

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
UNSTARRED QUESTION NO 472
ANSWERED ON 06.12.2023

Mining Coal Bed Methane

472. SHRIMATI POONAM MAHAJAN:
SHRI RAJESHBHAI CHUDASAMA:

Will the Minister of COAL be pleased to state:

- (a) whether the Government has formulated any policy to promote Coal Bed Methane (CBM) mining from coal mines;
- (b) if so, the details including the salient features thereof;
- (c) the details of the funds sanctioned and released by the Government in this regard during the current year;
- (d) the quantum of gas targeted to be extracted by the Government through CBM mining and the blocks allotted to the companies for extracting the gas; and
- (e) the number of blocks where the work has commenced?

ANSWER

MINISTER OF PARLIAMENTARY AFFAIRS, COAL AND MINES
(SHRI PRALHAD JOSHI)

(a): The Government of India formulated a **CBM** policy in 1997 and a Memorandum of Understanding (MoU) was signed between the Ministry of Coal and the Ministry of Petroleum and Natural Gas, to act in a cooperative manner for the development of CBM. As per the policy, the Ministry of Petroleum & Natural Gas (MoPNG) became the Administrative Ministry and Directorate General of Hydrocarbons (DGH) was made the nodal agency for the development of CBM in the country. MoPNG in consultation with the Ministry of Coal (MoC) has identified and offered CBM Blocks from coal-bearing areas.

In partial modification of Coal Bed Methane (CBM) policy 1997, in 2018 GoI granted the **exploration and exploitation rights of CBM** to Coal India Limited (CIL) and its subsidiaries from coal bearing areas for which they possess mining lease for coal.

(b): Government of India notified several policies as given below for **CBM** exploration and development:

1. **In 2007, CBM Phases & Extensions Policy** was framed to provide a transparent and consistent framework for granting extensions in exploration phases, under CBM Contracts.
2. **In 2015** (re-notified in 2018), the Government of India, **granted permission to Coal India Limited (CIL)** and its subsidiaries to explore and produce CBM from its areas

under the Coal Mining Lease allotted to them, thereby, dispensing the requirement of having additional License from Ministry of Petroleum and Natural Gas. This was formulated to increase the area under CBM exploration and to enhance and accelerate the CBM production in the country from Coal mining areas.

3. **In 2016**, the Unified Licensing Policy under the **Hydrocarbon Exploration and Licensing Policy (HELP)** was introduced wherein all types of hydrocarbon resources, both conventional and unconventional were allowed to be explored and exploited. The Open Acreage Licensing Policy (OALP) to carry out exploration and production from areas that are either, free or relinquished and Discovered Small Field (DSF) Policy to exploit resources from already discovered fields are two such policies within the HELP regime.
4. **In 2017**, a policy framework for **Early Monetization of CBM** was introduced to develop alternate sources of natural gas including CBM and promote gas economy. This policy was formulated to provide marketing and pricing freedom for Coal Bed Methane (CBM) and streamline the operational issues in the existing blocks.
5. **In 2018**, the Government of India notified a Policy framework **for Exploration and Exploitation of Unconventional hydrocarbons** in existing acreages under existing Production Sharing Contracts (PSC), Coal Bed Methane (CBM) Contracts and Nomination fields.
6. In 2018, GOI notified the consolidated terms and conditions for grant of **exploration and exploitation rights to Coal India Limited (CIL)** and its subsidiaries from coal bearing areas for which they possess mining lease for coal.

(c): Investment in the CBM block is made by the respective Contractor of the block.

(d) & (e): MoPNG launched CBM bidding rounds I to IV (2001,2003,2005 & 2008), out of which 8 Blocks are under operation and in the Production/Development phase. Total area of these 8 blocks is 2430 sq. km.

In 2021, GOI launched Special CBM Bid Round (SCBM-21) and awarded 4 CBM Blocks covering an area of around 3860 sq. Km. All these 4 CBM blocks are in exploration phase.

At present, **12 CBM Blocks are active**, 5 of which are in the production phase, 3 in the development phase and 4 blocks (awarded during SCBM-21) are under the exploration phase.

The total prognosticated CBM resource of the active CBM Blocks (12) is about 480 BCM of which 6.13 BCM CBM has been produced up to Oct-2023.

The projection of CBM production from 12 active CBM Blocks up to FY 2024-25 is given below:

<i>MMSCM</i>	
2023-24	2024-25
844	1133
