NATIONAL COMPANY LAW APPELLATE TRIBUNAL
AT CHENNAI

(APPELLATE JURISDICTION)

05.10.2026

Present: JUSTICE N. SESHASAYEE, MEMBER (JUDICIAL)

JATINDRANATH SWAIN, MEMBER (TECHNICAL)

IA No.1473/2026
in
Company Appeal (AT) (CH) (Ins) No. 518/2026

In the matter of:

R. RADHA
Director (Suspended) and Promoter,
Hotel Radha Prasad Private Limited,
No. 70, First Floor, Rangasamy Street,
Kadambaadi Amman Nagar, Nerkundram,
Tiruvallur, Chennai – 600 107. ... Appellant

Vs

S. SEPHULOHNIAM
S/o. Somu,
Aged about 70 years,
No.600, Murugan Koil Road,
A. Mathur, M. Kulavaipatti Panchayat,
Pudukottai Taluk – 622 203.

PALANIGOUNDER ESWARAMOORTHY
Interim Resolution Professional of
Hotel Radha Prasad Private Limited,
44, 5th Street, Ramalingajothi Nagar,
Near Corporation Office, Nanjundapuram Road,
Ramanathapuram,
Coimbatore, Tamil Nadu – 641 045. ... Respondents

Present :

For Appellant : Mr. V. Raghavachari, Senior Advocate
For Mr. J. Manivannan &
Ms. B. Birunda, Advocates

For Respondents : Mr. TK. Bhaskar, Advocate
For Ms. A. Vidya &
Mr. Ponnappa Bharati, Advocates for R1
Mr. P. Eswaramoorthy, IRP

ORDER

(Hybrid Mode)

[Per: Justice N. Seshasayee, Member (Judicial)]

IA No.1473/2026 in Comp App (AT) (CH) (Ins) No.518/2026:-

1. In our order dated 29.09.2026, the submissions on either side have been captured. The issue is, how the Corporate Debtor in this case is treated. If it is treated as a guarantor, then it raises some interesting issues inasmuch as the principal borrower itself would be a guarantor to itself, which in law, is not permissible and in terms of Section 126 of the Contract Act, 1872, at least there must be three parties.
2. Eventually, it is an issue that touches upon the jurisdiction of the Tribunal to take cognisance of the debt and default as alleged by the creditor, based on the deed of guarantee placed before us. Given the nature of the dispute raised, we passed an interim order of stay.
3. Both sides are required to submit their pointed notes of submission on the only point of law raised.

List this appeal on **18.11.2026.**

[Justice N. Seshasayee]
Member (Judicial)

[Jatindranath Swain]
Member (Technical)

VG/PC/MS