



HINDUSTAN PAPER CORPORATION LIMITED
75-C, PARK STREET, KOLKATA – 700016

**NOTICE INVITING COMMENTS/ SUGGESTIONS FOR
 ENGAGING AN OPERATIONS AND MANAGEMENT PARTNER SEPERATELY FOR NAGAON PAPER
 MILLS AND CACHAR PAPER MILLS ON PUBLIC- PRIVATE PARTNERSHIP MODEL, SPECIAL
 PURPOSE VEHICLE, JOINT VENTURE, ETC**

I. About the Company

Hindustan Paper Corporation Limited (“**HPCL**”) a Central Public Sector Undertaking (CPSU) promoted by Government of India (“**GoI**”), was incorporated in the year 1970. It is under direct administrative control of Department of Heavy Industry (DHI), Ministry of Heavy Industries & Public Enterprises. HPCL, one of the largest manufacturers of paper in the country, is involved in the manufacturing of premium Writing & Printing of Paper (**Bamboo based**). HPCL has also been playing a dominant role in the socio-economic development of the North-East region.

HPCL group has four paper mills, two of which are in the State of Assam namely Nagaon Paper Mill (**NPM**), commissioned in 1985 and Cachar Paper Mill (**CPM**), commissioned in 1986, and two subsidiary companies namely Hindustan Newsprint Ltd. (**HNL**), Kerala and Nagaland Pulp & Paper Company Ltd. (**NPPC**), Nagaland.

Only two units of HPCL i.e NPM & CPM, each having capacity of 1 lakh metric tonnes per annum (MTPA), which are functioning directly under HPCL’s control are **reference to this context**. The basic raw material for the plants is bamboo. Both the units are ISO-9001:2008 and ISO-14001:2004 and OHSAS 18001: 2007 certified.

II. About the Plants

Both the units i.e. NPM and CPM are integrated Pulp & Paper mills with a continuous Digester, bleaching plant and chippers. Stock preparation plants are equipped with five stage DD refiners and chemical additives preparation plant with auto control system of dosing of various chemicals. Both units are having two modern Paper Machines each, supplied by Utmal- Voith and Jessop- Beloit, each having operating speed of 550 m/minute. Both Machines at NPM & CPM are also equipped with suction press, suction boxes, suction couch roll , four roll “ Trinip Press” and also dryer cylinders. L&T paper machine at both the mills is equipped with hydraulic loading system and Jessop paper machine at both the mills is equipped with pneumatic system.

Both the mills have chlorine dioxide plant and also Lime mud reburning Plant for recycling of lime mud. Both units are also having non-operating 50- 60 MT/ day Mercury cell based Caustic chlorine plants which are shut for environmental reasons.



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III. Transaction Rationale

The CPM has been non-operational since October 2015 and the NPM has been non-operational since March 2017. The major objective for engaging an O & M Partner is to revive these two plants. ***It is intended to ensure smooth future operations of said two plants on Public – Private Partnership Model by exploring different options such as Special Purpose Vehicle, Joint Venture etc.***

IV. Key Strengths of the Units/Plants

- Central & State Governments assistance to revive the operations
- A dominant players in Writing & Printing segment, mainly in institutional sector
- Availability of Bamboo & coal in abundance in NER
- Assistance in obtaining necessary approvals required for revival of the plants
- The infrastructure of the plants are ready for reviving production
- Rich pool of skilled and experienced manpower
- Cordial industrial relations
- The plants source its water requirements from a perennial river at nominal costs
- NPM and CPM, both have broad gauge railway connectivity
- Meeting all environment related norms and possesses ISO 9001: 2008 and ISO 14001:2004 certification for its Environment Management System (for the plants as well as the Township) and OHSAS 18001:2007 for occupational health and safety aspects.

For further details please visit our website www.hindpaper.in

V. Transaction Methodology

It is proposed to revive the plants by inviting Expression of Interest/ Request for Proposal from the ***Interested Parties***. It is intended to revive the plants' operations through engagement of an O&M Partner by way of Joint Ventures/ Special Purpose Vehicle/ Public Private Partnership etc or any other such model.

- VI.** Valuable comments/ suggestions/ feedback are invited on all steps/ actions which will/ need to be taken for reviving the Company at the earliest.



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Disclaimer

This Notice has been published for information purposes only and upon the express understanding that such parties will use it only for the purpose set forth above. It does not purport to be all inclusive or contain all the information about HPCL. Documents, in addition, will be provided to the interested parties upon request.

This notice should not be construed as an offer or an EOI/ RFP or any form of appointment.

The last date for receiving comments/suggestions is November 13, 2017 latest by 16.00 hrs

Queries and interests may be addressed to the transaction advisor on the below mentioned contact details:

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