IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08.04.2026

CORAM

THE HONOURABLE MR.JUSTICE **SENTHILKUMAR RAMAMOORTHY**

O.A.No.1207 of 2025
in C.S. (Comm.Div.) No.334 of 2025

ANSALDO CALDAIE BOILERS INDIA PVT. LTD.
Rep. By its Director Mr.Jawahar Pachayappan
Office No.3, 3rd Floor, Ceebros Centre,
New No.39 (Old No.45), Montieth Road,
Egmore, Chennai – 600 008. .. Applicant

vs

1.G.ELLI RIDUTTORI SEITES S.R.L
rep. By its Managing Director Mr.Pietro Elli
Regd. Office at Piazzale L.Cadorna,
13-20123, Milano-Italy.

2.IDBI Bank
rep. By its Branch Manager,
115, Anna Salai, Saidapet,
Chennai – 600 015. .. Respondents

For Applicant	:	Mr.P.J.Sri Ganesh
For Respondents	:	Mr.Kalyan Jhabakh for M/s.Surana and Surana for R1 Mr.K.Balamurali for M/s.Shivakumar and Suresh for R2

ORDER

Letter of credit No.250129FCU00012 dated 15.09.2025 was opened by the second defendant in favour of the first defendant.

This was in relation to supply of goods by the first defendant to the plaintiff. The plaintiff has sued for declaration that such letter of credit is null and void and for injunctive relief relating thereof. By order dated 05.01.2026, the second defendant was restrained from making payments under the letter of credit to the first defendant. Such order remains in force as on date.

2. Pursuant to negotiations, the first defendant has agreed to provide bank guarantee for a sum of Euro 102315, which is said to be equivalent to the value of the letter of credit. The first defendant has also agreed to keep the bank guarantee alive until disposal of the suit. Subject to this condition, the first defendant requests that it be permitted to receive payments from the second defendant under the letter of credit.

3. The plaintiff is agreeable to this course of action, but points out two issues with the bank guarantee. The fist issue is that the demand for payment is required to be accompanied by a certification by the IDBI Bank regarding judgment and decree in the suit. The second issue pertains to the validity of the bank guarantee being upto closure of legal proceedings as communicated by the High Court through the IDBI Bank.

4. Learned counsel for the IDBI Bank submits that the certified copy of the judgment of this Court would be communicated to the issuer of the bank guarantee by certifying that the same is a certified copy. This allays the apprehension of the plaintiff.

5. Therefore, on condition that the first defendant ensures that the bank guarantee is periodically renewed and kept alive until disposal of the suit by a judgment, interim order issued on 05.01.2026 is discharged and the first defendant is permitted to receive the proceeds of the letter of credit. Accordingly, this original application is closed.

08.04.2026

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P.S.: UPLOAD FORTHWITH

SENTHILKUMAR RAMAMOORTHY,J.

mmi

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