

Government allows 100% work from home for employees of IT/ITeS units in SEZ

The Ministry of Commerce and Industry has issued Special Economic Zones (Fifth Amendment) Rules, 2022 on December 8, 2022, amending Rule 43A of Special Economic Zones Rules, 2006 (“**SEZ Rules**”), which was inserted vide Special Economic Zones (Third Amendment) Rules, 2022¹ on July 14, 2022. For a detailed analysis, please refer to our [JSA Prism of July 20, 2022](#).

The amended Rule 43A of SEZ Rules, permits all employees of Information Technology (“**IT**”) and Information Technology Enabled Services (“**ITeS**”) to work from home or from any place outside the special economic zone (“**SEZ**”) unit, till December 31, 2023. The categories of employees covered under Rule 43A of the SEZ Rules are: (a) employees of IT/ITeS units, (b) temporarily in-capacitated employees; (c) employees who are travelling; and (d) employees working offsite.

Key aspects of the amendment

1. SEZ units seeking work from home or any place outside the SEZ unit can email an intimation to Development Commissioner (“**DC**”) of the respective zones on or before the date of commencement of work from home. Further, for any permission granted to the employees for work from home or any place outside the SEZ unit, before commencement of the Special Economic Zones (Fifth Amendment) Rules, 2022, the SEZ unit must intimate the DC through an email on or before January 31, 2023.
2. SEZ units are not required to submit the list of employees who are allowed to work from home or from any place outside the unit but will be required to maintain a list of employees that have been permitted to work from home or from any place outside the SEZ unit.
3. Any duty-free goods, including laptop, desktop, and other electronic equipment, needed by the employee for work from home or from any place outside the unit, will be allowed to be taken out of the SEZ unit without payment of duty or integrated goods and services tax on temporary basis.
4. The employees working from home, or any place outside the unit, can only work for the services approved for the concerned SEZ unit by the authorities. The SEZ unit is required to ensure that the export revenue of the resultant products or services are accounted for by the SEZ unit to which the employee is tagged.
5. Where an employee ceases to be part of the project of the SEZ unit, the employee should be untagged from the SEZ unit, and the identity card of such employee should be surrendered.

¹ Notification no. G.S.R. 576(E) dated July 14, 2022

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