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Ref.No.MAIT/PY/2478

May 19, 2022

Shri Vipul Bansal, IAS
Joint Secretary
Ministry of Commerce & Industry

Sub: Recommendations on Industry Requirements relating to revision of SEZ Act

Respected Sir,

Greetings from **MAIT**, India's apex industry body empowering IT, Telecom & Electronics Hardware!

At the outset, MAIT would like to take this opportunity to thank Ministry of Commerce & Industry, Government of India for its continued support to the Indian Inc. especially amidst pandemic situation.

With the onset of deadly pandemic large percentage of workforce employed in the IT/ITES sector had been working from home (WFH). But now, IT/ITeS companies are looking at a hybrid working model with both work from office and work from home as a permanent feature including the ones based in SEZs.

With this background, MAIT submits the following recommendations:

1. **Permanent Provision for Work from Home for Units operating from SEZ**

As industry is typically operating with around 30%-50% of their staff working from home and if work from home is not provided to employees it would further add to the burden of already rising attrition rate impacting the organizations' efficiency. While SEZ rules allows companies to provide WFH, however the provision is valid till 30th June, 2022 only. Therefore, it has become extremely critical to provide flexibility to the companies to have WFH as a **permanent feature through suitable provision**.

We would like to request you to therefore consider that **employees of SEZ units can work from home on a permanent basis** and propose to the Ministry to allow **at least 50% of a company's workforce to permanently operate from home**. This would be important to specify to avoid a case-by-case approval process.

2. **Allow reduction in operational area on account of permanent work from home**

Given companies are now looking to enable WFH on a permanent basis, we would like to request the Ministry to consider permitting such units to **reduce their operational area in SEZs** subject to meeting export obligation and accommodating the staff appropriately in the space reserved.

We would also like to mention here that the industry is growing and while the area is being reduced at one place there is growth in additional operational area in other TIER 2 cities by the industry, adding to overall economic development, thus making states self-reliant by creating opportunity for the locally skilled people.

With the above-mentioned inputs, we request your good office to kindly consider industry's point of view in the revision of SEZ Act.

With regards,



George Paul
CEO