



Annual Report of Falta Special Economic Zone Authority

**For the
Financial year
2017-18**



ANNUAL REPORT OF FSEZ AUTHORITY
As per Rule 12(2) of SEZA Rule, 2009

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0.1 Introduction

An Export Processing Zone at Falta, West Bengal established by Government of India in the year 1983 vide Ministry of Commerce Resolution No.14/13/82-EPZ dated 29-09-1983. The Zone covering three remote villages viz. Akalmegh, Nainan and Simulberia in PS – Diamond Harbour, direct 24 Parganas (South) was established at a distance of about 55 Kms to the south of Kolkata Business District on the eastern bank of the river Hooghly. The total area of 280 acres consisted of transfer of lease of land of Calcutta Port Trust of about 193 acres and 87 acres of acquired land. The objective was to set up the Export Processing Zone with modern, state-of-the art infrastructure and support facilities and services to facilitate export from the Zone as may be competitive both in terms of cost and quality. Subsequently Falta Export Processing Zone was converted into Special Economic Zone vide Ministry of Commerce & Industry Resolution No.6/8/99-EPZ dated 13th December, 2002.

The Special Economic Zones had come under the purview of SEZ Act, 2005 & SEZ Rules, 2006 with effect from 10th February, 2006 in terms of Notification No.S.O.196(E) dated 10th February, 2006. Under the SEZ Act & Rules.

0.2 Structure & Function

In terms of Notification No. SO.575(E) dated 27-02-2009 Falta SEZ Authority has been constituted by the Ministry of Commerce, Government of India. The Authority became operational on 1st April, 2009. The Corporate Office of the Authority is at Falta SEZ, 2nd MSO Building, Nizam Palace, 234/4, AJC Bose Road, Kolkata – 700020.

Composition of Authority

The Falta SEZ Authority constitutes of Chairman and 5 members which are as follows: -

Structure and Functions

The officials associated with the Falta Special Economic Zone Authority are:

Officer's Name	Designation
Development Commissioner, Falta SEZ	Chairperson, Ex-officio
Joint Director General of Foreign Trade, Kolkata or his nominee not below the rank of Dy. Director General of Foreign Trade	Member, Ex-officio
Joint Secretary, Department of Commerce or his nominee not below the rank of Under Secretary	Member, Ex-officio
Joint Development Commissioner, Falta SEZ or in absence of Joint Development Commissioner, Dy. Development Commissioner	Member Ex-officio
Shri Bharat C Arya, Managing Director M/s. J. V. Gokal & Co.	Member
Shri Sanjay Budhia, Managing Director M/s. Patton International Ltd.	Member
Dr. Sriramappa V, Dy DC	Secretary FSEZ Authority

B. K. Panda
CEO

Dr. Sriramappa V
Secretary

Function of the FSEZ Authority

- (1) Every Development Commissioner shall take all steps in order to discharge his functions under this Act to ensure speedy development of the Special Economic Zone and promotion of exports there from.
- (2) Without prejudice to the generality of the foregoing provisions, the Development Commissioner shall –
 - (a) Guide the entrepreneurs for setting up of Units in the Special Economic Zone;
 - (b) Ensure and take suitable steps for effective promotion of exports from the Special Economic Zone.
 - (c) Ensure proper co-ordination with the Central Government or State Government Departments concerned or agencies with respect to, or for the purposes, of clauses (a) and (b);
 - (d) Monitor the performance of the Developer and the Units in a Special Economic Zone ;
 - (e) Discharge such other functions as may be assigned to him by the Central Government under this Act or any other law for the time being in force; and
 - (f) discharge such other functions as may be delegated to him by the Board.
- (3) Every Development Commissioner shall be overall in charge of the Special Economic Zone and shall exercise administrative control and supervision over the officers and employees appointed under sub-section (2) of section 11 (including the officials deputed to such Special Economic Zone) to discharge any of the functions under this Act.
- (4) Without prejudice to the provisions of sub-section (1) to (3), every Development Commissioner shall discharge such functions and exercise such powers as may be delegated to him by a general or special order by the Central Government or the State Government concerned, as the case may be.

- (5) Every Development Commissioner may call for such information from a Developer or Unit from time to time as may be necessary to monitor the performance of the Developer or the Unit, as the case may be.
- (6) The Development Commissioner may delegate any or all of his powers or functions to any of the officers employed under him.

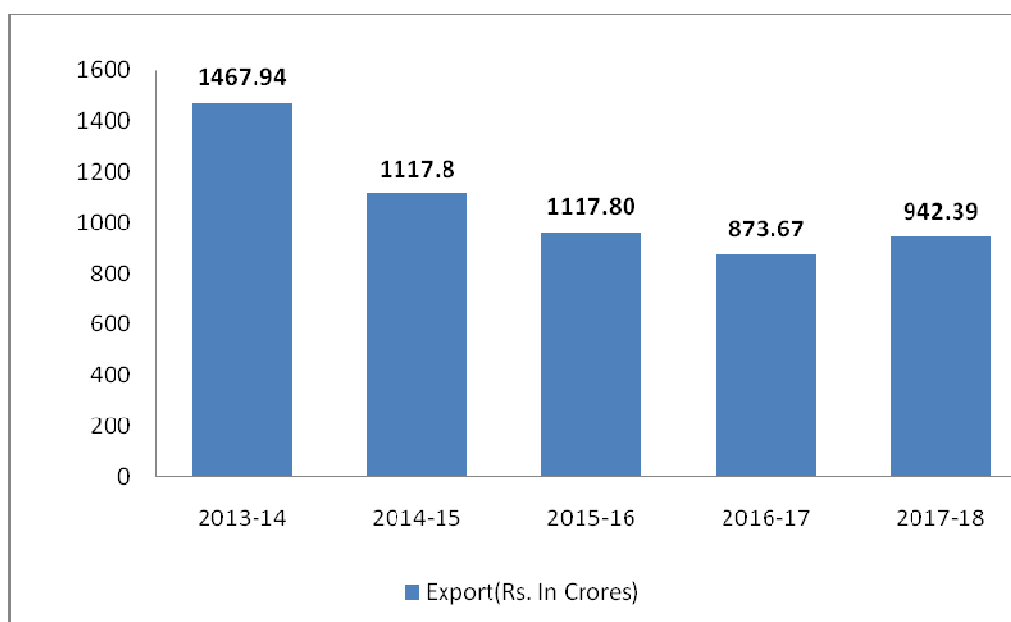
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03. Export Performance

Year-wise Export Performance of the Falta SEZ for the last 5 years is given below :-

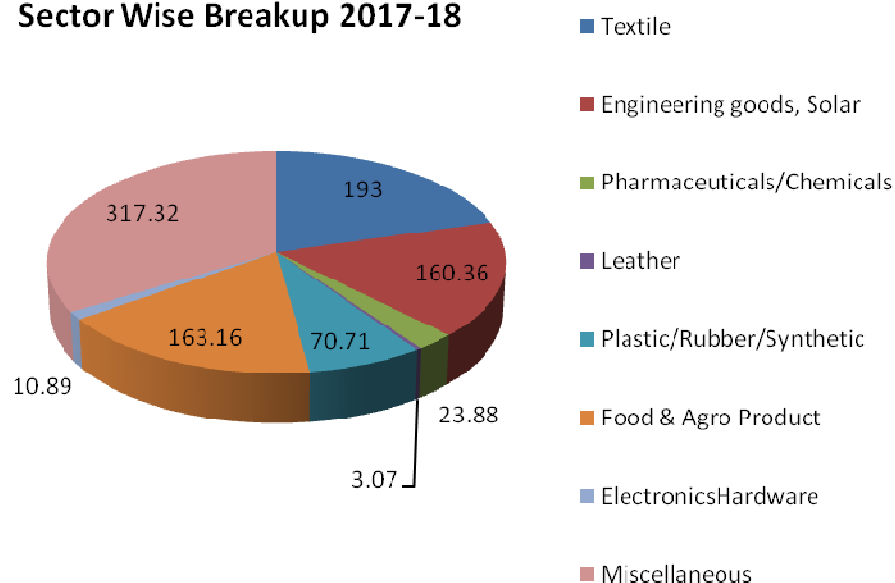
<u>Year</u>	<u>Export(Rs. In Crores)</u>
2013-14	1467.94
2014-15	1117.80
2015-16	960.75
2016-17	873.67
2017-18	942.39



Sector-wise Export Performance of the Falta SEZ is given below in Rs cr : -

Sector	2013-14	2014-15	2015-16	2016-17	2017-18
Textile	204.98	200.71	189.39	210.02	193.00
Engineering goods, Solar	763.68	460.53	206.39	273.50	160.36
Pharmaceuticals/Chemicals	13.47	8.77	1.11	3.00	23.88
Leather	7.30	14.12	11.51	20.04	3.07
Plastic/Rubber/Synthetic	128.29	109.09	88.27	65.70	70.71
Food & Agro Product	219.22	187.53	171.20	156.71	163.16
Gems & Jewellery	0.11	NIL	NIL	NIL	NIL
Electronics Hardware	8.96	8.15	9.74	4.70	10.89
Computer Software	0.87	NIL	NIL	NIL	NIL
Miscellaneous	121.06	128.90	283.14	140.00	317.32
Total	1467.94	1117.80	960.75	873.67	942.39

Sector Wise Breakup 2017-18



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04. Performance during the year indicating existing and projected activities, programs continuing from the previous year and new programs and their impact on Authority's revenue collection and impact on the Zone's export performance.

During the year 2017-18, Six authority meetings were held and various proposals were considered and approved for overall development of the zone. Some of the proposals approved are as under:

1. Repair of broken boundary wall was done to strengthen the security measures.
2. Matter regarding long term lease of land was taken up with Kolkata Port Trust and they have agreed for the same subject to certain conditions. Resolution of this long pending issue will facilitate allotment of land to new and existing units for furtherance of export activities.
3. Various contracts were awarded for maintenance of drainage system, garden, cleaning etc. for proper upkeep of the zone in line with the objectives of Swachh Bharat Abhiyaan mission of the Government of India.
4. Repair of Industrial Sheds
5. Construction of Flag hoisting stage

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2017-2018

Lease rent collected during the financial year 2008-09	Rs. 3.51 Crores
Lease rent collected during the financial year 2009-10	Rs. 6.31 Crores
Lease rent collected during the financial year 2010-11	Rs. 5.79 Crores
Lease rent collected during the financial year 2011-12	Rs. 7.35 Crores
Lease rent collected during the financial year 2012- 13	Rs. 9.47 Crores
Lease rent collected during the financial year 2013- 14	Rs. 8.29 Crores
Lease rent collected during the financial year 2014- 15	Rs. 8.81 Crores
Lease rent collected during the financial year 2015- 16	Rs. 8.60 Crores
Lease rent collected during the financial year 2016- 17	Rs. 6.59 Crores
Lease rent collected during the financial year 2017- 18	Rs. 6.15 Crores

The overall employment generated by the zone till date is as follows: -

Total Employment: 17987

<u>Male</u>	<u>Female</u>
9527	8460

05. Audited annual statement of accounts

The audited annual statement of accounts prepared by the firm of Chartered Accountants as on 31-03-2018 is enclosed herewith at Annexure – “A”.

06. Relevant information on labour front – strike, lockouts, accidents, litigation involving Authority’s estate.

Sparing labour related incidents were reported during the year and the same were taken up with the jurisdictional Assistant Labour Commissioner for resolution. There are ten court cases pending as on 31/03/2018. The cases are mainly related to payment of customs dues, rental dues, implementation of plastic policy etc. All the cases are regularly being followed up in consultation with the Government counsel.

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07. General Industrial trends in the Zone, broad details of sick, closed units and their impact on the zone's performance and Authority's estate including litigations.

There are about 76 functional units. They are doing well towards export and employment generation.

Appropriate action under SEZ Act and rules and Public Premises Act 1971 is going on for the recovery of Customs dues and lease rent from the sick/close units.

08. Achievements, Innovations, new ideas implemented.

- (i) Online filing of Customs Documents/QPR/APRs etc.
- (ii) Augmentation of increase in capacity of power supply.
- (iii) Special drive for installation of Fire Fighting Equipment.
- (iv) Construction of Canteen Building.
- (v) Intensive programme was taken for massive plantation of trees inside and Outside the zone.
- (vi) Appointment of a programmer on contract basis.
- (vii) Initiative has been taken to replace street lights into LED and solar system for energy conservation and making Sector-II of FSEZ a green SEZ.
- (viii) Appointment of fire officers on contract basis.
- (ix) Branch of Foreign Post office opened.
- (x) Appointment of legal practitioner on contract basis.
- (xi) Branch of a Bank with ATM opened for the benefit of exporter & employees of them.

09. Seminars, Conferences, Training programmes organized by the Authority.

- (i) Training programmes for online SEZ was conducted during the year by NSDL.
- (ii) An awareness camp with the help of EPF/ESI officials was conducted during the year.
- (iii) Stakeholders meeting was conducted.
- (iv) Seminar on Swatch Bharat Abhiyan conducted

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10. Events of national and international importance in which the Authority participated.

The authority did not participate in any event of national or international importance during the Financial Year 2017 - 2018.

11. Agreements with other countries/international organizations.

No such agreement was entered into by the FSEZ Authority with any other country/international organization during the Financial Year 2017 - 2018.

12. List of Publications brought out.

The authority did not bring out any publication during the Financial Year 2017-2018.

13. Welfare measures.

For the welfare of the workers/laborers of Falta SEZ this office has a pivotal role. Our responsibilities are extended either independently or in collaboration with units. The following three schemes were executed.

- (i) Crèche.
- (ii) Dining space for ladies.
- (iii) Toilet for ladies.

14. Use of Hindi as Official Language.

Hindi as official language has been used by this office in various sphere such as movement of files, display through hoardings, usages of name plate, rubber stamp etc.

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