

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:3409  
ANSWERED ON:13.03.2003  
COAL BED METHANE IN WEST BENGAL AND JHARKHAND  
UMMAREDDY VENKATESWARLU

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether ONGC has signed an agreement with Coal India Ltd. to exploit Coal Bed Methane (CBM) in West Bengal and Jharkhand;
- (b) if so, the details of this agreement;
- (c) the commercial gains to ONGC from this agreement; and
- (d) the investment made by ONGC?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a)&(b):- Oil and Natural Gas Corporation (ONGC) and Coal India Ltd. (CIL) on the 16th April, 2001 signed a Memorandum of Understanding (MOU) for joint working in the field of Coal Bed Methane (CBM) activities and submitted a joint proposal for award of two CBM blocks, one in Raniganj Coalfield in West Bengal and other in Jharia coalfield in Jharkhand. Subsequently, the Government has awarded these two blocks to the ONGC-CIL consortium and the Contracts have been signed on the 6th February, 2003.

(c) The MOU envisages pooling of the experience, expertise and knowledge of these two companies which will help in harnessing of CBM and in developing further strategies in this field. Also, as per the CBM Policy, the consortium will have the freedom to market the CBM produced from these blocks.

(d) Signature Bonus for Rs. 2.85 crores has been paid by the Consortium as per the terms of the CBM Contract.