

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

UNSTARRED QUESTION NO:2428  
ANSWERED ON:07.12.2006  
COAL BED METHANE  
Chowdhury Shri Adhir Ranjan;Singh Shri Uday

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

- (a) whether the GAIL (India) Ltd. proposes to invest a huge amount on Coal Bed Methane (CBM) blocks in the near future;
- (b) if so, the details in this regard;
- (c) whether the Union Government has awarded some Coal Bed Methane Blocks to other national/international firms;
- (d) if so, the details thereof; and
- (e) the benefits likely to be accrued therefrom?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS(SHRI DINSHA PATEL)

(a) & (b):- Yes, Sir. Gas Authority of India Ltd. (GAIL) alongwith other consortium members has been awarded three CBM blocks under third round of Coal Bed Methane Policy. The consortium comprising GAIL - Arrow Energy (India) Pvt. Ltd (ARROW) - Energy Infrastructure Group A.B. (EIG) - Tata Power Company Limited (Tata) has been awarded two blocks and the consortium comprising GAIL- ARROW - EIG has got one block and the Production Sharing Contracts were signed with the Government of India for all the three blocks on 711.2006. The estimated expenditure of GAIL in above CBM blocks in the first exploration phase is approximately Rs. 27 crores.

(c) & (d):- Yes, Sir. So far 26 CBM blocks have been contracted to various national/international firms /consortia. Details of the blocks awarded to various companies/consortia including GAIL are given in Annexure.

(e) Natural Gas from CBM is a significant unconventional energy resource in India. Tapping this resource will help to contribute in meeting the rising demand for energy in India. Respective State Governments will get royalty @ 10% of value of CBM produced in accordance with the Oilfields (Regulation and Development) Act, 1948. Central Government will get biddable Production Level Payment (PLP) on ad-valorem basis on production of CBM.