

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**FRIDAY, THE THIRTEENTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX**

PRESENT

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND**

THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT APPEAL NO: 304 OF 2026

Writ Appeal under clause 15 of the Letters Patent preferred against the order dated 24/02/2025 in W P No.27409 of 2025 on the file of the High Court.

Between:

M/s. Omics International Pvt. Ltd., Registered Office at 1-90, Plot Nos.20 and 21, Kavuri Hills, Hi-Tech City, Hyderabad - 500 081, Rep.by its Authorized Signatory and Administrative Asst., Rohan Kumar Peerukatla S/o. P.V.Prabhakar Rao, Age.30 years, R/o.Hyderabad.

...PETITIONER/APPELLANT

AND

1. The Union of India,, Rep.by its Under Secretary, Ministry of Commerce and Industry, Department of Commerce, SEZ Section, Vanijya Bhavan, New Delhi - 110 001.
2. The Board of Approvals, Ministry of Commerce and Industry, Department of Commerce, SEZ Section, Vanijya Bhavan, New Delhi - 110 001.
3. The Development Commissioner, Visakhapatnam Special Economic Zone (VSEZ), 8th floor, Parishrama Bhavan, Basheerbagh, Hyderabad - 500 004.
4. M/s.Phoenix Living Spaces Pvt. Ltd., Rep.by its Director, Y.S.Viveka Enclave, 2nd Floor, Unit No.201 and 202, Flat No.2123, Sy.No.1, Khajaguda, Hyderabad - 500 032.

(Respondent No.4 impleaded as the Court Order, dt.09.10.2025 in IA No.2/2025).

...RESPONDENTS

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the decision of the 2nd Respondent to de-notify the entire SEZ area of 4.05 hectares in Sy.No.343/8 and 343/9 of Ameenpur Village, Patancheru Mandal, Sanga Reddy District in its 130th Meeting, dt.18.07.2025 as communicated by the 1st Respondent vide Letter, dt.04.08.2025, pending disposal of the Appeal.

**Counsel for the Appellant: SRI VEDULA SRINIVAS REPRESENTING
SMT VEDULA CHITRALEKHA**

**Counsel for the Respondents No 1 To 3: SRI B. NARASIMHA SHARMA
ADDITIONAL SOLICITOR GENERAL OF INDIA REPRESENTING
SRI N. BHUJANGA RAO DEPUTY SOLICITOR GENERAL OF INDIA**

Counsel for the Respondent No.4: SRI PAVAN KUMAR RAO

The Court made the following: ORDER

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND**

THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.304 of 2026

DATE:13.03.2026

Between:

M/s.Omics International Private Limited

....Appellant

And

The Union of India and 3 others

....Respondents

JUDGMENT

Heard Sri Vedula Srinivas, learned Senior Counsel representing Smt. Vedula Chitralekha, learned counsel appearing for the appellant; and Sri B.Narasimha Sharma, learned Additional Solicitor General of India representing Sri N.Bhujanga Rao, learned Deputy Solicitor General of India appearing for respondent Nos.1 to 3. Considered the material placed on record.

2. This writ appeal, preferred under Clause 15 of the Letters Patent, assails the order dated 24.02.2026 passed by the learned Single Judge in W.P.No.27409 of 2025. The appellant had sought a declaration that the decision of 2nd respondent – Board of Approvals, Ministry of Commerce and Industry (BoA) to de-notify the entire Special Economic Zone (SEZ) area admeasuring 4.05 hectares situated in Sy.No.343 of Ameenpur Village, Patancheru Mandal,

Sangareddy District, taken in its 130th Meeting held on 18.07.2025 and communicated by the 1st respondent *vide* Office Memorandum dated 04.08.2025, is unconstitutional, arbitrary and contrary to the provisions of the Special Economic Zones Act, 2005 (for short '2005 Act') and the Special Economic Zones Rules, 2006 (for short '2006 Rules') framed thereunder. The appellant had further sought a consequential direction to respondent Nos.1 to 3 to recognize it as the Developer of the said SEZ in place of the 4th respondent.

Factual matrix

3. The 4th respondent submitted a proposal on 25.05.2016 for establishment of a sector-specific Special Economic Zone for Information Technology/Information Technology Enabled Services (IT/ITES) at Ameenpur Village, Patancheru Mandal, then Medak District (now Sangareddy District), State of Telangana. Upon consideration of the said proposal, the 1st respondent issued a Formal Approval dated 07.12.2016 in favour of the 4th respondent for establishment of the said SEZ. The said approval was subject to various conditions and was valid for a period of three years up to 06.12.2019.

4. Pursuant thereto, the Central Government issued Gazette Notification S.O.No.2178(E) dated 05.07.2017 notifying an extent of 4.05 hectares situated in Sy.Nos.343/8 and 343/9 of Ameenpur Village as a SEZ. The appellant submitted an application dated

04.03.2017 seeking approval to participate in the project as a Co-Developer and was subsequently approved as Co-Developer on 31.03.2017.

5. The appellant asserts that it subsequently purchased land admeasuring approximately 13 acres situated in Sy.Nos.343/9, 343/8 and 343/13 from various pattadars (land owners) under registered sale deeds registered as document Nos.4500 to 4507 of 2017 dated 10.03.2017. The 4th respondent was also a confirming party to the said sale deeds.

6. According to the appellant, the land was purchased for the purpose of developing the SEZ project and for establishing infrastructure facilities required for the IT/ITES operations. It is further asserted that the appellant made substantial investments towards acquisition of land and allied infrastructure.

7. In the year 2018, the appellant claims to have secured an opportunity from the Software Technology Parks of India (STPI) for establishment of 1998 seats under the India BPO Promotion Scheme (IBPS) with an objective of generating approximately 6000 employment opportunities. In connection therewith, the appellant deposited an amount of Rs.1.1 Crore with STPI and furnished a Bank Guarantee of Rs.2 Crores.

8. The Government of Telangana, through its Information Technology, Electronics and Communications (ITE&C) Department,

extended certain administrative support to the project. By letter, dated 24.09.2018, the State Government recommended allotment of 10 acres of land adjacent to the SEZ for non-SEZ purposes with a view to facilitate employment generation. Subsequently, the State authorities including Telangana State Industrial Infrastructure Corporation (TSIIC) and Hyderabad Metropolitan Development Authority (HMDA), through communications dated 02.08.2024, 27.09.2024, and 27.11.2024, permitted the appellant to undertake certain works relating to road maintenance and development of access roads in the vicinity of the SEZ.

9. A further communication dated 06.02.2025 was issued by the Special Chief Secretary, ITE&C Department, Government of Telangana, requesting various government agencies to ensure prompt processing of applications relating to the IT/ITES SEZ project at Ameenpur.

10. While the matter stood thus, the 4th respondent, addressed a letter dated 11.11.2019 to the 3rd respondent, seeking cancellation/de-notification of the SEZ stating that the project had not been implemented. Thereafter, the State Government issued a No Objection Certificate (NOC) dated 18.01.2020 for de-notification of the SEZ. However, at a later stage, the 4th respondent addressed another letter dated 30.01.2023 expressing its intention to withdraw from the project and suggesting that the appellant, being the Co-Developer and

land owner, may be considered for conversion of status from Co-Developer to Developer.

11. During the pendency of the said request, the 3rd respondent raised demands towards Cost Recovery Charges (CRC) for the period 2020-21 to 2022-23, amounting to Rs.31,59,087/-. By letters dated 06.06.2024 and 02.01.2025, the 4th respondent was called upon to clear the outstanding dues. Thereafter, the 4th respondent submitted an application dated 20.02.2025 seeking extension of validity of the Letter of Approval (LoA), and subsequently paid the outstanding dues of Rs.31,59,087/- on 02.06.2025.

12. While the request for extension of validity was under consideration, the 4th respondent addressed a letter dated 02.07.2025 withdrawing its earlier request for extension of the LoA and instead sought full de-notification of the SEZ, citing internal reasons. The said request was processed by the authorities and placed before the BoA in its 130th Meeting held on 18.07.2025. The BoA approved Agenda Item No.130.13(i) recommending cancellation of the LoA and de-notification of the entire SEZ area measuring 4.05 hectares situated in Sy.Nos.343/8 and 343/9 of Ameenpur Village. The said decision was communicated by the 1st respondent through Office Memorandum dated 04.08.2025.

13. Challenging the aforesaid decision of the BoA, the appellant filed W.P.No.27409 of 2025 before this Court seeking to set aside the

de-notification and for recognition of the appellant as the Developer of the SEZ in place of 4th respondent. By an interim order dated 23.10.2025, the learned Single Judge granted suspension of the impugned decision. The learned Single Judge dismissed the Writ Petition *vide* order dated 24.02.2026, holding that the decision of the BoA was taken in accordance with the statutory framework governing SEZs and did not warrant interference under Article 226 of the Constitution of India. Aggrieved thereby, the present Writ Appeal has been filed.

Submissions on behalf of the appellant

14. Learned Senior Counsel representing the appellant assailed the order dated 24.02.2026 passed by the learned Single Judge and has advanced his submissions as under:

- i) That the impugned order suffers from non-compliance with the mandatory procedure prescribed under Rule 8 of the 2006 Rules, which requires a Developer seeking withdrawal of notification of SEZ to submit an application in Form C-6 to the concerned Development Commissioner, who is required to examine the proposal and forward the same to the BoA along with his recommendations within fifteen days. In the present case, the 4th respondent did not file an application in Form C-6 but merely addressed a letter dated 02.07.2025 seeking de-notification. It is contended that in the absence of such application and the requisite recommendation of the

Development Commissioner to the BoA, the decision of the BoA approving de-notification is procedurally defective and thus void.

- ii) By placing reliance on ***Brajendra Singh Yambem v. Union of India***¹, particularly para No.35 thereof wherein it was reiterated that where a statute prescribes that an act must be performed in a particular manner, it must be done in that manner or not at all. It was argued that the acceptance of the 4th respondent's letter dated 02.07.2025, in the absence of Form C-6 and the requisite recommendations render the impugned decision void.
- iii) That the appellant having been approved as a Co-Developer under Section 2(f), the appellant enjoys a statutory status under the 2005 Act, as the definition of "Developer" under Section 2(g), includes a Co-Developer. It is argued that the appellant stood on equal footing with the developer. It is submitted that the appellant having invested crores of rupees and secured commitments from STPI has a legitimate stake in the continuation of the SEZ project. The impugned de-notification, which adversely affects the appellants' substantial investments and development activities which entail serious civil consequences, was taken without any notice or opportunity of hearing the appellant.

¹ (2016) 9 SCC 20

- iv) It is submitted that even in the absence of an express statutory requirement, the principles of natural justice mandate that a party likely to be adversely affected must be put on notice and heard before such a decision is taken.
- v) Reliance was placed on the communication dated 17.04.2025 issued by the 3rd respondent, wherein it was indicated that the request for change of developer status could be processed after extension of validity of the formal approval by the BoA and after the developer paid the dues of Rs.31,59,087/- and it was contended that acting upon this communication, the pending dues were cleared by the 4th respondent on 02.06.2025. This according to the learned Senior Counsel gave rise to a legitimate expectation that the request for conversion of the appellant's status from Co-Developer to Developer would be considered.
- vi) That the 4th respondent had expressed its intention to withdraw from the project and had even recommended that the appellant be permitted to continue the project as Developer *vide* letter dated 30.01.2023.
- vii) According to the appellant, since the entire notified land had been purchased by the appellant, the 4th respondent had no subsisting interest in the project and therefore, could not have unilaterally sought de-notification of the SEZ.
- viii) That in circumstances where the Developer failed to discharge its obligations, the proper course was to invoke Section 10 of

the 2005 Act, which enables suspension of the LoA and transfer of the project to another eligible person. Instead of invoking the said provision and considering the appellant's request, the authorities resorted to de-notification of the SEZ, which defeats the very objective of the SEZ policy and rendered the investments already made by the appellant infructuous.

ix) Section 10 of SEZ Act is extracted hereunder:

Section 10. Suspension of letter of approval and transfer of Special Economic Zone in certain cases.

- (1) *If, at any time, the Board is of the opinion that a Developer—*
- (a) is unable to discharge the functions or perform the duties imposed on him by or under the provisions of this Act or rules made thereunder; or*
 - (b) has persistently defaulted in complying with any direction given by the Board under this Act; or*
 - (c) has violated the terms and conditions of the letter of approval; or*
 - (d) whose financial position is such that he is unable to fully and efficiently discharge the duties and obligations imposed on him by the letter of approval, and*
- the circumstances exist which render it necessary for it in public interest so to do, the Board may, on application, or with the consent of the Developer, or otherwise, for reasons to be recorded in writing, suspend the letter of approval, granted to the Developer for a whole or part of his area established as Special Economic Zone, for a period not exceeding one year and appoint an Administrator to discharge the functions of the Developer in accordance with the terms and conditions of the letter of approval and manage the Special Economic Zone accordingly.*
- (2) *Consequent upon appointment of an Administrator, the management of the Special Economic Zone of the Developer referred to in sub-section (1) shall vest in the Administrator.*
- (3) *No letter of approval shall be suspended under sub-section (1) unless the Board has given to the Developer not less than three months' notice, in writing, stating the grounds on which it proposes to suspend the letter of approval, and has considered any cause shown by the Developer within the period of that notice, against the proposed suspension.*
- (4) *The Board may, instead of suspending the letter of approval under sub-section (1), permit it to remain in force subject to such*

further terms and conditions as it thinks fit to impose, and any further terms or conditions so imposed shall be binding upon and be complied with by the Developer and shall be of like force and effect as if they were contained in the letter of approval.

(5) In case the Board suspends a letter of approval under this section, it shall serve a notice of suspension upon the Developer and fix a date on which the suspension shall take effect.

(6) Upon suspension of the letter of approval under sub-section (1), the Special Economic Zone of the Developer referred to in sub-section (5) shall vest in the Administrator under sub-section (2) for a period not exceeding one year or up to the date on which the letter of approval for such Special Economic Zone is transferred, whichever is earlier, in accordance with the provisions contained in sub-sections (7) and (9), as the case may be.

(7) Where the Board has given notice for suspension of letter of approval under sub-section (5), the Developer may, after prior approval of the Board, transfer his letter of approval to any person who is found eligible by the Board for grant of such approval.

(8) If at any time, it appears to the Board that the purpose of the order appointing the Administrator has been fulfilled or that for any reason it is undesirable that the order of appointment should remain in force, the Board may cancel the order thereupon the Administrator shall be divested of the management of the Special Economic Zone which shall, unless otherwise directed by the Board, again vest in the person, being the Developer, in whom it was vested immediately prior to the date of appointment of the Administrator.

(9) Where the Board suspends the letter of approval, under this section, in respect of any Developer, the following provisions shall apply, namely:—

(a) The Board shall invite applications for transferring the letter of approval of the Developer, whose approval has been suspended and select the person or persons, in accordance with the procedure as may be prescribed, to whom the letter of approval of the Developer in the Special Economic Zone may be transferred;

(b) upon selection of person or persons under sub-clause (a), the Board may, by notice in writing, require the Developer to transfer his letter of approval in a Special Economic Zone to the person or persons so selected and thereupon the Developer shall transfer his interests, rights and liabilities in the Special Economic Zone to any of the persons (hereafter in this section referred to as the "transferee") who has been selected by the Board on such terms and conditions and consideration as may be agreed upon between the Developer and the transferee;

(c) all the rights, duties, obligations and liabilities of the Developer, on and from the date of suspension of letter of approval or on and from the date, if earlier, on which his

letter of approval in the Special Economic Zone of the Developer has been transferred to the transferee, shall cease absolutely except for any liabilities which have accrued prior to that date;

(d) the Board may make such interim arrangements in regard to the operation of the Special Economic Zone as may be considered appropriate;

(e) the Administrator shall exercise such powers and discharge such functions as the Board may direct.

(10) The Board may, in order to promote export or to protect the interest of Units or in the public interest, issue such directions or formulate such scheme as it may consider necessary for operation of the Special Economic Zone.

Submissions on behalf of Respondent Nos.1 to 3

15. Learned Additional Solicitor General of India appearing for respondent Nos. 1 to 3 supported the order dated 24.02.2026 passed by the learned Single Judge and has advanced their submissions as under:

- i) That the LoA dated 07.12.2016 granted to 4th respondent was valid only for a period of three years, expiring on 06.12.2019.

That the Developer failed to fulfill the following conditions:

- a. Condition No.I (III)(ix) of the Formal Approval - to implement project within the three years,
- b. Submission of six-monthly progress reports, and
- c. Condition No. I(III)(xvii) - no extension would be considered and any request for extension must be made six months before expiry.

The Developer failed to comply with any of the conditions and consequently, the LoA stood expired by efflux of time on 06.12.2019 that no extension was ever granted.

- ii) That once the LoA had expired, the SEZ project itself ceased to have a valid statutory foundation. In such circumstances, neither the Developer nor the Co-Developer could claim any right flowing from an Approval that had already lapsed. That the request of the 4th respondent for change of Developer status in favour of the appellant could not be considered as the LoA was no longer subsisting. Subsequently, although the 4th respondent submitted an application seeking extension of validity and cleared the pending cost recovery charges, it later withdrew the said request and instead sought full de-notification of the SEZ by its letter dated 02.07.2025.
- iii) That the de-notification was carried out in strict compliance with Rule 8 of the 2006 Rules, as under:
 - a. The Developer, after having paid all pending dues on 02.06.2025, was entitled to make a fresh request.
 - b. By letter dated 02.07.2025, the Developer withdrew its earlier application for extension and instead requested full de-notification.
 - c. This request was considered by the respondent No.3 and placed before the respondent No.2, which is the competent statutory authority.
 - d. The BoA, in its 130th meeting held on 18.07.2025, after due deliberations, approved the request for de-notification.
- iv) That though Rule 8 prescribes Form C-6, it is the substance that mattered. The Developer's intention was remarkably clear

from the letter dated 02.07.2025. The BoA was not required to reject a request for de-notification solely on the ground of non-usage of a particular form (Form C-6) especially when the underlying approval had already expired.

- v) That the decision to de-notify was taken in accordance with the powers vested in the BoA and did not suffer from any vitiating factor.
- vi) That the appellant's status as Co-Developer does not confer any independent or overriding right to compel continuation of the SEZ, particularly when the foundational approval itself had expired. The rights of a Co-Developer, are purely derivative and contingent upon the subsistence of a valid LoA in favour of the Developer.
- vii) That neither the Act nor the Rules contemplate issuance of notice to a Co-Developer before de-notification of an SEZ. In the absence of any statutory requirement, the appellant cannot claim such a right, particularly when the de-notification is a consequence of the expiry of the LoA and the subsequent request made by the Developer.
- viii) That the appellant's reliance on the letter dated 17.04.2025 is misplaced, as the said letter merely indicated that the request for change of Developer status could be considered only after extension of the validity of the formal approval by the BoA. Since the request for extension itself was subsequently

withdrawn by the Developer, the condition precedent for considering the appellant's request never came into existence.

- ix) That the reliance placed by the appellant on Section 10 of the 2005 Act is misconceived. The said provision operates only where a valid LoA subsists and the Developer fails to discharge its obligations. In the present case, the LoA had already expired in the year 2019 and therefore, there was no subsisting approval capable of suspension or transfer.
- x) That the learned Single Judge rightly held that the decision of the BoA did not suffer from arbitrariness or procedural impropriety and that the appellant had failed to establish any enforceable legal right warranting interference under Article 226 of the Constitution.

16. We have taken note of the respective contentions urged and perused the material on record.

Consideration by this Court

17. The 2005 Act constitutes the statutory framework governing the establishment, development and operation of SEZs, whereunder a proposal for establishment of an SEZ is first considered by the BoA under Section 3. Upon approval of the proposal, a LoA is issued to the Developer under Section 3(10). The LoA forms the foundational authorization for establishment of the SEZ and precedes the notification of the area as an SEZ under Section 4. The LoA is issued

subject to specific terms and conditions, including the period of validity and the obligations to be fulfilled by the Developer. The relevant provisions of the SEZ Act, so far as are relevant are extracted hereunder:

Section 3. Procedure for making proposal to establish Special Economic Zone.

(10) The Central Government shall, on receipt of communication under clause (a) or clause (b) of sub-section (9), grant, within such time as may be prescribed, a letter of approval on such terms and conditions and obligations and entitlements as may be approved by the Board, to the Developer, being the person or the State Government concerned :

Provided that the Central Government may, on the basis of approval of the Board, approve more than one Developer in a Special Economic Zone in cases where one Developer does not have in his possession the minimum area of contiguous land, as may be prescribed, for setting up a Special Economic Zone and in such cases, each Developer shall be considered as a Developer in respect of the land in his possession.

Section 4. Establishment of Special Economic Zone and approval and authorisation to operate it to, Developer.

(1) The Developer shall, after the grant of letter of approval under sub-section (10) of Section 3, submit the exact particulars of the identified area referred to in sub-sections (2) to (4) of that section, to the Central Government and thereupon that Government may, after satisfying that the requirements, under sub-section (8) of Section 3 and other requirements, as may be prescribed, are fulfilled, notify the specifically identified area in the State as a Special Economic Zone :

Provided that an existing Special Economic Zone shall be deemed to have been notified and established in accordance with the provisions of this Act and the provisions of this Act shall, as far as may be, apply to such Zone accordingly :

Provided further that the Central Government may, after notifying the Special Economic Zone, if it considers appropriate, notify subsequently any additional area to be included as a part of that Special Economic Zone.

(2) After the appointed day, the Board may, authorise the Developer to undertake in a Special Economic Zone, such operations which the Central Government may authorise.

18. In the present case, the LoA dated 07.12.2016 was issued in favour of 4th respondent for establishment of the SEZ. The said

approval expressly stipulated that it would remain valid for a period of three years, i.e., up to 06.12.2019. The LoA also required the Developer to submit periodic progress reports and provided that any request for extension of validity should be made six months prior to the expiry of the stipulated period. These conditions form part of the regulatory framework governing implementation of the SEZ project.

19. On perusal of the record, it is clear that the project was not implemented by the Developer within the validity period stipulated in the LoA dated 07.12.2016 (which was valid up to 06.12.2019). It is also not in dispute that no request for extension of the approval was submitted six months prior to the expiry of the said period. The material placed before this Court shows that the request seeking extension of validity was made only on 20.02.2025, several years after the expiry of the approval. In the absence of any request for extension within the stipulated period and in the absence of any order granting extension by the competent authority, the LoA dated 07.12.2016 stood extinguished by efflux of time of its validity on 06.12.2019. An approval granted for a fixed period continues to operate only for the duration for which it is valid, unless it is extended or renewed in accordance with the governing statutory framework.

20. It is to be noted that the consequence of such expiry assumes significance in the present case. The status of the Developer as well as that of the Co-Developer arises from and is traceable to the LoA

granted for establishment of the SEZ. Once the validity of the LoA came to an end and no extension was granted, the rights and obligations flowing therefrom necessarily stood ceased.

21. Rule 8 of the 2006 Rules empowers the Central Government, on the recommendation of the BoA, to modify or withdraw the notification of a SEZ upon an application made by the Developer. The first proviso to the Rule contemplates that a Developer seeking withdrawal of notification shall submit an application in Form C-6 to the Development Commissioner, who shall forward the same to the BoA with his recommendations. The said Rule is extracted hereunder:

Rule 8. Notification of Special Economic Zone.

After the submission of details as required under Rule 7 and other details, if any, required by the Central Government and on acceptance of the conditions specified in the Letter of Approval, the Central Government shall notify the identified area as a Special Economic Zone under sub-section (1) of Section 4, if the area proposed for notification is not less than the minimum area prescribed under Rule 5:

2[Provided that the Central Government may, on the recommendation of the Board on the application made by the Developer, if it is satisfied, modify, withdraw or rescind the notification of a Special Economic Zone issued under this rule:

Provided further that the Developer shall submit his application for withdrawal of notification in Form C6 to the concerned Development Commissioner, as specified in Annexure III, who, within a period of fifteen days, shall forward it to the Board with his recommendations.]

22. The principal contention of the learned Senior Counsel for the appellant is that the said procedure was not followed, as the 4th respondent did not submit an application in the prescribed Form C-6,

² Inserted by G.S.R. 501(E), dt. 14-6-2010 (w.e.f. 14-6-2010).

but merely addressed a letter dated 02.07.2025 requesting de-notification. It is therefore argued that the decision of the BoA approving de-notification is vitiated for non-compliance with the prescribed procedure. From the material placed on record, it appears that the 4th respondent addressed a communication dated 02.07.2025 expressing its decision to withdraw the earlier request for extension of the LoA and seeking full de-notification of the SEZ project. The said request was processed through the office of the Development Commissioner and was placed before the BoA in its 130th meeting held on 18.07.2025, where the proposal for cancellation of the LoA and de-notification of the SEZ area was approved.

23. It is to be noted that while Rule 8 refers to submission of an application in Form C-6, the material on record indicates that the request of the Developer for de-notification was considered by the competent authorities and placed before the BoA, which is the statutory body empowered to take a decision in that regard. The absence of an application strictly in the prescribed format, by itself, would not render the decision invalid if the substance of the request was duly examined by the competent authority in accordance with the statutory scheme. The requirement of a form is directory in nature, intended to facilitate the collection of necessary information. A substantial compliance with the requirement, where the substance of the application is clear and the competent authority considers it, the

technical defect is cured. Therefore, on the substantive aspects, the requirement for de-notifications were met.

24. It is also relevant to note that the respondents have placed on record the procedural requirements ordinarily considered for de-notification, including clearance of outstanding dues and the obtaining of necessary approval from the concerned authorities. The record indicates that the cost recovery charges were cleared by the Developer on 02.06.2025, and the proposal was thereafter processed for consideration by the BoA.

25. We are unable to accept the contention of the appellant that, by virtue of its status as Co-Developer, it possessed an independent right either to oppose the de-notification of the SEZ or to compel the authorities to recognize it as the Developer. The approval granted to the appellant as Co-Developer was traceable to and operated within the framework of the LoA issued in favour of the Developer. Consequently, the rights of the Co-Developer are necessarily dependent upon the subsistence of the underlying approval granted to the Developer.

26. It is true that Section 2(g) of the 2005 Act defines the expression "Developer" to include a Co-Developer. However, the inclusive definition is intended to extend certain benefits and obligations under the Act to a Co-Developer undertaking authorized operations within the SEZ. The said definition cannot be construed as placing a Co-

Developer in the same position as the Developer for all purposes, particularly in matters relating to the grant, continuation, or withdrawal of the LoA.

27. The statutory scheme indicates that the LoA is issued to the Developer, who remains the principal entity responsible for establishment and implementation of the SEZ. In the absence of a valid and subsisting LoA or a transfer thereof approved by the competent authority, a Co-Developer cannot claim a right to assume the role of Developer or to insist upon continuation of the SEZ project.

28. The appellant has also contended that the decision of the BoA approving de-notification of the SEZ was taken without issuing notice to the appellant and therefore violates the principles of natural justice. The submission is premised on the assertion that the appellant, having invested substantial amounts in the project as a Co-Developer, was entitled to an opportunity of hearing before any decision affecting the SEZ project was taken. However, the applicability of the principles of natural justice must be examined in the context of the statutory framework and the nature of the decision under consideration. As discussed earlier, the LoA dated 07.12.2016, which formed the basis for establishment of the SEZ, had a validity of three years and expired on 06.12.2019, and no extension was granted within the stipulated period. In the absence of a subsisting LoA, the legal basis for continuation of the SEZ project itself had ceased to

operate. The decision taken by the BoA to approve de-notification was in the nature of a consequential administrative step taken in the backdrop of the expiry of the underlying approval. In such circumstances, the absence of prior notice to the appellant does not vitiate the decision.

29. It is apposite to note that the 2005 Act and the 2006 Rules, which constitute the governing statutory framework, do not prescribe issuance of notice to a Co-Developer in the process of de-notification under Rule 8. In the absence of such a requirement in the statutory scheme, the decision of the authorities cannot be faulted solely on the ground that no separate opportunity of hearing was afforded to the appellant.

30. The contention of the appellant based on the letter dated 17.04.2025 and the Doctrine of legitimate expectation also requires consideration. A reading of the said letter indicates that the request for change of Developer status was proposed to be processed only after the request for extension of validity of the formal approval was approved by the BoA. Thus, the communication was conditional in nature.

31. Further, the material on record shows that the request for extension of the LoA was subsequently withdrawn by the Developer through its letter dated 02.07.2025, and consequently the condition contemplated in the communication dated 17.04.2025 was never

fulfilled. In such circumstances, the appellant cannot claim that any enforceable legitimate expectation arose on the basis of the said conditional communication.

32. The appellant has also placed reliance on Section 10 of the 2005 Act, which deals with suspension of the LoA and the consequent arrangements that may be made by the BoA. However, the exercise of power under Section 10, presupposes the existence of a valid and subsisting LoA granted to a Developer. As noticed earlier, the LoA dated 07.12.2016 had a validity of three years and expired on 06.12.2019, and no extension of the said approval was granted. In the absence of a subsisting LoA, the question of invoking the mechanism contemplated under Section 10 does not arise.

33. The reliance placed by the learned counsel for the appellant on ***Chandra Shekhar Singh and others v. State of Jharkhand and others***³ is misplaced. The said decision was rendered in the context of interpreting the expression “degree” in the eligibility criteria under the Food Safety and Standards Rules, 2011. The Hon’ble Supreme Court held that the term would include Bachelor’s, Master’s and Doctorate degrees. However, the issue in the present case, pertains to the interpretation of the expression “Developer” under Section 2(g) of the 2005 Act, which contains an inclusive definition extending to a Co-Developer. The statutory context and the nature of the controversy

³ (2025) 9 SCC 740

being entirely distinct, the said decision does not in any way advance the case of the appellant.

Conclusion

34. For the foregoing reasons, this Court is of the considered opinion that LoA dated 07.12.2016, which formed the foundation for establishment of the SEZ, expired on 06.12.2019 and was never extended thereafter; consequently, the rights flowing therefrom, including that of the appellant as Co-Developer, cannot be asserted as independent statutory rights. The decision of the BoA to approve de-notification of the SEZ is traceable to Rule 8 of the 2006 Rules and cannot be faulted merely on the ground that the request was not submitted in Form C-6, particularly when the matter was placed before and considered by the competent authority.

35. Further, the statutory framework does not mandate issuance of notice to a Co-Developer in the de-notification process, and the letter dated 17.04.2025 being conditional upon extension of the LoA, which never materialized, does not give rise to any enforceable legitimate expectation. Further, Section 10 of the 2005 Act has no application in the absence of a subsisting Letter of Approval. We therefore find no infirmity in the order of the learned Single Judge warranting interference by this Court.

36. Accordingly, the Writ Appeal is dismissed. The order dated 24.02.2026 passed in W.P.No.27409 of 2025 by the learned Single Judge is affirmed.

As a sequel, miscellaneous petitions, pending if any, stand closed. No costs.

**SD/- P.Ch.NAGABHUSHAMBA
DEPUTY REGISTRAR**

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI. VEDULA CHITRALEKHA, Advocate [OPUC]
2. One CC to SRI. N BHUJANGA RAO Deputy Solicitor General of India [OPUC]
3. One CC to SRI PAVAN KUMAR RAO, Advocate [OPUC]
4. Two CD Copies

DAN

TKS

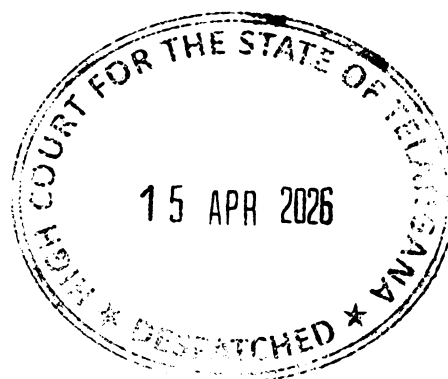
K

HIGH COURT

DATED:13/03/2026

ORDER

WA.No.304 of 2026



**DISMISSING THE WRIT PETITION
WITHOUT COSTS**

*Copies
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