APHC010095432026

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3457]**
(Special Original Jurisdiction)

MONDAY, THE 2nd DAY OF NOVEMBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE HARINATH.N

WRIT PETITION NO: 5214/2026

Between:

1. ZENITH METAPLAST(P) LIMITED, HAVING ITS REGISTERED OFFICE AT F-18, MIDC SATPUR, NASIK, MAHARASHTRA 422007 REPRESENTED BY THE AUTHORISED SIGNATORY MR. RAFEEQ SOMBARE

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REPRESENTED BY ITS SECRETARY, SCHOOL EDUCATION DEPARTMENT INTERIM GOVERNMENT COMPLEX, VELAGAPUDI, GUNTUR DISTRICT, ANDHRA PRADESH - 522237
2. THE STATE OF ANDHRA PRADESH, REPRESENTED BY ITS SECRETARY, FINANCE DEPARTMENT, INTERIM GOVERNMENT COMPLEX, VELAGAPUDI, GUNTUR DISTRICT, ANDHRA PRADESH - 522237
3. ANDHRA PRADESH EDUCATION WELFARE, INFRASTRUCTURE DEVELOPMENT CORPORATION (APEWIDC) D. NO 7-96, SRI SAI FORTUNE HEIGHTS, VADDESWARAM, VILLAGE, TADEPALLE, GUNTUR DISTRICT, ANDHRA PRADESH - 522502 REP BY ITS MANAGING DIRECTOR 4.
4. CHIEF ENGINEER, ANDHRA PRADESH EDUCATION WELFARE INFRASTRUCTURE DEVELOPMENT CORPORATION (APEWIDC) D. NO 7-96, SRI SAI FORTUNE HEIGHTS, VADDESWARAM, VILLAGE, TADEPALLE, GUNTUR DISTRICT, ANDHRA PRADESH - 522502

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased topleased to issue a writ, order or direction one in the nature of Writ of Mandamus declaring the action of the Respondent authorities in not releasing the paymentsof Rs. 57,48,93,097/- (In words Rupees Fifty Seven Crores, Forty Eight Lakhs, Ninety Three Thousand and Ninety Seven only) of the petitioners against the respective agreements as being illegal, arbitrary and in violation of Articles 14, 19 and21 of the Constitution of India and consequently direct the respondent authorities to release the outstanding payments along with interest @ 24PERCENT per annum and pass

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

Pleased to direct the Respondent Authorities to release the indents for the balance quantity of 7,894 units lying in the godown of the Petitioner and pass

IA NO: 2 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 pleased to direct the respondent authorities to release the payments of Rs. 33,53,16,518.00 (Rupees Thirty Three Crores, Fifty Three Lakhs and Sixteen Thousands five Hundred and Eighteen only) ready to be paid vide the registered token numbers recorded on various dates and pass

IA NO: 3 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 May be pleased to grant leave to file the Counter Affidavit in W.P. No. 5214 of 2026, and to receive the same on record, and pass

IA NO: 4 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 may be pleased to dispense with the appearance of the petitioner/3rd respondent for the time being in W.P. No. 5214 of 2026 and to pass

IA NO: 5 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 may be pleased to dispense with the appearance of the petitioner 4th respondent for the time being in W.P. No. 5214 of 2026 and to pass

Counsel for the Petitioner:

1. L ARAVIND REDDY

Counsel for the Respondent(S):

1. M LAKSHMI NEELIMA SC For APEWIDCL
2. V CH NAIDU
3. GP FOR SCHOOL EDUCATION
4. GP FOR FINANCE PLANNING

The Court made the following:

THE HONOURABLE SRI JUSTICE HARINATH.N

WRIT PETITION No.5214 of 2026

ORDER:

1. The petitioner is aggrieved by the inaction of the respondent authorities in releasing the amount due and payable to the petitioner on account of supplying and assembling furniture as required by the respondent authority for upgrading the infrastructure and development of Government Schools under the caption Manabadi, Naadu-Nedu, a flagship programme launched by the State.

2. The learned counsel for the petitioner submits that the petitioner participated in the tenders for supply of dual desk type I to IV, Anganwadi furniture, furniture for common office, furniture for Government Polytechnic, furniture for CM Programme, etc. As the lowest tenderer, the petitioner was awarded the tenders.

3. It is submitted that the petitioner was required to manufacture, supply, assemble, and install the furniture as per the requirements of the respondent authority at the various locations indicated by the respondent authority. The petitioner executed the work as desired by the respondent authorities and to their satisfaction. Work completion certificates were also issued by the respondent authorities; however, the respondent authorities have failed to release the amounts due payable to the petitioner.

4. It is submitted that Clause – 17 of the agreement makes the respondents liable to release 90% of the bills after completion of the delivery. 2.5% of the estimated contract value is to be kept deposited till completion of the warranty liability period of five years. It is submitted that the respondent is due an amount of Rs.57,48,93,097/- towards the outstanding dues. It is also submitted that the petitioner has remitted statutory taxes of Rs. 50 crores towards GST and Income Tax, though the same is yet to be realised from the respondent authorities. It is submitted that the respondent authorities are neither denying the supplies nor disputing the quality of supplies; however, they are not releasing the amounts due despite admitting the liability.

5. The respondent No.2 has filed a counter and submits that as on date of filing of counter, i.e., 03.08.2026, the respondents have admitted receipt of bills amounting to Rs.24,48,86,508/- and that the same were submitted by the Commissioner, School Infrastructure, Mangalagiri and that the details relating to the balance amount have not been furnished by the Commissioner, School Infrastructure. This Court, vide order dated 04.08.2026, directed the respondent authorities to release the admitted amount of Rs.24,48,86,508/- within eight weeks while considering I.A.No.1 of 2026. On 22.09.2026, it was informed that tokens for additional amounts were received by the petitioner, and the respondents admitted the due amount of Rs.40,12,58,664/-. Respondent No. 2 appeared virtually online on 26.10.2026 and

submitted that an additional counter has been filed, stating that the finance department has not received bills corresponding to the balance amounts from the Administrative Department, i.e., Commissioner, School Infrastructure, Mangalagiri. It is also stated that the Finance Department shall examine the said bills and process them in accordance with applicable procedures.

6. The additional counter dated 26.10.2026 also states that a substantial volume of liabilities has accumulated, far exceeding the financial capacity of the state exchequer, and that liabilities exceeding one lakh crore have accumulated over the previous years, beyond the state's available fiscal resources. The additional counter also states that, due to financial constraints, there is an admitted delay in clearing the dues.

7. The additional counter also states that the delay in clearing the bills due payable is neither intentional nor wanton, but due to financial exigency.

8. Respondent No. 3 has filed a counter, stating that an amount of 33.53 crores has been processed for clearance and has also been uploaded on the CFMS Portal for clearance.

9. Respondent No. 2, appearing virtually online on 26.10.2026, assured this Court that the payments due to the petitioner shall be cleared expeditiously and that part amounts shall be released shortly.

10. The learned counsel appearing for the petitioner has submitted that, in pursuance of the assurance of the respondent No. 2, the petitioner

received part amount of Rs.65 lakhs; however, the same does not meet the requirement of the petitioner as the petitioner has to survive as a unit and that it has over 2000 employees whose survival is also at stake, as the petitioner is undergoing severe financial distress on account of the delayed payments.

11. Heard learned counsel for the petitioner, learned Assistant Government Pleader for respondent No. 2, and learned standing counsel for respondent No. 3. Perused the material on record.

12. The supplies by the petitioner are not in dispute; the petitioner was paid part of the bills raised, leaving a substantial balance to be cleared by the respondent authorities and credited to the petitioner's account by the competent respondent authority.

The finance department is claiming that bills relating to the total supplies made by the petitioner are to be received and that the bills are cleared for payment only with respect to the bills which were submitted by the Commissioner, School Infrastructure, Mangalagiri. Respondent No.3 claims that bills relating to 33.53 crores have already been cleared and uploaded on the CFMS Portal. There is a mismatch in the amounts admitted to be uploaded on CFMS portal as seen from the counters of respondent Nos.2 and 3. Respondent No.2 filed its counter on 03.08.2026 and states that tokens were generated for bills amounting to

Rs.24,48,86,508/-. The averments in the counter filed by respondent No.2 and respondent No.3 are not in parity.

13. The respondents are evidently passing on the baton of responsibility to the various respondent departments without any valid reason. The work completion certificates *ipsofacto* entitle the petitioner to payments. The counters submitted before this Court amply indicate the financial constraints in clearing the petitioner's bills; the State's financial constraints cannot be pitted against the petitioner and render the petitioner a non-performing asset of the petitioner's bankers.

14. The State is responsible for ensuring that payments due to suppliers are cleared in a time-bound manner to ensure seamless supplies from competitive and qualified suppliers to meet the State's requirements for now and in the future.

15. On these considerations, this Court is of the considered view that the writ petition deserves to be disposed, directing the respondent authorities to expedite the processing of bills and clearance of the bills due and payable to the petitioner towards the work executed and for which the completion certificates are issued by the respondent authorities. The respondents are hereby directed to complete the process of processing the bills and releasing the bills payable to the petitioner within a period of 12 weeks from the date of receipt of this order.

16. Accordingly, the writ petition is disposed of. There shall be no order as to costs.

As a sequel, miscellaneous petitions pending, if any, shall stand closed.

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JUSTICE HARINATH.N

Dated 02.11.2026
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THE HONOURABLE SRI JUSTICE HARINATH.N

WRIT PETITION No.5214 of 2026
Dated 02.11.2026

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