

GOVERNMENT OF INDIA  
MINISTRY OF COMMERCE & INDUSTRY  
DEPARTMENT OF COMMERCE  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-687**  
ANSWERED ON - 25/07/2025

**CHALLENGES IN ATTRACTING NEW INVESTMENTS IN FALTA SPECIAL  
ECONOMIC ZONE**

687. SHRI SAMIK BHATTACHARYA

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :-

- (a) the year-wise data on the number of companies operating in Falta Special Economic Zone (SEZ) from 2019 to 2024, and whether there has been a decline during this period;
- (b) the reasons for the decline in the number of companies, including challenges faced in attracting new investments to Falta SEZ;
- (c) the steps being taken to address these challenges and improve the business environment in Falta SEZ; and
- (d) whether the Ministry has conducted any study to evaluate the performance of Falta SEZ and identify measures to enhance its competitiveness and attract more companies?

**ANSWER**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY

(SHRI JITIN PRASADA)

- (a): The year-wise number of units operating in Falta Special Economic Zone (SEZ) from 2019 to 2024 is at **Annexure**.
- (b): The reasons for the decline in the number of companies, including challenges faced in attracting new investments to Falta SEZ is as under:
  - i. Closure of economic activities/ changes in export markets across the globe during and after Covid pandemic.
  - ii. Withdrawal of tax incentives for SEZ units with effect from 01.04.2020.
  - iii. Severe road transport restrictions due to traffic congestion/ encroachment along National Highway (NH)-117 connecting Falta SEZ with Kolkata/Haldia port, West Bengal.
  - iv. Lack of multi-modal transport facility from Falta SEZ.

(c): The steps taken to address the challenges and improve the business environment in Falta SEZ are as follows:

- i. Government of West Bengal has been impressed upon to address the encroachment/congestion along NH-117 and around the Falta SEZ.
- ii. Steps have been taken for revival of Falta SEZ jetty to provide riverine movement of cargo from Falta SEZ to ports in Kolkata.
- iii. Eastern Railways has been requested to explore/ feasibility of providing railway connectivity at Falta SEZ for cargo movement.
- iv. Upgradation/renovation of basic infrastructural facilities in Falta SEZ namely, internal roads, lighting, fire-fighting system, drainage system and water supply system etc.
- v. Strengthening of security within Falta SEZ.
- vi. Operationalization of Customs office of Falta SEZ in two shifts to ensure clearance of import/ export cargo without any delay
- vii. Piped gas supply (Compressed Natural Gas) to the units for industrial purposes.
- viii. Recovery of land parcels of closed units from unauthorised occupation from mortgage right under Agencies/ banks
- ix. Renovation of industrial Sheds and Standard Design Factory (SDF) building at Falta SEZ.
- x. Publicity efforts have been undertaken to spread information about Falta SEZ and the benefits under SEZ scheme.
- xi. Upgradation/strengthening of social infrastructure, e.g., Residential Quarters/ colonies, dispensary, market facilities, postal/baking facilities.

(d): The performance of all SEZs including the Falta SEZ is assessed regularly in accordance with the provisions of SEZ Act, 2005 and SEZ Rules, 2006. Additionally, Department of Commerce (DoC), Government of India evaluates the overall performance of all SEZs based on monthly performance reports submitted by the respective Development Commissioners of the SEZs.

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**Annexure to RS USQ 687 answered on 25.07.2025**

**Year-wise number of units operating in Falta Special Economic Zone (SEZ)**

<b>S. No.</b>	<b>Year</b>	<b>Number of operating units</b>
1.	2019	70
2.	2020	71
3.	2021	45
4.	2022	42
5.	2023	39
6.	2024	36