

## Gas pricing: Modi talks to Pradhan

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**NEW DELHI:** As the possibility of an announcement of a new price for domestically produced natural gas looms large, Prime Minister Narendra Modi on Sunday met Minister of State for Petroleum and Natural Gas Dharmendra Pradhan for the second time in three days.

Sources in the government said Finance Minister Arun Jaitley also joined the meeting. The Modi government is believed to be exploring whether modifications could be made in the implementation of the Rangarajan formula, which was approved by the previous UPA government for pricing of all domestically produced natural gas.

In its election manifesto, the BJP promised to set up gas grids to make gas available to households and indus-



*Dharmendra Pradhan*

try. The party also promised to formulate a responsible and comprehensive Natural Energy Policy. During its campaign, the party said it would visit the issue of gas pricing, if it came to power.

The UPA government had in December last year approved a new formula for pricing of all domestic gas

from April 1, but general elections were declared before the new rate could be announced.

The Petroleum and Natural Gas Ministry on April 21 told Reliance Industries, which had been supplying gas from its eastern offshore KG-DF field at old price of \$4.2 per mbtu even after it expired on March 31, that the new rate would be implemented from July 1, adds PTI.

While the new government is keen on taking an early decision on the issue, it may be looking at moderating the proposed increase — from \$4.2 per million British thermal unit to \$8.4, sources said adding that the new rate may be announced as early as this week.

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