IN THE NATIONAL COMPANY LAW TRIBUNAL
DIVISION BENCH (COURT– I) CHENNAI

ATTENDANCE CUM ORDER SHEET OF THE HEARING
HELD ON **08.07.2026** THROUGH VIDEO CONFERENCING

PRESENT: **HON'BLE SHRI. SANJIV JAIN, MEMBER (JUDICIAL)**
HON'BLE SHRI. VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

APPLICATION NUMBER	**:**
PETITION NUMBER	**:** CP(CA)/39/CHE/2018
NAME OF THE PETITIONER(S)	**:** A Jeyavelu
NAME OF THE RESPONDENTS	**:** Aalta Tools and Designs Pvt Ltd
UNDER SECTION	**:** Sec 241/242 of CA, 2013

ORDER

Present: Ld. Counsel Shri. Vedhavel for the Petitioner.

Vide separate order pronounced in Open Court, the petition is admitted for winding up of the Company under Section 271-272 of the Companies Act, 2013. Mr. G.S. Sudhir is appointed as the Provisional Liquidator.

Sd/-
(VENKATARAMAN SUBRAMANIAM)
MEMBER (TECHNICAL)

Sd/-
(SANJIV JAIN)
MEMBER (JUDICIAL)

MG

Date: 08.07.2026

IN THE NATIONAL COMPANY LAW TRIBUNAL, DIVISION BENCH – I, CHENNAI

Company Petition No.39 of 2018

(Filed under Section 241, of the Companies Act, 2013)

In the matter of ***AALTA TOOLS AND DESIGNS PRIVATE LIMITED***

A.Jeyavelu, Son of Mr.Appasamy,
No.97, Gangai Amman Koil Street,
Selvi Nagar, Kattur, Chennai - 600062

... Petitioner

Vs

1. **Aaltta Tools and Designs Private Limited,**
No.SP-95-E, Ambattur Industrial Estate,
South Phase, NA, Ambattur,
Chennai – 600 058

2. M.Rajesh,
S/o. Mr.Mahadevan,
62A, Thiruper Kavaraipettai (PO)
Amirthamangalam,
Tiruvallur – 601 206

3. Vijayakumarai,
Wife of Mr.Sathya Narayana
170, Thirumalai Vasan Nagar,
Thirumullaivoyal – 600 062

4. Sathya Narayana,
170, Thirumalai Vasan Nagar,
Thirumullaivoyal – 600 062

5. Visage Holdings & Finance (P) Limited,
No.50, Second Floor, 100 feet road,
HAL 2nd Stage, Indira Nagar, Bangalore-560038

(5th Respondent impleaded as per the order made in IA No.225/2019 dated 10.01.2020

…. Respondents

Order Pronounced on 08th July, 2026

CORAM

SANJIV JAIN, MEMBER (JUDICIAL)
VENKATARAMAN SUBRAMANIAM, MEMBER (TECHNICAL)

Petitioner : S.Vedhavel, Advocate
Respondents : Ex -parte

O R D E R

(Hearing conducted through hybrid mode)

This petition **CP/39/2018** has been filed by the Petitioner under Section 241 of the Companies Act, 2013 seeking the following relief:

To order winding up of the company as there is a deadlock in the management of the company and that the debts and liabilities of the company are more than that of the assets and receivables of the company and the company cannot be revived in the normal business course, and pass such further or other orders as deemed fit and proper in the circumstances of the case and thus render justice.

SUBMISSIONS OF THE PETITIONER:

2. It is stated that the Petitioner is one of the subscribers to the Memorandum of Association and holds 50% of the equity share capital of the Company. It was incorporated on 09.07.2015 with the Registrar of Companies, Chennai, having an authorised and paid-up share

capital of Rs.1,00,000/- and registered as an MSME. The Company was originally incorporated with the Petitioner and Ponnusamy as its first Directors and subscribers. Ponnusamy resigned on 24.02.2016 and was succeeded by P. Rajivegandhi, who subsequently resigned on 24.08.2016.

3. It is stated that the Petitioner initially held 5,000 equity shares, while the remaining 5,000 shares were held by Ponnusamy. Thereafter, Ponnusamy transferred 1,000 shares to the Petitioner and the balance 4,000 shares to P. Rajivegandhi. Upon the latter's resignation, the Petitioner paid him Rs.7,80,000/- together with a car and a two-wheeler valued at approximately Rs.3,00,000/-.

4. It is stated that Respondent No.2 and Respondent No.3 were inducted as Directors on 05.10.2017 and 29.11.2017 respectively. The Petitioner agreed to transfer 500 shares each to them along with the 4,000 shares earlier held by Rajivegandhi. According to the Petitioner, Respondent Nos.2 and 3 neither paid the agreed consideration nor completed the share transfer formalities despite repeated reminders, yet falsely represented themselves as majority shareholders and assumed control over the affairs of the Company.

5. It is stated that Respondent Nos.2 and 3 were inducted to strengthen the management of the Company but they, instead acted in collusion to exclude him from the management and take over the control of the Company. It is stated that despite being aware that he (Petitioner) had invested approximately Rs.60.0 lakhs by mortgaging his properties and

an aggregate investment of nearly Rs. 2.0 crores in the Company, they disregarded his views, claimed majority control over the Board, compelled him to sign business documents against his will, treated the Company as a source of personal gain without making any substantial investment, and thereby caused the deterioration of the Company's financial.

6. It is alleged that although it had been agreed that no remuneration would be paid to the Directors, Respondent Nos.2 and 3 drew remuneration from the Company. It is also alleged that they authorised Respondent No.4, Mr. Kathula Sathyanarayana, husband of Respondent No.3, to obtain the Company's Digital Signature Certificate. Though the Petitioner's consent was limited to that purpose, but the Respondent No.4 projected himself as an authorised representative and Director of the Company before customers, suppliers, bankers and the public, and exercised control over the Company's affairs with the support of Respondent Nos. 2 and 3.

7. It is stated that after Respondent Nos. 2 to 4 assumed control, they withdrew more than Rs.6,00,000/- from the Company, attempted to remove him from the management, instigated employees against him, repeatedly demanded money from him and compelled him to pay approximately Rs.8,00,000/- on different occasions. It is further alleged that Respondent Nos.2 and 4 misused the Company's email by sending communications to the suppliers, financiers, bankers and customers,

including emails in the Petitioner's name stating that the Company is being wound up, resulting in the disruption of supplies, withholding of customer payments damaging the Company's commercial reputation. It is stated that although he changed the email password, but most of the emails had already been deleted and only one such email could be retrieved from a recipient.

8. It is stated that the operational creditors, namely M/s. VBS Industries and M/s. VBS Engineers, issued demand notices under Rule 5 of the Insolvency and Bankruptcy Rules, 2016. It is alleged that the actions of Respondent Nos.2 to 4 resulted in loss of customers, refusal of suppliers to continue business and substantial financial loss to the Company.

9. It is stated that Respondent Nos. 2 and 3 sought control over the Company's banking operations by convening Board Meetings without following due procedure or furnishing agenda papers and supporting documents. On his refusal to participate and his objections thereto, Respondent Nos. 2 to 4 represented to UCO Bank that they are majority shareholders and procured freezing of the Company's bank accounts, thereby paralysing its operations and damaging the Petitioner's reputation.

10. It is stated that Respondent Nos. 2 to 4 attempted to remove the Company machinery by engaging local persons despite pending wages of employees and thereafter threatened to remove the machinery when resisted. It is stated that they also expressed willingness to hand over

the Company machinery to the creditors, financiers, workers and other claimants without regard to the Company's interests or existing security created in favour of Reliance Finance. Specific instances include permitting Kinara Finance to take possession of the machinery, agreeing to hand over machinery to one Mr. Sekar, advising UCO Bank to seize machinery, encouraging suppliers and workers to appropriate machinery towards their dues, and facilitating disconnection of electricity by the landlord while attempting to surrender the Company machinery and tools. It is stated that these actions were prevented only due to his intervention.

11. It is stated that the Petitioner alone protected the Company's assets by persuading the creditors, financiers and police authorities to follow due process of law. It is stated that Respondent Nos.2 and 3 directed the creditors to approach him for payments while independently taking decisions concerning the Company's affairs without consulting him.

12. It is stated that although all the Directors were jointly responsible for maintaining statutory records and filing annual returns and financial statements, Respondent Nos. 2 and 3 blamed him alone for such defaults despite constituting majority on the Board. He also alleged that they falsely alleged removal of the Company's books of account, whereas except for the cheque books retained for operational convenience, all records remained in the Company's premises and were accessible to Respondent Nos. 2 to 4.

13. It is stated that Respondent Nos. 2 and 3 conducted Board Meetings according to their own wishes, compelled him to execute documents against his will, failed to cooperate in statutory compliances, attempted to fasten the Company's liabilities solely on him despite managing its affairs, and lodged a false criminal complaint alleging non-payment of money due to them.

14. It is alleged that the Company has become completely non-functional due to freezing of its bank accounts, disconnection of electricity by the landlord, departure of workers, management deadlock and issuance of an eviction notice.

15. It is stated that the the Company's liabilities are approximately Rs. 2.30 crores as against assets and receivables of about Rs.1.20 crores. It is further stated that despite issuing a detailed communication to Respondent Nos.2 and 3 seeking their cooperation for revival of the Company, no response was received. Since the Company's premises has become inaccessible, the Petitioner could file only such documents as were available with him and has approached this Tribunal seeking appropriate reliefs, including winding up of the Company.

REPLY FILED BY R2 TO R4:

16. At the outset, the Respondents R2 to R4 have questioned the maintainability of the petition, contending that although it has been filed under Section 241 of the Companies Act, 2013 alleging oppression and mismanagement, but the principal relief sought is for winding up

of the company, which falls under Section 271 of the Act. According to the respondents 2 to 4, the petition is misconceived and has been instituted with an ulterior motive of shifting the responsibility for the company's financial distress upon the respondents.

17. It is stated that the petition has been filed with mala fide intention to vilify the respondents 2 to 4, divert the grievances of the creditors and suppliers from the petitioner and suppress the petitioner's own acts of oppression, mismanagement and financial impropriety. It is contended that the petitioner has neither produced cogent documentary evidence in support of the allegations nor approached this Tribunal with clean hands, having deliberately suppressed several material facts.

18. It is stated that the respondents 2 to 4 have no personal knowledge regarding the resignation of the erstwhile director, Ponnusamy, except what had been represented by the petitioner. The Respondents 2 to 4 also questioned the petitioner's claim that he had paid ₹7,80,000 and provided a car and a two-wheeler worth ₹3,00,000 to Rajivegandhi, who had served as a director only for a brief period. It is contended that the petitioner has suppressed the fact that, between August 2016 and October 2017, his own brothers, Jaishankar and Parthasarathy, were the directors in the company.

19. It is stated that 2nd respondent and 4th respondent were employed in Balsara Engineering Product Private Limited. They resigned from their respective employments only upon the request of the petitioner,

who assured them of better remuneration, participation in profits and induction into the management of the company. Since the 4th respondent was unwilling to accept directorship owing to his technical responsibilities, the petitioner proposed the induction of the 3rd respondent as a director. The respondents denied the allegations made against them and asserted that, during their tenure, their professional efforts substantially improved the company's turnover to approximately ₹2.15 crores.

20. It is claimed that neither the 2nd respondent nor the 3rd respondent received any remuneration as directors. It is stated that the 2nd respondent had arranged a loan of ₹4,00,000/- through a money lender and advanced the same to the petitioner, who defaulted in repayment of the principal as well as interest after making payments only for a few months. The 2nd respondent was paid only the conveyance expenses, while the 4th respondent received salary only for a limited period and is entitled to salary arrears of ₹1,90,000/-.

21. The respondents denied the allegation that they acted against the interests of the company by communicating with the suppliers, bankers and customers. They contended that the petitioner, despite exclusively handling the financial affairs of the company, failed to disclose its true financial position and diverted company funds towards repayment of his personal liabilities and payments to third parties. It is alleged that the petitioner also disposed of certain machinery without transparency. It is stated that when the suppliers

repeatedly complained about non-payment of their dues, they merely advised certain suppliers to defer further supplies to prevent the company from incurring additional liabilities and to safeguard its interests.

22. It is stated that on examining the financial affairs of the company between January and March 2018, they discovered that the petitioner had availed several borrowings from Reliance Financial, Astute Finance, UCO Bank and Kinara Finance by creating liabilities in the name of the company. They alleged that the business receipts and sale proceeds were not utilised for repayment of such borrowings but were diverted towards personal liabilities, payments to Margadarsi Chit Fund, an unregistered chit operated by one Mr. Murugan and other unrelated transactions.

23. It is alleged that the petitioner attempted to divert an amount of ₹20,00,000/- to VBS Industries, an entity managed by his brothers, on the strength of invoices unsupported by purchase orders or delivery challans. It is stated that such transactions revealed serious financial irregularities in the affairs of the company.

24. It is stated that when these financial irregularities were questioned, the petitioner became hostile and insisted upon respondents 2, 3 and 4 to resign from the company while offering compensation to them which they declined. It is alleged that it was the petitioner's practice to induct individuals as directors for facilitating borrowings from financial institutions and thereafter remove them from the

management. The Respondents 2 to 4 contend that the petitioner ignored their repeated advice to regularise the company's finances, convene meetings with the statutory auditor, finalise the accounts for the financial year 2017–2018 and disclose the financial statements of the previous financial year but he neglected.

25. It is stated that the Respondents 2 to 4 thereafter refrained from participating in the affairs of the company for a brief period to enable the petitioner to resolve the financial issues. However, upon learning from the creditors, suppliers and employees that the company frequently remained closed and recovery proceedings have been initiated by the financial institutions, they requested the petitioner to disclose the complete financial position of the company and convene a meeting of the Board to address the prevailing deadlock.

26. It is stated that, as the petitioner failed to take corrective measures, respondents 2 and 3 addressed communications to the company's bankers requesting that the cheques issued by the petitioner should not be honoured. It is stated that all such actions were taken bona fide and solely with a view to protecting the interests of the company, its creditors, suppliers, employees and other stakeholders. It is stated that the petitioner was fully aware that the 3rd respondent had resigned from the office of director in December 2018.

27. The respondents reiterated that this petition, though instituted under Section 241 of the Companies Act, substantially seeks the relief of winding up under Section 271 and has been filed only to enable the

petitioner to evade his liabilities by making the respondents scapegoats for the financial collapse of the company. While they stated that they have no objection to the company being wound up in accordance with law, they emphatically denied the allegations of oppression, mismanagement or misconduct levelled against them and attributed the financial difficulties of the company solely to the petitioner's acts and omissions.

REJOINDER FILED BY THE PETITIONER:

28. It is stated that the respondents' plea that they were unaware of the identity of the directors at the time of assuming office, appears improbable. The petitioner disputed the claim that Jaishankar and Parthasarathy were directors in the company. It is stated that the respondents 2 to 4 are in the control and custody of the company's records and, therefore, it is incumbent upon them to produce the relevant documents before the Tribunal. The petitioner has placed reliance on the Company Master Data, which is stated to be available in public domain, to establish the present constitution of the Board of Directors.

29. It is stated that the company is managed by its Board of Directors and not by the petitioner in his individual capacity. Therefore, allegations that high salaries were offered by the petitioner, do not, on the face of it, merit acceptance in the absence of supporting material. With respect to the alleged increase in turnover, it is stated

that the respondents, being in custody of the financial records, have not placed the relevant documents to substantiate their claim.

30. It is stated that the respondents stand appears inconsistent inasmuch as they stated that they joined the company on a monthly salary, while simultaneously alleged non-payment of salary. The petitioner questioned the credibility of such claim, particularly in view of the alleged prolonged silence of the respondents regarding non-payment. The allegation regarding loan of Rs. 4,00,000/- is also disputed as being unsubstantiated. It is stated that the respondents have not specified the period for which salary was paid to the 4th respondent, thereby rendering the claim of Rs. 1,90,000/- towards salary dues uncertain and unsupported by particulars or records.

31. It is stated that the pleadings of the respondents disclose apparent contradictions. While on one hand, they claim to have contributed to the growth in turnover of the company, but on the other hand they allege diversion of company funds by the petitioner for personal purposes and in favour of third parties. Such inconsistent stand, without documentary support, raises doubts regarding their veracity. The petitioner further contends that emails were sent by the respondents expressing a desire to close down the company, which reflects lack of bona fides; however, no such emails have been produced before the Tribunal.

32. It is stated that although the respondents alleged that the petitioner was managing financial transactions, but they also claimed

to have examined the cash flow for the period January 2018 to March 2018. The selective reference only to loan transactions, without corresponding details of income and expenditure, remains unexplained. It is stated that from the reply of the Respondents, it is clear that the respondents 2 to 4 are in the custody of the books of accounts, invoices, and inventory records of the company. Regarding the payments to various entities including Margadarsi Chit Fund, Murugan, and VBS Industries, it is submitted that the respondents be directed to produce all relevant documents in their custody to enable proper adjudication based on records.

33. It is stated that the respondents, being in majority on the Board of Directors, cannot absolve themselves of responsibility for the management of the company by attributing all liabilities, including those relating to employees, suppliers, and creditors, to the petitioner alone. The responsibility for maintenance and finalisation of accounts lies with the Board as a whole, particularly those in control. The petitioner alleges lack of cooperation from the respondents and asserts that they acted in a manner detrimental to the smooth functioning of the company.

34. The Petitioner has also raised allegations regarding breaking open of the factory premises by a creditor, purportedly with the connivance of the respondents, and consequent removal of machinery and company documents. It is stated that the whereabouts of such

machinery and records are unknown, and no satisfactory explanation has been furnished on this aspect.

35. The petitioner asserts that all the company documents are in the possession of the respondents. It is stated that looking into the nature of the allegations, the petition cannot be rejected on maintainability grounds as contended by the respondents. The issues raised require examination based on documentary evidence, which are under the control of the respondents.

FINDINGS OF THIS TRIBUNAL:

36. Heard Ld. Counsels for the parties and perused the record.

37. Before we delve in to the findings, it is relevant to refer to the order of this Tribunal dated 05.05.2025 where this Tribunal recorded that the respondents have no objection if the petitioner takes over the company on as is where is basis.

38. Vide order dated 16.10.2025, this Tribunal also recorded that the Counsels for the parties on instructions submit that the parties are not in a position to run the company and give consent for initiating winding up proceedings against the company. They stated that the

parties could not reach to an amicable settlement. The Tribunal thereafter directed the parties to file a memo.

39. The Petitioner has filed a memo vide S.R.No.5026 dated 25.11.2025 wherein it is stated that the Petitioner consents to the initiation of winding up proceedings against Aalta Tools and Designs Pvt Ltd and appoint an official liquidator to take charge of the assets and affairs of the company.

40. Again vide order dated 12.01.2026, this tribunal recorded that despite repeated calls and case awaited, none for the respondents are present; even on the last date, none for the Respondents was present. Respondents are set as ***ex-parte***. It is pertinent to mention that during the hearing on 28.01.2019, it was submitted by the Respondents that one of the Creditors of the Company namely Visage Holdings & Finance Pvt. Ltd., broke open the factory illegally and took the possession of the machineries, tools, documents and other items lying in the premises. This Tribunal directed the Petitioner to file an application for arraying Visage Holdings & Finance Pvt. Ltd. as Respondent. The Petitioner accordingly moved an application which

application was allowed vide an order dated 10.01.2020 and Visage Holdings & Finance Pvt. Ltd. was impleaded as Respondent No. 5. Though, Respondent No. 5 filed some documents vide Sr. No. 1070 dated 13.02.2020 but did not file any reply. The proceedings of 08.09.2021 record that it was submitted by R5 that machinery and other equipments of R1 company were taken away by the Respondents based on the directions of City Civil Court, Bangalore.

41. Following issues arise for consideration before this Tribunal:

1. Whether the petition is maintainable in view of the reliefs sought?

2. Whether there exists a complete management deadlock and loss of substratum of the Company; and

3. Whether the Company is liable to be wound up and a Provisional Liquidator is required to be appointed.

Issue No 1.

1. Whether the petition is maintainable in view of the reliefs sought?

42. The Respondents have raised a preliminary objection that the petition is not maintainable as it is styled under Section 241 while it substantially seeks winding up.

43. This Tribunal is unable to accept the said contention. It is a settled principle of law that **mere misdescription or incorrect reference of a statutory provision does not vitiate proceedings if the Tribunal has substantive jurisdiction to entertain the matter**. The Hon'ble Supreme Court in ***J.K. Steel Ltd. v. Union of India AIR 1970 SC 1173*** has held that wrong mention of a provision is not fatal if power exists under the correct provision. The substance must prevail over form. This principle was reiterated in ***Bangalore Development Authority v. R. Hanumaiah (2005) 12 SCC 508 and State of Orissa v. Mamata Mohanty (2011) 3 SCC 436***.

44. Accordingly, the objection on the maintainability of the petition is rejected.

<u>Issue No.2</u>

2. Whether there exists a complete management deadlock and loss of substratum of the Company; and

45. It is an admitted position that:

a) the Company's operations have ceased,
b) bank accounts have been frozen,
c) employees have left the organisation,
d) creditors have initiated recovery proceedings, and
e) there is complete absence of coordinated management.

46. The Company, being a closely held entity with equal shareholding disputes, has reached a stage of irreconcilable deadlock. There is no revival plan placed on record. The financial position indicates that liabilities outweigh or are nearly equal to the assets.

47. This Tribunal is therefore of the view that the **substratum of the Company has completely eroded**, and the Company is no longer a going concern.

<u>Issue No.3</u>

3. Whether the Company is liable to be wound up and a Provisional Liquidator is required to be appointed.

48. In view of the complete breakdown of management, cessation of business, and inability of the Company to function in accordance with law, this Tribunal is of the considered opinion that continuation of the Company would be detrimental to the interests of the creditors, shareholders, and stakeholders.

49. Accordingly, it is just and equitable that the Company be wound up, and a Provisional Liquidator be appointed to safeguard its assets.

50. The Ministry of Corporate Affairs, vide notification dated 24.01.2020 in G.S.R.46(E) has issued the Companies (Winding Up) Rules, 2020, which came into force with effect from 01.04.2020. The present petition has been filed before this Tribunal on 07.11.2019. The

Rules, 2020 prescribe the format in which the Petition has to be filed before this Tribunal and also the advertisement to be published in relation to the notice of the Petition. It is relevant to refer Section 272 of the Companies Act, 2013;

272. Petition for winding up.—

(1) Subject to the provisions of this section, a petition to the Tribunal for the winding up of a company shall be presented by—

(a) the company;

(b) any creditor or creditors, including any contingent or prospective creditor or creditors;

(c) <u>any contributory or contributories;</u>

(d) all or any of the persons specified in clauses (a), (b) and (c) together;

(e) the Registrar;

(f) any person authorised by the Central Government in that behalf; or

(g) in a case falling under clause (c) of sub-section (1) of section 271, by the Central Government or a State Government.

(2) A secured creditor, the holder of any debentures, whether or not any trustee or trustees have been appointed in respect of such and other like debentures, and the trustee for the holders of debentures shall be deemed to be creditors within the meaning of clause (b) of sub-section (1).

<u>(3) A contributory shall be entitled to present a petition for the winding up of a company, notwithstanding that he may be the holder of fully paid-up shares, or that the company may have no assets at all or may have no surplus assets left for distribution among the shareholders after the satisfaction of its liabilities, and shares in respect of which he is a contributory or some of them</u>

were either originally allotted to him or have been held by him, and registered in his name, for at least six months during the eighteen months immediately before the commencement of the winding up or have devolved on him through the death of a former holder.

(4) The Registrar shall be entitled to present a petition for winding up under subsection (1) on any of the grounds specified in sub-section (1) of section 271, except on the grounds specified in clause (b), clause (d) or clause (g) of that sub-section: Provided that the Registrar shall not present a petition on the ground that the company is unable to pay its debts unless it appears to him either from the financial condition of the company as disclosed in its balance sheet or from the report of an inspector appointed under section 210 that the company is unable to pay its debts: Provided further that the Registrar shall obtain the previous sanction of the Central Government to the presentation of a petition: Provided also that the Central Government shall not accord its sanction unless the company has been given a reasonable opportunity of making representations.

(5) A petition presented by the company for winding up before the Tribunal shall be admitted only if accompanied by a statement of affairs in such form and in such manner as may be prescribed.

(6) Before a petition for winding up of a company presented by a contingent or prospective creditor is admitted, the leave of the Tribunal shall be obtained for the admission of the petition and such leave shall not be granted, unless in the opinion of the Tribunal there is a prima facie case for the winding up of the company and until such security for costs has been given as the Tribunal thinks reasonable.

(7) A copy of the petition made under this section shall also be filed with the Registrar and the Registrar shall, without prejudice to any other provisions, submit his views to the Tribunal within sixty days of receipt of such petition.

51. This Petition has been filed by the Petitioner in his capacity as a shareholder of the Company. It is observed that, the Company has negative net worth. Hon'ble Supreme Court's in the case of ***Seth Mohan Lal v Grain Chambers Ltd AIR 1968 SC 772*** has observed as under:

> *"The substratum of a company can be said to have disappeared only when the object for which it was incorporated has substantially failed, or when it is impossible to carry on the business of the company except at a loss, or the existing and possible assets are insufficient to meet the existing liabilities".*

52. Since the Company has a negative net worth and there is a loss of substratum, the liabilities far exceed the assets of the Company, it would be in the fitness of the things that the Tribunal exercises its power conferred under Section 273 of the Companies Act, 2013.

53. Upon considering the facts of the case, we hereby pass the following order;

(i) This Company Petition stands admitted.

(ii) We appoint **Shri. G.S. Sudhir (email: sudhircaip@gmail.com) with IBBI Registration No:**

IBBI/IPA-001/IP-P-02744/2022-2023/14183 as the **Provisional Liquidator** for the Company viz. **Aalta Tools and Designs Private Limited**. His initial fee and expenses has been fixed as Rs. 3,00,000/- to be paid by the Petitioner within seven days from the date of the order.

(iii) We direct the Provisional Liquidator to take charge of the Company including its assets, books, etc., and cause a public advertisement in any daily newspaper in English and vernacular, regarding the admission of the Present Company Petition under Section 271-272 of the Companies Act, 2013 in Form WIN 6 of the Companies (Winding Up) Rules 2020. We direct the parties to cooperate.

(iv) The Provisional Liquidator is permitted to initiate appropriate action in accordance with the provisions of the Companies Act, 2013 and to take control of the subject Company.

(v) The Registry of this Tribunal is directed to communicate this order to the parties concerned and also to the Official Liquidator.

Sd/-	**Sd/-**
VENKATARAMAN SUBRAMANIAM	**SANJIV JAIN**
MEMBER (TECHNICAL)	MEMBER (JUDICIAL)