

(e) State Governments have been requested to remove bottlenecks in setting up of ethanol projects, to simplify excise procedures and to reduce State levies on sale, import/export of ethanol.

**New Policy on setting up of oil outlets**

1734. SHRI S.M. LALJAN BASHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have any policy relating to locations where sister OIL PSUs can set-up diesel and petrol outlets in different States;

(b) whether it is a fact that Government have given free licence to Oil PSUs to setup petrol pumps and diesel outlets wherever they wish;

(c) if so, the details of this new policy giving absolute freedom to Oil PSUs;

(d) whether Government are aware that allottees of PSU petrol pumps will suffer grievously if there is no restriction in this matter; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI SUMITRA MAHAJAN): (a) to (e) After the dismantling of the Administered Pricing Mechanism in the petroleum sector with effect from 1.4.2002, the public sector oil marketing companies have freedom to choose locations for setting up retail outlet dealerships (petrol pumps) in various parts of the country provided that the locations meet certain norms like commercial viability and non-encroachment of the existing dealerships.

**Production of ethanol in Karnataka**

1735. SHRI K.B. KRISHNA MURTHY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the capacity of anhydrous ethanol being produced by sugar factories in Karnataka;

(b) the details of the districts in Karnataka which have been covered by ethanol blended petrol so far;

(c) by when the entire Karnataka will be covered; and