no remuneration as advisory fee to a Director during 6 months period.
 - Management explained that one of director who acted as advisor has retired from directorship from February 2011 and hence this is not shown in Annual Report for the six months period ended 31st March 2012.
2. A shareholder, mentioned about the attendance of a director who attended the Board meeting through Video Conference.
 - Management informed that this has been disclosed in Annual Report for information only and the attending meeting through video conference is not counted for any purpose such as quorum or meeting fee.

The Chairman, then, requested the Meeting to approve the appointment of each director.

After due consideration, the Meeting then passed a resolution to approve re-election of the three retiring directors to be director for another term of 3 years and also approved the meeting allowance of directors at Baht 25,000.- per attended meeting by the majority voting as follows:

1. Mr. Amolat Thakral Director

Approved	152,003,676	votes,	equivalent to	97.94%
Disapproved	3,200,000	votes,	equivalent to	2.06%
Abstain	-	votes,	equivalent to	-

of the total votes of shareholders attending the Meeting and entitled to vote.

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| 2. | Mr. Krishna Kishore Maheshwari | Director | | |
| | Approved | 152,003,576 | votes, equivalent to | 97.94% |
| | Disapproved | 3,200,100 | votes, equivalent to | 2.06% |
| | Abstain | - | votes, equivalent to | - |
| | of the total votes of shareholders attending the Meeting and entitled to vote. | | | |
| 3. | Mr. Nirmal Kumar Dalan | Independent Director | | |
| | Approved | 152,003,576 | votes, equivalent to | 97.94% |
| | Disapproved | 3,200,100 | votes, equivalent to | 2.06% |
| | Abstain | - | votes, equivalent to | - |
| | of the total votes of shareholders attending the Meeting and entitled to vote. | | | |

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

The Chairman informed the Meeting that in accordance with Clause 36 of the Company's Articles of Association, an annual general meeting shall appoint the Company's auditor and fix their remuneration.

The Board proposed the Meeting to appoint the auditors for the year 2012 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, from Ernst & Young Office Limited to be the Company's auditor for the year ended 31st March 2013 as recommended by the Audit Committee and the Board considering their requisite qualification as auditor. The Board also proposed the Meeting to approve the remuneration of the auditor for the year ended 31st March 2013 at Baht 1,100,000.- (for six months period ended 31st March 2012: Baht 850,000.-), 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.

The Chairman invited shareholders to ask questions or voice their observations. A shareholder requested the auditor to clarify on remuneration.

- Mr. Termphong Opanaphan, Company's auditors from Ernst & Young explained that Baht 850,000.- was for the six months period ended 31st March 2012 and proposed remuneration of Baht 1,100,000.- was for twelve months ending 31st March 2013 which is higher by Baht 50,000.- as compared to 12 months accounting period ended 30th September 2011.

As no further questions or observations were made, the Chairman, then, requested the Meeting to approve the appointment of the Company's auditors and fix their remuneration for the year ended 31st March 2013 at Baht 1,100,000.- (for six months period ended 31st March 2012: Baht 850,000.-), excluding out of pocket expenses.

After due consideration, the Meeting passed a resolution to approve the appointment of the Company's auditors for the year ended 31st March 2013 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, from Ernst & Young Office Limited to be the Company's auditor for the year ended 31st March 2013 and also approved their remuneration for the year ended 31st March 2013 at Baht 1,100,000.-, excluding out of pocket expenses by the majority voting as follows:

Approved	155,203,576	votes,	equivalent to	99.99994%
Disapproved	100	votes,	equivalent to	0.00006%
Abstain	-	votes,	equivalent to	-

of the total votes of shareholders attending the Meeting and entitled to vote.

Agenda 7 Other business (if any)

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

The Chairman invited shareholders to ask questions. A shareholder mentioned that director's photo should be shown in Annual Report.

The Chairman invited the shareholders to ask questions or raise their observations. No question being raised.

The Chairman informed the Meeting that the minutes of the Annual General Meeting of Shareholders No.20 will be submitted to the SET and would also be posted on the Company's website within 14 days after the date of AGM. The shareholders could visit our website at www.thairayon.com.

The Secretary to the Meeting informed that the date of the plant visit for shareholders was tentatively fixed for September 2012 for shareholders whose name appeared in the registration book as on book closing date.

The Chairman declared that the Meeting considered all agenda of the Meeting and paid gratitude to all Shareholders and informed the Shareholders that the Board of Directors, Executives and Employees of the Company would perform their duties and responsibilities at their best for the benefit to all shareholders and for the Company's growth.

The Chairman asked whether there was any question to be raised, but no shareholder raised any issue.

Thus, the Chairman declared the meeting adjourned.

The Meeting was adjourned at 18.30 hrs.

Signed.....Chairman of the Meeting
(Vinai Sachdev)
Independent Director / Member of Audit Committee