

GOVERNMENT OF INDIA
MINISTRY OF COAL

LOK SABHA
STARRED QUESTION NO. *252
ANSWERED ON 17.12.2025

EXPLORATION OF COAL BED METHANE

*252. SHRI Y S AVINASH REDDY:

Will the Minister of COAL be pleased to state:

(a) whether it is true that with the fifth-largest reserves of coal globally India holds significant prospects for exploration and production of Coal Bed Methane (CBM) in over twelve States;

(b) if so, the steps being taken by the Government to harness coal bed methane in the country; and

(c) the future of the industry after the introduction of exploration and development of unconventional hydrocarbons under the 2018 framework of the Coal Bed Methane Policy, 1997?

ANSWER

MINISTER OF COAL AND MINES
(SHRI G. KISHAN REDDY)

(a) to (c): A statement is laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (C) OF THE LOK SABHA STARRED QUESTION NO. 252 ANSWERED ON 17.12.2025 REGARDING EXPLORATION OF COAL BED METHAN ASKED BY SHRI Y S AVINASHH REDDY.

(a): India, with the fifth-largest proven coal resources in the world, holds significant prospects for Coal Bed Methane (CBM) exploration and production. The country's prognosticated CBM resources are estimated at about 92 TCF (Trillion Cubic Feet), and these resources are spread across 12 states in India (West Bengal, Assam, Chhattisgarh, Gujarat, Jharkhand, Madhya Pradesh, Maharashtra, Odisha, Rajasthan, Tamil Nadu, Telangana and Andhra Pradesh). At present, fifteen (15) CBM blocks are active for the extraction of CBM across India.

(b): The Government has undertaken various initiatives to promote unconventional hydrocarbon sources, including CBM, which inter alia include:

1. Policy Reforms: The CBM Policy, 1997, was introduced to promote CBM development, under which an MoU was signed between the Ministry of Coal (MoC) and the Ministry of Petroleum and Natural Gas (MoPNG) to work jointly. As per the policy, MoPNG became the administrative ministry, and the Directorate General of Hydrocarbons (DGH) was designated as the nodal agency. In consultation with the Ministry of Coal, CBM blocks were identified and offered in coal-bearing areas.

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 (PSCs), Coal Bed Methane (CBM) contracts, and nomination fields.

Additionally, in 2018, the Government of India notified the consolidated terms and conditions for granting exploration and exploitation rights to Coal India Limited (CIL) and its subsidiaries for coal-bearing areas for which they possess a mining lease for coal.

2. CBM Bidding Rounds: The Government has conducted six competitive CBM bidding rounds to date, in which 40 blocks have been awarded. As of now, 15 CBM blocks are active under exploration, development, or production phases. Further, the Government of India launched the Special CBM Bid Round (SCBM)–2025 under the ambit of the Open Acreage Licensing Policy (OALP) on 15 April 2025. SCBM–2025 offers three Coal Bed Methane (CBM) blocks covering an area of 520 sq. km.

3. Infrastructure Strengthening: The CBM blocks are being connected to the National Gas Grid (Urja Ganga Pipeline), which has resolved long-standing offtake issues by enabling seamless transportation of CBM gas across various sectors.

With these efforts, around 1,210 wells have been drilled in CBM blocks for CBM development, and the country is currently achieving a CBM production level of around 2.27 MMSCMD.

(c): The introduction of the 2018 “Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons” has expanded the scope of activities permissible under existing CBM contracts by allowing operators to explore and extract shale gas within their CBM leasehold areas. This policy reform is expected to strengthen the future prospects of the industry by facilitating the development of additional unconventional hydrocarbon resources.

The Government of India (GoI) is in pursuit of establishing CBM resources in unexplored coal-bearing areas by taking up an exploration drive to further enhance the CBM acreages. Additionally, GoI is looking for alternatives by analysing the potentiality of CBM production in abandoned or de-coaled mines, which may not be suitable for coal mining.

Coal India Limited (CIL) and its subsidiaries are actively looking for coal-bearing areas under their leasehold to award for CBM exploration and production. As per GoI policy 2018, wherein CIL and its subsidiaries were granted CBM rights in their leasehold areas, Bharat Coking Coal Limited (BCCL), a subsidiary of CIL, has awarded one CBM block (area-24 Sq.km) in Jharia for CBM exploration and production.
