

[3457]

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI
(SPECIAL ORIGINAL JURISDICTION)
MONDAY, THE EIGHTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE



:PRESENT:

THE HONOURABLE SRI JUSTICE HARINATH.N

WRIT PETITION NO: 34034 OF 2025

Between:

M/s Yash Vegetable Oils Pvt Ltd, Plot No.5A/7, IDA Vakalapudi, Thammavaram Village, Near Light House, Kakinada Rural Mandal, Kakinada, Andhra Pradesh. Rep.by its Managing Director, Vinay Agarwal S/o. Satish Agarwal.

Petitioner

AND

1. The State of Andhra Pradesh, Rep.by its Principal Secretary, Department of Industries and Commerce, Secretariat Buildings, Amaravati at Velagapudi, Guntur District.
2. The A.P. Food Processing Society, Rep.by its Chief Executive Officer, D.No.48-11/1-5/8, Gadde Sambasiva Rao Street, Sri Ramachandra Nagar, Vijayawada - 520 008. Andhra Pradesh.
3. The A.P. State Financial Corporation, D.No. 19-5-9, 2nd Floor, Besides Swatanthra Petrol Bunk, Near Kambalacheruvu, Ramchandra Rao Peta, Rajamahendravaram, Andhra Pradesh. Rep.by its Managing Director.
4. Senior Branch Manager, A.P. State Financial Corporation, D.No. 19-5-9, 2nd Floor, Besides Swatanthra Petrol Bunk, Near Kambalacheruvu, Ramchandra Rao Peta, Rajamahendravaram, Andhra Pradesh.

Respondents

Petition under Article 226 of the Constitution of India is filed praying that in the circumstances stated in the affidavit filed therewith, the High Court may

be pleased to issue a Writ or order or direction, more particularly one in nature of Writ of Mandamus to declare the action of the 1st and 2nd Respondents in not releasing the capital subsidy, interest subsidy and power subsidy under the Food Processing Policy 2015-20 in favour of the Petitioner by crediting the same to its loan account with the 4th Respondent, despite the same being sanctioned, as arbitrary, illegal and unconstitutional and consequently direct the 1st and 2nd Respondents to release the capital subsidy, interest subsidy and power subsidy under the Food Processing Policy 2015-20 in favour of the Petitioner by crediting the same to its loan account with the 4th Respondent and pass

IA NO: 2 OF 2025

Petition under Section 151 CPC is filed praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the 1st and 2nd Respondents to release the capital subsidy, interest subsidy and power subsidy under the Food Processing Policy 2015-20 in favour of the Petitioner by crediting the same to its loan account with the 4th Respondent, Pending disposal of WP 34034 of 2025, on the file of the High Court.

IA NO: 1 OF 2025

Petition under Section 151 CPC is filed praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the 3rd and 4th Respondents not to proceed in any manner against the Petitioner by resorting to any coercive measures for recovery of the outstanding loan amount, Pending disposal of WP 34034 of 2025, on the file of the High Court.

The petition coming on for hearing, upon perusing the Petition and the affidavit filed in support thereof and upon hearing the arguments of M/s POPURI LAKSHMI PRIYANVITA, Advocate for the Petitioner, GP FOR INDUSTRIES COMMERCE for Respondent Nos.1 & 2 and of Standing Counsel for Respondent Nos.3 & 4 and the Court made the following

ORDER

The learned Senior Counsel appearing for the petitioner submits that the petitioner is aggrieved by the inaction of respondent Nos. 1 and 2 in releasing the Capital Subsidy, Interest Subsidy, and Power Subsidy under the Food Processing Policy 2015-2020 in favour of the petitioner.

It is submitted that the 2nd respondent had sanctioned an amount of Rs. 2,02,58,000/- as subsidy to the unit, which was to be credited to the account of the 3rd respondent. The said sanction was issued on 13.11.2018 after the petitioner's company reached the 60% completion milestone. It is further submitted that additional subsidy was also sanctioned, but the same was not released to the account of the 3rd respondent. On account of the non-release of the sanctioned subsidy amount, the petitioner's company has now become financially unviable, resulting in the 3rd respondent taking steps under the Securitization Act.

It is submitted that the backend subsidy amount ought to be credited to the loan account of the petitioner and that, if the subsidy amount is released to the account of the 3rd respondent, the company can revive and continue to achieve the targets for which the company was incorporated.

The learned Government Pleader appearing for the 1st respondent submits that there is a batch of writ petitions seeking similar reliefs and requests four (04) weeks time.

The learned counsel for the petitioner is permitted to take out personal notice to respondent Nos. 2 to 4 by registered post with acknowledgment due and to file proof of service in the Registry.

Post the matter on 19.01.2026.

In the meanwhile, there shall be an interim direction to respondent Nos. 3 and 4 not to take any coercive steps against the petitioner.

//TRUE COPY//

SD/-U.SRI DEVI
DEPUTY REGISTRAR

SECTION OFFICER

To,

1. The Principal Secretary, Department of Industries and Commerce, State of Andhra Pradesh, Secretariat Buildings, Amaravati at Velagapudi, Guntur District.
2. The Chief Executive Officer, A.P. Food Processing Society, D.No.48-11/1-5/8, Gadde Sambasiva Rao Street, Sri Ramachandra Nagar, Vijayawada - 520 008. Andhra Pradesh.
3. The Managing Director ,A.P. State Financial Corporation, D.No. 19-5-9, 2nd Floor, Besides Swatanthra Petrol Bunk, Near Kambalacheruvu, Ramchandra Rao Peta, Rajamahendravaram, Andhra Pradesh..
4. Senior Branch Manager, A.P. State Financial Corporation, D.No. 19-5-9, 2nd Floor, Besides Swatanthra Petrol Bunk, Near Kambalacheruvu, Ramchandra Rao Peta, Rajamahendravaram, Andhra Pradesh.(by RPAD)
5. One CC to SRI. POPURI LAKSHMI PRIYANVITA , Advocate [OPUC]
6. One CC to SRI. T.BALAJI, Standing Counsel [OPUC]
7. Two CCs to GP FOR INDUSTRIES COMMERCE ,High Court Of Andhra Pradesh. [OUT]
8. **One spare copy**

ADP

HIGH COURT

HN,J

DATED:08/12/2025

POST THE MATTER ON 19.01.2026

ORDER

WP.No.34034 of 2025

INTERIM DIRECTION

