



Hybrid Work Model Extended to December 31, 2027

In a significant development, the Ministry of Commerce and Industry has extended the hybrid work model for employees working in Special Economic Zone (SEZ) units until **December 31, 2027**. This policy amendment, under sub-rule (3) of Rule 43A of the SEZ Rules, 2006, reflects a forward-thinking approach to adapting workforce policies to meet the demands of a rapidly changing business landscape.

Initially introduced to address the unique operational challenges posed by remote working needs, the hybrid model has proven to be a cornerstone of flexibility for companies operating in SEZs. Employees have been empowered to work from locations beyond SEZ premises, a move that has unlocked significant potential for businesses, especially those serving cross-border clients.

As the previous mandate was set to expire on **December 31, 2024**, there was growing concern about the uncertainty this might bring to businesses relying on remote and hybrid work models. Recognizing this, the US-India Strategic Partnership Forum (USISPF) spearheaded advocacy efforts with the Ministry of Commerce and Industry, highlighting the critical need for continuity. USISPF advocated for a longer extension, proposing a three-year period to provide much-needed stability. The Ministry's approval of this recommendation marks a significant win for industry stakeholders, ensuring businesses in SEZs can continue leveraging the hybrid model as a strategic advantage.

The decision to extend the hybrid work model to **December 31, 2027**, is more than just a policy adjustment—it is a recognition of the evolving nature of work and a commitment to keeping India's SEZs at the forefront of global competitiveness. It solidifies the country's position as a global outsourcing hub, aligns workforce policies with international best practices, and fosters an employee-centric culture that prioritizes flexibility and productivity.