



हिन्दुस्तान पेपर



हिन्दुस्तान न्यूजप्रिन्ट

**MEMORANDUM OF UNDERSTANDING**

*BETWEEN*

**HINDUSTAN NEWSPRINT LIMITED (SUBSIDIARY)**

*AND*

**HINDUSTAN PAPER CORPORATION LTD ( HOLDING COMPANY)**

**UNDER THE ADMINISTRATIVE CONTROL OF**

**DEPARTMENT OF HEAVY INDUSTRY**

**MINISTRY OF HEAVY INDUSTRIES & PUBLIC ENTERPRISES**

**GOVERNMENT OF INDIA**

**FOR**

**FY 2011-2012**

## HINDUSTAN NEWSPRINT LIMITED

### MOU FOR FY : 2011 – 2012

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**PART – I**

**A. VISION**

To continue to be the preferred manufacturer of quality newsprint in India.

**B. MISSION**

- To install, enhance and operate large capacity newsprint on sound commercial principles.
- To continuously upgrade and upscale production output to enhance market share.

**C. OBJECTIVES**

- i) To ensure optimum utilization of existing assets for maximizing generation of internal resources for funding modernization and expansion of installed capacity.
- ii) To implement technological upgradation of the existing plant and equipment for deriving the maximum possible benefits in terms of improved quality for achieving overall cost effectiveness.
- iii) To ascend the value chain by manufacturing value - added varieties like lower gsm newsprint , copier , coated paper etc. so as to enhance profitability and market share both in domestic and export segments particularly through development of niche markets. (Production of such value added paper envisaged in the Expansion-cum-Diversification Project)
- iv) To preserve the ecological balance in the vicinity of the mills.
- v) To continuously invest in the capacity building of personnel for improving their knowledge, skills and attitude.
- vi) To spearhead applied research for adoption of state-of-art technology to enhance operational efficiency.
- vii) To explore utilization of locally available renewable raw materials to eventually reduce dependence on forest based resources.

PART - II

EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS

Hindustan Newsprint Limited (HNL) will be empowered with all such delegated powers as are given to Miniratna – I Companies from time to time.

PART - III

PERFORMANCE EVALUATION PARAMETERS AND TARGETS

Separate Statement at Page 4 - 9

PART - IV

ASSISTANCE FROM HPC

- Hindustan Paper Corporation Limited (HPC) will strive to get Gol (DHI) assistance in pursuing the following matters with Government of Kerala and appropriate authorities of the Government of India for smooth operations of the mills on a sustained basis : -
  - a) Availability of forest raw materials in terms of long-term agreement executed with the Government of Kerala.
  - b) Allocation of additional land for captive plantation by the Government of Kerala to ensure sustained supply of raw materials to the mills including that for expanded capacity.
  
- HPC will take up with Gol (DHI) for pursuing with Government of Kerala for removal of entry tax on capital goods procured from outside Kerala .

