



Cabinet Committee on Economic Affairs (CCEA)

Cabinet approves closure/winding up of CREDA HPCL Biofuel Ltd (CHBL) and IndianOil - CREDA Biofuels Ltd. (ICBL)

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The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi has approved closure/winding up of CREDA HPCL Biofuel Ltd (CHBL) and IndianOil - Chhattisgarh Renewable Energy Development Agency (CREDA) Biofuels Limited (ICBL).

All Office assets of CHBL/ICBL have been disposed of. No manpower exits on the rolls of CHBL/ICBL. There is no financial outgo from Government of India and lands have been returned to CREDA. All liabilities have also been settled. Closure of CHBL and ICBL would result in saving unfruitful expenditure on statutory compliance.

Background:

Joint Ventures (JV) between CREDA HPCL Biofuel Ltd (CHBL) and IndianOil-CREDA Biofuels Limited (ICBL) were formed for carrying out energy crop (Jatropha) plantation and production of bio-diesel in 2008 and 2009 respectively. The CREDA, an arm of Chhattisgarh, had provided wasteland to CHBL and ICBL through Land Use Agreement for plantation of Jatropha. Due to various constraints such as very poor seed yield, limited availability of wasteland, high plantation maintenance cost etc. the project became unviable and Jatropha plantation activities were discontinued.

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