

HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

MAIN CASE No.: W.P.Nos.20280 & 20282 of 2025

PROCEEDING SHEET

Sl.No	DATE	ORDER	OFFICE NOTE
01.	01.08.2025	<u>NV, J</u> Heard the learned counsel for the petitioner and the learned Standing Counsel for the respondents. The case of the petitioner herein is that the petitioner was entered into lease agreement with the Visakhapatnam Port Authority for getting lease hold rights in respect of the scheduled land for a period of ten (10) years with the condition of profit sharing ratio apart from paying annual rent. As per the terms of the said lease agreement, the petitioner herein furnished security deposit as well as for addressing future annual rents by way of Bank Guarantee. The learned Senior Counsel for the petitioner submits that without there being any quantification of amount to be payable by the petitioner pursuant to the alleged nonpayment of the annual amounts and also alleged violations of other terms of agreement by the petitioner, the 1st respondent has addressed a letter dated 30.07.2025, directing the 2nd respondent herein for encashment and to remit the Bank Guarantee proceeds in favour of the 1st respondent's account, and the said action of the 1st	

		respondent is contrary to the terms of the conditions of lease and also the terms of performance of Bank Guarantee, and further violation of principle of fair and reasonableness. On the other hand, the learned Standing Counsel for the respondents, furnished a copy of the written instructions dated 01.08.2025, wherein, it is stated that the 1st respondent has addressed two letters to the 2nd respondent on 30.07.2025 for encashment of Bank Guarantees for an amount of Rs.2,50,00,000/- and Rs.1,62,00,000/-. Pursuant to the letters, the 2nd respondent bank acted upon and credited the Bank Guarantee amount in favour of the 1st respondent's Union Bank account. But, the same was disputed by the learned counsel for the petitioner as per his instructions so far that the subject amounts are not debited to the petitioner's account. Considering the submissions made by the learned counsel for the petitioner and the learned Standing Counsel for the respondents and in view of the facts and circumstances as stated above, this Court is inclined to grant an interim injunction restraining the 2nd respondent not to permit for encashment of the Bank Guarantee <i>vide</i> B.G.No.03511IGL0000123, dated 13.01.2023 and B.G.No.03511IGL0000623, dated 03.08.2023, for a period of three (03) weeks, if the same was not encashed as of now till the order of by this	
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		Court. However, the petitioner shall be allowed to operate regular activities as per the lease agreement regarding schedule property of lease deed, until further orders. For filing counter-affidavit, list these matters after three (03) weeks. NV, J Note: Issue CC Today B/o.SCH	
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