



**THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, COURT-I, CHANDIGARH**
*(Exercising powers of Adjudicating Authority under
the Insolvency and Bankruptcy Code, 2016)*

**IA (IBC) No. 32 of 2024
in
CP(IB) No. 78/Chd/J&K/2020
(Admitted)**

*Under Sections 30(6) and 31 of the Insolvency
and Bankruptcy Code, 2016, read with
Regulation 39 of IBBI Regulations, 2016*

In the matter of :

MS. K. Nagavalli

...Petitioner/Operational Creditor

Vs

M/s Unico Leather Product Private Limited

...Respondent/ Corporate Debtor

And in the matter of IA (IBC) No.32 /2024:

Mr. Krishan Vrind Jain

Resolution Professional of: M/S Unico Leather Product Private Limited

Registered Office at:

1139, Block B, IT City, Sector 82A

Mohali- 160055

....Applicant

Order delivered on: 27 .11.2025

**Coram: HON'BLE MR.KHETRABASI BISWAL, MEMBER (JUDICIAL)
HON'BLE SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)**

Present :-

**For the Applicant/ Resolution Professional: Ms. Swati Saluja, Advocate
Mr. Krishan Vrind Jain, PCA,
(RP in-person)**



PER: SH.KHETRABASI BISWAL, MEMBER (JUDICIAL)
SH. SHISHIR AGARWAL, MEMBER (TECHNICAL)

ORDER

1. The instant Application bearing **IA (IBC) No. 32 of 2024** is filed by Mr Krishan Vrind Jain, (hereinafter referred to as the “**Applicant/RP**”), the Resolution Professional for **M/s Unico Leather Product Private Limited** (hereinafter referred to as “**Corporate Debtor/CD**”) being filed under Section 30(6) and Section 31 of the Insolvency and Bankruptcy Code, 2016 (hereinafter referred to as the “**Code**”) for seeking approval of the Resolution Plan submitted by Successful Resolution Applicant (hereinafter referred to as “**SRA/RA**”).
2. Brief facts of the case, which are relevant to adjudicating the case, as stated in the Application, are as follows:
 - 1) Initially, the Company Petition **CP(IB)No.78/Chd/J&K/2020** was filed by the Operational Creditor i.e. **Ms. K Nagavalli** (Employee of the Corporate Debtor) and initiated CIRP of the Corporate Debtor under Section 9 of the Code vide order dated 06.09.2022 by inter-alia appointing Mr. Krishan Vrind Jain as the Interim Resolution Professional (“**IRP**”) of the Corporate Debtor, who was subsequently confirmed as Resolution Professional (“**RP**”) in the 2nd Committee of Creditors meeting (“**CoC**”) held on 02.11. 2022.
 - 2) In terms of Regulation 6(1) of IBBI (CIRP) Regulation, 2016 (“**CIRP Regulations**”) the Applicant made the public announcement in FORM-A published on 08.09.2022, which was published in four newspapers



namely-Financial Express (English) and Makkalkural (regional) for Chennai Location dated 08.09.2022 & State Times (English) and Dainik Savera (regional) for Jammu Location dated 08.09.2022 (as the business of Corporate Debtor was shifted from Jammu to Chennai). As per Form-A, the last date for submission of claims was 21.09.2022. The IRP constituted the Committee of Creditors (**CoC**) based on claims admitted up to 27.09.2022, consisting solely of three Operational Creditors, namely the Employees Provident Fund Organization, Commercial Tax Department (Statutory Dues), and a Workman. Pursuant to Regulation 17 of the CIRP Regulations, the 1st CoC Meeting was convened on 06.10.2022. The list of creditors was subsequently filed with and disposed of by the NCLT on 29.09.2022. Further, the public announcement under Section 15 of the Code was made on 08.09.2022. Crucially, the IRP's site visit on 24.09.2022 confirmed the Corporate Debtor's factory was non-operational, with the Directors confirming that the company had ceased its operations in the year 2018.

- 3) The 2nd CoC Meeting was convened on 02.11.2022, wherein the CoC unanimously confirmed the Applicant as the RP. Pursuant to Regulation 36A of CIRP Regulation, the RP published FORM-G on 05.11.2022 to invite Expressions of Interest (**EOI**) with a deadline of 21.11.2022. Despite the adherence to mandated timelines, no EOI was received by the deadline. Due to the non-receipt of any initial EOI, the 3rd CoC Meeting on 21.11.2022 approved a 30-day extension, setting the new EOI submission deadline to



21.12.2022, and authorized the publication of a corrigendum (published 29.11.2022). During this period, the CoC was revised due to additional claims, with reports filed on 19.11.2022 (adding Income Tax Dept.) and a further reconstitution noted in the 4th CoC Meeting on 20.01.2023. Subsequently, the RP received a single EoI from M/s Sabrimala Industries India Limited, whose eligibility was provisionally shared with the CoC on 31.12.2022. It is also noted that the public announcement under Section 15 of the Code was made on 08.09.2022.

- 4) In the 5th meeting of the Committee of Creditors held on 21.02.2023, the Resolution Professional apprised the members regarding the final list of eligible Prospective Resolution Applicants on 14.01.2023 in compliance with Regulation 36A of the CIRP Regulations. He further informed that additional claims were received from operational creditors including the Employees Provident Fund Organization, V.V. Trade Links, and 78 workmen, necessitating reconstitution of the CoC on 17.02.2023. In the said meeting, the CoC approved an extension of 15 days, i.e., till 08.03.2023, for submission of the Resolution Plan as per Regulation 36B(6) of CIRP Regulations. Further, upon receiving a request from a Prospective Resolution Applicant, M/s Sabrimala Industries Limited, and after due deliberation, the CoC, with requisite majority, resolved to extend the CIRP period by 90 days beyond 180 days under Section 12(2) of the Code and



authorized the Resolution Professional to move an application before this Adjudicating Authority seeking such extension.

- 5) In the 6th meeting of the Committee of Creditors held on 13.03.2023, the Resolution Professional apprised the members regarding a request received from the Prospective Resolution Applicant seeking a one-week extension for submission of the Resolution Plan due to a public holiday on 08.03.2023. The CoC, with 80.27% voting share, approved the extension till 20.03.2023. When RP was recommended by CoC then in the 7th CoC meeting held on 03.04.2023, the Resolution Plan received from M/s Sabrimala Industries India Limited was opened and discussed; however, the offer was found to be below the liquidation value. Considering the possibility of better offers, the CoC, with requisite majority, approved the re-publication of Form-G to invite fresh EoI.
- 6) In the 8th meeting of the Committee of Creditors held on 08.05.2023, the CoC, with 70.74% voting share, resolved to re-publish Form-G under Regulation 36A of CIRP Regulations for inviting fresh EoI from prospective resolution applicants to maximize the value of the Corporate Debtor's assets. In the same meeting, the CoC further resolved, with requisite majority, to extend the CIRP period by 90 days beyond 270 days and authorized the Resolution Professional to file an application before this Adjudicating Authority under Section 12(2) of the Code. Accordingly, the said application, being IA (IBC)/1562/CH/2023, was filed and allowed vide



order dated 19.07.2023, extending the CIRP period for a further 60 days from 03.06.2023 to 02.08.2023. Pursuant thereto, the Resolution Professional re-published Form-G on 11.05.2023 in the “Financial Express” (English) and “Jansatta” (Hindi) newspapers, inviting EOIs up to 26.05.2023, and received five EOIs within the prescribed timeline.

- 7) In the 9th meeting of the CoC held on 19.06.2023, the Resolution Professional informed the members that an EoI had been received from one Mr. Suresh Kumar after the due date of 26.05.2023. Upon deliberation, the CoC, in compliance with Regulation 36A(4A) of the CIRP Regulations approved the extension of the last date for submission of EOIs till 26.06.2023 and authorized the Resolution Professional to issue a corrigendum accordingly. Subsequently, in the 10th meeting of the CoC held on 25.07.2023, the Resolution Professional apprised the members of the receipt of additional claims from workmen and the publication of corrigendum to Form-G on 21.06.2023, with the last date for submission of resolution plans being 02.08.2023. Considering the time required to verify eligibility, negotiate with prospective applicants, and conduct voting, the CoC, with requisite majority approved filing of an application for extension of the CIRP period by 60 days beyond 330 days. Accordingly, the Resolution Professional filed IA No. 2058/2023 under Section 12(2) of the Code, which was allowed by this Adjudicating Authority vide order dated 18.10.2023,



extending the CIRP period for a further 60 days from the date of the said order.

- 8) In the 11th meeting, the Applicant informed the CoC about additional claims filed by operational creditors and receipt of one resolution plan from Mr. Kolla Varadaraj Girija. The CoC approved the appointment of Independent Professional, SSPJ & Co. for verification of the eligibility of the prospective resolution applicant under Section 29A of the Code. In the 12th meeting, the Applicant apprised the CoC regarding the gratuity fund verification and ongoing negotiations with the PRA. In the 13th meeting, the Applicant informed about the 60 days' extension granted by the Adjudicating Authority and the reconstitution of the CoC. Thereafter, the resolution plan submitted by Mr. Kolla Varadaraj Girija was placed before the CoC and approved with a voting share of 73.43%. The CoC also resolved to appoint Mr. Krishan Vrind Jain as the Monitoring Professional at a fee of Rs. 1,00,000/- per month plus applicable taxes.
- 9) In the 13th CoC meeting held on 08.12.2023, the CoC approved a sum of Rs. 20,00,000/- towards future CIRP expenses, including filing of avoidance applications, resolution plan filings, hearings before the Adjudicating Authority or any other forum, and other incidental costs. Subsequently, in the 14th CoC meeting held on 15.12.2023, discussions were held regarding liquidation; however, as the Resolution Plan submitted by Ms. Kolla Varadaraj Girija had already been approved with the requisite voting share,



the liquidation agenda was dropped. The CoC members also confirmed the feasibility and viability of the approved Resolution Plan. Further, the Agenda Item No.19.09 pertaining to approval of of Second Addendum to the Resolution Plan dated 05.12.2023 and addendum dated 08.12.2023 was put for E-voting in the 19th CoC Meeting held on 27.02.2025 and was approved by the CoC members holding 73.43% of Voting Share.

10) The salient features of the Resolution Plan submitted by Kolla Varadaraj Girija approved by the CoC of the Corporate Debtor with 73.43% voting share is as follows:

- i. **Brief background of the SRA:** The Successful Resolution Applicant is a woman entrepreneur running a proprietorship in the name of Prem Textiles and submitting a present Resolution Plan in an individual capacity. She is engaged in buying and selling of garments, furniture footwear, household articles and has submitted the present Resolution Plan for acquisition of 100% stake in the Corporate Debtor, UNICO Leather Product Private Limited by making an investment in the Corporate Debtor respectively.
- ii. **Financial Strength of Resolution Applicant:** The Net worth of the SRA as on 31st March 2023 is Rs.140.10 Crs. The SRA has submitted the certified copy of his net worth along with the EOI documents.



iii. **The Term of the Plan and Implementation Schedule, as proposed under the Resolution Plan-**

<p>Regulation 38(2)(a): The term of plan and implementation schedule</p>	<p>Resolution Applicant hereby proposes to implement the plan in 90 days from effective date (Date of approval of resolution plan by Adjudicating Authority).</p> <p>The Implementation schedule is tabulated as below:</p> <p>X= Effective date i.e. date of approval of resolution Plan by Adjudicating Authority</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Action</th> <th style="text-align: left;">Timeline</th> </tr> </thead> <tbody> <tr> <td>Approval of the Resolution Plan by the NCLT</td> <td>X</td> </tr> <tr> <td>Resignation/Removal of existing directors, appointment of new directors in the board of corporate debtor</td> <td>X+90 days</td> </tr> <tr> <td>Extinguishment of all existing Shares and issue of fresh shares in f/o new board of directors</td> <td>X+90 days</td> </tr> <tr> <td>Payment of pending CIRP costs</td> <td>X+60 days</td> </tr> <tr> <td>Payment to Creditors</td> <td>X+90 Days</td> </tr> </tbody> </table>	Action	Timeline	Approval of the Resolution Plan by the NCLT	X	Resignation/Removal of existing directors, appointment of new directors in the board of corporate debtor	X+90 days	Extinguishment of all existing Shares and issue of fresh shares in f/o new board of directors	X+90 days	Payment of pending CIRP costs	X+60 days	Payment to Creditors	X+90 Days
Action	Timeline												
Approval of the Resolution Plan by the NCLT	X												
Resignation/Removal of existing directors, appointment of new directors in the board of corporate debtor	X+90 days												
Extinguishment of all existing Shares and issue of fresh shares in f/o new board of directors	X+90 days												
Payment of pending CIRP costs	X+60 days												
Payment to Creditors	X+90 Days												

iv. **Payment of CIRP cost in priority to other debts** - In compliance to the provisions of Section 30 (2) (a) of the Code read with Regulation 38 of the CIRP Regulations, the Insolvency Resolution Process Cost will be paid in priority to any other class of creditors. Based on the information provided by the Resolution Professional the CIRP cost is



fully paid out. As per IM, CD has a fixed deposit of Rs.1 Crore and the same is being utilized by RP for CIRP cost. SRA hereby proposes NIL amount towards CIRP Cost. The CIRP cost shall be paid on actual basis in priority to other creditors out of balance of fixed deposit of Rs.1 Crore available in the account of CD under the custody of RP. In case CIRP cost in actual basis is found to be in excess of Rs.1 Cr then the increased CIRP cost shall be adjusted from resolution debt amount and remaining amount shall be adjusted from the amount proposed to creditors in the same proportion as proposed under the plan. **The term for payout of CIRP cost shall be 60 days from effective date.**

- v. **Regulatory fee to IBBI @0.25% of resolution debt towards shareholders-** As per Regulation 31(A)(1) of the CIRP Regulations, regulatory fee is calculated at the rate of 0.25% of the realizable value to creditors where such realizable value is more than the liquidation value. That in the matter of the Corporate Debtor Fee to IBBI @ 0.25% of realizable value, worth Rs. 26008.89/- is being paid from Cash flow generated from the Fixed Deposit created by the Resolution Professional during CIRP in the name of the Corporate Debtor, therefore, the SRA proposes Nil amount towards the amount to be paid to IBBI under the Resolution Plan.



- vi. **Management of the Corporate Debtor:** The term of the Resolution Plan shall be 90 days from the date of approval of the Resolution Plan by the Tribunal. For an effective implementation, the Monitoring committee shall co-ordinate in implementation of the Resolution Plan for the initial period of 6 months i.e for the implementation of the Resolution Plan and thereafter, the tenure shall be decided by mutual consent of Monitoring Professional and SRA. Further, as per the Resolution Plan, "Monitoring Committee" shall be constituted of (i) One representative of the RA (ii) One representative of the CoC; and (iii) The Insolvency Professional/Resolution Professional. The committee shall monitor the implementation of the Plan after the Effective date and until the term of implementation of the Resolution Plan. The chairman of this committee will be nominated by the nominees of the Resolution Applicant.
- vii. **Source of Funds:**

Purpose	Source of Fund	Amount in Crores
Payment proposed for Payment under Resolution Plan within 90 days	Own Sources	9.00
Gratuity Fund	Under Custody of RP	1.40
Capital Expenditure within 365 days	Own Sources	0.50
Working Capital within 365 days	Own Sources	1.00
Total		11.90



- viii. **Compliance of mandatory contents of Resolution Plan under IBC and CIRP Regulations:** The Applicant is stated to have conducted a thorough compliance check of the Resolution Plan in terms of Section 30(2)(a), (b) & (c) of the Code as well as Regulations 38 & 39 of the CIRP Regulations, and has submitted Form-H under Regulation 39(4) of the CIRP Regulations.
- ix. **The Fair Value and Liquidation Value as submitted in Form H are stated to be Avg. Rs. 1,09,961,457/-and Avg. Rs. 8,53,18,524/- respectively.**
- x. **Reliefs & Concessions:** Besides seeking approval of the Resolution Plan submitted by the SRA, the Applicant has also prayed in Chapter-IV of the Resolution Plan for the grant of reliefs, waivers, and concessions to the Resolution Applicant.
- 11) Pursuant to the approval of the Resolution Plan by the CoC, the Applicant issued a Letter of Intent (**LoI**) dated 14.12.2023 to the Resolution Applicant. The Performance Bank Guarantee (PBG) of 10% of the Resolution Plan Amount was to be submitted by the Successful Resolution Applicant within 7 business days of the date of approval of the Successful Plan by the CoC. In compliance with the same, funds amounting to Rs.104,00,000/- have been transferred by the SRA to the CIRP account and FD has been created by the RP.



12) The PUFEE Application with IA No. 1142 of 2023 filed by the RP claiming an amount of Rs. 82,87,66,665 is pending. It has been stated in Form- H that in reference to regulation 38(2) (d) of the CIRP Regulations, RA hereby agrees that in the event of any transaction being avoided/set aside by the Adjudicating Authority in terms of Sections 43, 45, 47, 49, 50 or 66 of the Code and any amount received by the Resolution Professional of the Company as a result hereof, shall be for the benefit of the creditors (in accordance with Section 53 of the Code) and shall be passed- through to the creditors. Further at the expenses to pursue the above said litigation, the CoC has decided to set aside an amount of Rs. 20,00,000/- in the 13th CoC meeting. After approval of the Resolution Plan, proceedings in respect of avoidance transactions under chapter III, will be pursued by the Monitoring Professional till the Monitoring Professional is discharged. Any recovery from any such litigation shall be distributed in the manner as specified under section 53 of the Code.

13) **Whether Resolution Plan is subject to any contingency/condition** - Pursuant to the information provided to the RP by the Management of the Corporate Debtor, the EPFO Department has marked a lien on the Land situated at Kizhachar of the corporate debtor and the same is duly recorded in the revenue records. The present resolution plan was subject to relinquishment of charge over the said land of the corporate debtor within



15 days of effective date. The NCLT had issued directions vide its order dated 29.01.2025 to the EPFO Department to proceed for the removal of charge after allowing the full payment towards the amount claimed by the Department. The SRA has proposed a full and final payment to the EPFO Department vide second addendum dated 26.02.2025 to the Modified Resolution Plan dated 05.12.2023. Currently the EPFO Department has issued a letter to the Registrar office for revocation of attached Immovable Property vide letter no. TB/VLR/30013/Recovery/2025/375,376 dated 06.05.2025 and intimated the RP vide mail dated 08.05.2025.

3. In compliance with Regulation 39(4) of the CIRP Regulations, the Applicant/RP has filed "Compliance Certificate" in Form-H stating that the Resolution Plan is compliant with the provisions of the Code. The Revised Form-H duly signed by the Applicant, being the compliance certificate is also filed, which is extracted below for the ready reference:



(ii) Number of days beyond 180 days taken for filing application for resolution plan- 286 days

16

(iii) Reasons for delay - The Committee of Creditors (CoC) rejected one of the Resolution Plans received and subsequently opted to re-publish Form-G twice in an effort to maximize the company's value and attract improved Resolution Plans. As a result, the timelines were extended, leading to delays. However, the Resolution Professional (RP) has consistently sought and obtained extensions from the Hon'ble NCLT to accommodate these developments.

2. I hereby certify that-

(i) the said Resolution Plan complies with all the provisions of the Insolvency and Bankruptcy Code, 2016 (IBC/Code), the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (CIRP Regulations) and does not contravene any of the provisions of the law for the time being in force.

(ii) the Resolution Applicant Kolla Varadaraj Girija has submitted an affidavit pursuant to section 30(1) of the Code confirming its eligibility under section 29A of the Code to submit resolution plan. The contents of the said affidavit are in order.

(iii) the said Resolution Plan has been approved by the CoC in accordance with the provisions of the Code and the CIRP Regulations made thereunder. The Resolution Plan has been approved by 73.43 % of voting share of Operational creditors after considering its feasibility and viability and other requirements specified by the CIRP Regulations.

(iv) I sought vote of members of the CoC by electronic voting system which was kept open at least for 24 hours as per regulation 26.

3. The details and documents related to the successful resolution applicant are as under:

Sl. No.	Particulars	Description
1.	Name of Successful Resolution Applicant (SRA)	Kolla Varadaraj Girija
2.	Nature of Business of SRA	more than 17 years of experience in the business of supply of textiles
3.	Relationship status of SRA with CD, if any	NIL
4.	Whether SRA is eligible to submit plan u/s 240A of IBC in case of MSME CD	NA
5.	Due Diligence Certificate of the RP u/s 29A of IBC for the SRA (pls attach copy of certificate)	Attached herewith

4. The details of CIRP, and resolution plan are as under:

Sl. No.	Particulars	Description
1.	Whether Corporate Debtor is an MSME, if so, Date of obtaining MSME registration (pls attach copy of registration certificate)	NA
2.	Business of the CD)	As per the information available on MCA and other Industry classification records, the main line of business of the corporate debtor is manufacturing, buying, selling, importing, exporting, dealing in hides & skins, finished leather and all types of leather such as wallets, handbags, briefs, footwears and allied products.


FIFIED TRUE COPY



17

3.	<p style="text-align: center;">Total admitted claims (Amount in Rs.)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;">S.No</th> <th style="width: 25%;">Description</th> <th style="width: 20%;">Principal</th> <th style="width: 20%;">Interest and penalty, Damages if any</th> <th style="width: 30%;">Total</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Corporate Guarantee claims</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>2.</td> <td>Other than Corporate Guarantee claims</td> <td>204,116,061.21</td> <td>11,58,33,193.46</td> <td>319,949,254.67</td> </tr> </tbody> </table>	S.No	Description	Principal	Interest and penalty, Damages if any	Total	1.	Corporate Guarantee claims	NA	NA	NA	2.	Other than Corporate Guarantee claims	204,116,061.21	11,58,33,193.46	319,949,254.67	
S.No	Description	Principal	Interest and penalty, Damages if any	Total													
1.	Corporate Guarantee claims	NA	NA	NA													
2.	Other than Corporate Guarantee claims	204,116,061.21	11,58,33,193.46	319,949,254.67													
4.	<p>Resolution Plan Value <i>(including insolvency resolution process cost, infusion of funds etc)</i> <i>(In the case of real estate CDs, provide the monetary value of flats etc. given to allottees)</i> (pls attach copy of Resolution plan)</p>	<p>Resolution Plan Amount-10,94,44,296/-</p> <p>The Regulatory Fee of 0.25% of realizable value as per Reg. 31A of IBBI (CIRP) Regulations, 2016 and Unpaid CIRP cost shall be borne out of the funds available in the bank account of the corporate debtor and any remains shall be distributed among the creditors. (Copy of the Resolution Plan dated 05.12.2023, Addendum dated 08.12.2023 and Second addendum dated 27.02.2025 attached herewith)</p>															
5.	<p>Voting percentage (%) of CoC in favour of Resolution Plan (pls attach copy of minutes approving resolution plan)</p>	<p>The Agenda Item No. 13.10A pertaining to approval of the Resolution Plan dated 05.12.2023 along with addendum dated 08.12.2023 was put for E-voting in 13th COC Meeting held on 08.12.2023 and was approved by the COC members holding 73.43% of Voting Share. Further, the Agenda Item No.19.09 pertaining to approval of Second Addendum to the Resolution Plan dated 05.12.2023 and addendum dated 08.12.2023 was put for E-voting in the 19th COC Meeting held on 27.02.2025 and was approved by the COC members holding 73.43% of Voting Share</p> <p>(Copy of the Minutes of 13th COC Meeting along with E-voting Summary & Copy of Minutes of 19th COC along with E-voting Summary is attached herewith)</p>															

[Handwritten mark]



5. Details of implementation of resolution plan:

Sl. No.	Particulars	Description												
1.	Amount of Performance Guarantee furnished by SRA (in Rs.) and its validity (attach document)	The SRA has deposited an amount of Rs. 10,940,871/-												
2.	Source of funds (in brief)	The Resolution Plan Amount (excluding Gratuity Funds) – Own Funds Gratuity Fund- From the Gratuity Fund available with the RP Capital Expenditure- Own Sources Working Capital- Own Sources The 0.25% Regulatory fee and Unpaid CIRP Cost- From the funds available in the bank account of the corporate debtor												
3.	Capital restructuring and management of CD post approval of resolution plan (in brief including shareholding proposed to be transferred in favour of SRA)	The CD shall be owned, managed and controlled by the SRA post approval of the Plan. The post approval shareholding pattern: <table border="1"> <thead> <tr> <th>Name of Shareholder</th> <th>% of Shareholding</th> </tr> </thead> <tbody> <tr> <td>Kolla Vardaraj Girija</td> <td>98%-99%</td> </tr> <tr> <td>Kolla ShankariahNaidu Varadaraj</td> <td>1%-2%</td> </tr> </tbody> </table>	Name of Shareholder	% of Shareholding	Kolla Vardaraj Girija	98%-99%	Kolla ShankariahNaidu Varadaraj	1%-2%						
Name of Shareholder	% of Shareholding													
Kolla Vardaraj Girija	98%-99%													
Kolla ShankariahNaidu Varadaraj	1%-2%													
4.	Term and implementation of plan (in brief)	The SRA proposes to implement the Plan in 90 days from effective date. <table border="1"> <thead> <tr> <th>Action</th> <th>Timeline</th> </tr> </thead> <tbody> <tr> <td>Approval of the Resolution Plan by the NCLT</td> <td>X</td> </tr> <tr> <td>Resignation/Removal of existing directors, appointment of New Directors in the board of the CD</td> <td>X +90 days</td> </tr> <tr> <td>Extinguishment of all existing Shares and issue fresh shares to new board of directors</td> <td>X +90 days</td> </tr> <tr> <td>Payment of Pending CIRP costs</td> <td>X +90 days</td> </tr> <tr> <td>Payment to Creditors</td> <td>X +90 days</td> </tr> </tbody> </table>	Action	Timeline	Approval of the Resolution Plan by the NCLT	X	Resignation/Removal of existing directors, appointment of New Directors in the board of the CD	X +90 days	Extinguishment of all existing Shares and issue fresh shares to new board of directors	X +90 days	Payment of Pending CIRP costs	X +90 days	Payment to Creditors	X +90 days
Action	Timeline													
Approval of the Resolution Plan by the NCLT	X													
Resignation/Removal of existing directors, appointment of New Directors in the board of the CD	X +90 days													
Extinguishment of all existing Shares and issue fresh shares to new board of directors	X +90 days													
Payment of Pending CIRP costs	X +90 days													
Payment to Creditors	X +90 days													
5.	Details of monitoring committee (in brief)	Upon the NCLT Approval Date, an Implementation and Monitoring Committee comprising of 3 (Three) persons of which 1 (one) is Resolution Professional appointed by CoC, 1 (one) representatives of Resolution Applicant and 1 (One) representative of the COC, will be constituted without any further action required from the Corporate Debtor or the Resolution Applicant.												
6.	Effective date of resolution plan implementation	The SRA proposes to implement the Plan in 90 days from effective date.												



7A. Realisable amount:

Sl. No.	Particulars	Description
1.	Total Realisable amount under the plan <i>(In case of real estate C.Ds, provide the monetary value of flats etc. given to allottees)</i>	10,94,44,296.01
2.	Fair Value	10,99,61,457
3.	Liquidation Value	8,53,18,524
4.	Percentage (%) of realisable amount to Fair Value	99.5%
5.	Percentage (%) of realisable amount to Liquidation Value	128.2%
6.	Percentage (%) of realisable amount to Principal amount	53.62%
7.	Percentage (%) of realisable amount to Total admitted claims	34.21%
8.	Percentage (%) of realisable amount to Other than admitted Corporate Guarantee claims	34.25%

7B. Details of Realisable amount:

Stakeholder Type	Amount(s)				Payment schedule
	Amount Claimed	Amount Admitted	Realisable amount under the plan	Amount realizable in plan to amount claimed (%)	
Secured Financial Creditors	Nil	Nil	Nil	Nil	
- Creditors not having a right to vote under sub-section (2) of					
section 21					
- Dissenting					
- Assenting	Nil	Nil	Nil	Nil	
Unsecured Financial Creditors					
-Creditors not having a right to vote under sub-section (2) of					

[Signature]
CERTIFIED TRUE COPY



20

section 21					
- Dissenting	Nil	Nil	Nil	Nil	
- Assenting					
Operational Creditors					
(i) Government					
Commercial Taxes Department	13,74,03,988.00	13,74,03,988.00	1,71,16,592.16	12.46%	Within 90 days
Income Tax	1,66,65,150.00	1,56,05,043.00	19,43,940.35	12.46%	Within 90 days
ESIC	1,36,64,256.00	1,36,64,256.00	17,02,174.01	12.46%	Within 90 days
ESIC, Jammu	96,079.00	96,079.00	11,968.69	12.46%	Within 90 days
EFFO, Chennai	9,233.00	9,233.00	9,233.00	100.00%	Within 90 days
EFFO, Vellore	3,12,98,322.00	3,12,98,322.00	3,12,98,322.00	100.00%	Within 90 days
Gratuity Amount Payable to Workmen/Employee (Principal Amount)					
(ii) Workmen	4,74,84,419.60	4,74,84,419.60	4,74,84,419.60	100.00%	Within 90 days
(iii) Employee					
(ii) Workmen (iii) Employee (Rs. 697,998.35 for Workmen/employees proposed by RA as per Book value of the Corporate Debtor)		6,97,998.35	6,97,998.35		
- PF dues					
- Other dues (Including Interest on Gratuity)					
(Workmen and Employee)	6,48,26,011.20	5,19,65,240.72	64,73,377.04	12.45%	Within 90 days
- PF dues					
- Other dues					
(iv) Other Operational creditors (Other than Workmen & Employee)	50,50,68,021.62	2,17,24,675.00	27,06,270.81	12.45 %	Within 90 days
Other Debts and Dues					
Shareholders					
Total	81,65,15,480.42	319,949,254.67	10,94,44,296.01	13.40%	

(Amount In Rupees)

4. The Tribunal, vide order dated 10.06.2025, directed the RP to explain why the deferred tax assets of Rs. 29.76 lakhs were valued at zero and the short-term



loans and advances of Rs. 5,03,00,000/- were valued at Rs. 1,16,00,000/- in the valuation report. On 16.10.2025, Learned Counsel for the RP submitted that an affidavit had been filed clarifying that the deferred tax asset arose due to the difference in depreciation rates under the Income Tax Act and the Companies Act and does not constitute a real asset transferable to the Successful Resolution Applicant (SRA). However, no justification could be given regarding the carry forward of unabsorbed losses which is similarly not a real asset. Accordingly, the Ld. Counsel sought two weeks time to file an affidavit from the SRA undertaking not to claim such benefits. The SRA filed an affidavit dated 30.10.2025, undertaking not to claim any carry forward losses incurred by the Corporate Debtor prior to the CIRP commencement date i.e., 06.09.2022, and submitting that only losses incurred during the CIRP period till the approval of the Resolution Plan shall be claimed for carry forward and set off in accordance with Section 79 of the Income Tax Act, 1961.

5. The Successful Resolution Applicant has submitted an undertaking and affidavit stating that Resolution Applicant is eligible under Section 29A of the Code to participate in the CIRP in question and registered under MSME Act.
6. We have heard Ms. Swati Saluja, Mr. Krishan Vrind Jain, Learned Counsels for the applicant and have carefully perused all the pleadings, extant provisions of the code and the relevant law.



7. In this context, it is relevant to refer to the judgement rendered in the case of **K. Sashidhar vs. Indian Overseas Bank**¹, where the Hon'ble Supreme Court has, inter-alia, held that:

“If CoC had approved the Resolution Plan by the requisite percent of voting share, then as per Section 30(6) of the Code, it is imperative for the Resolution Professional to submit the same to the Adjudicating Authority. On receipt of such a proposal, the Adjudicating Authority (NCLT) is required to satisfy itself that the resolution plan as approved by CoC meets the requirements specified in Section 30(2). No more and no less”.

And held further in para 35 of the judgement that –

“the discretion of the adjudicating authority (NCLT) is circumscribed by Section 31 limited to scrutiny of the resolution plan “as approved” by the requisite percent of voting share of financial creditors. Even in that enquiry, the grounds on which the adjudicating authority can reject the resolution plan is in reference to matters specified in Section 30(2), when the resolution plan does not conform to the stated requirements”.

8. The Hon'ble Supreme Court reiterated this view in the case of **Essar Steel**² by holding that:

¹ In K. Sashidhar v. Indian Overseas Bank & Others (in Civil Appeal No. 10673/2018) decided on 05.02.2019: **(2019) 12 SCC 150**

² Committee of Creditors of Essar Steel India Limited Vs. Satish Kumar Gupta & Ors. in Civil Appeal No.8766 67/2019, decided on 15.11.2019: **(2020) 8 SCC 531**



“...it is clear that the limited judicial review, which can in no circumstances trespass upon a business decision of the majority of the CoC, has to be within the four corners of section 30(2) of the Code, in so far as the Adjudicating Authority is concerned....”.

9. Reinforcing the above, the Hon’ble Supreme Court has held in **Vallal RCK vs. M/s Siva Industries**³, that:

“21. This Court has consistently held that the commercial wisdom of the CoC has been given paramount status without any judicial intervention for ensuring completion of the stated processes within the timelines prescribed by the IBC. It has been held that there is an intrinsic assumption, that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts.”

Emphasizing yet again, that

“27. This Court has, time and again, emphasized the need for minimal judicial interference by the NCLAT and NCLT in the framework of IBC.”

and, by referring to an earlier judgment in the case of **Arun Kumar Jagatramka**⁴, added a note of caution that

³ Vallal RCK vs M/s Siva Industries and Holdings Limited & Ors. in Civil Appeal No.1811-1812/2022, decided on 03.06.2022: **(2022) 9 SCC 803**

⁴ Arun Kumar Jagatramka v. Jindal Steel & Power Ltd. (2021) 7 SCC 474] : (SCC p. 533, para 95)



“...However, we do take this opportunity to offer a note of caution for NCLT and NCLAT, functioning as the adjudicating authority and appellate authority under the IBC respectively, from judicially interfering in the framework envisaged under the IBC. As we have noted earlier in the judgment, the IBC was introduced in order to overhaul the insolvency and bankruptcy regime in India. As such, it is a carefully considered and well thought out piece of legislation which sought to shed away the practices of the past. The legislature has also been working hard to ensure that the efficacy of this legislation remains robust by constantly amending it based on its experience. Consequently, the need for judicial intervention or innovation from NCLT and NCLAT should be kept at its bare minimum and should not disturb the foundational principles of the IBC.....”

10. As stated supra in Form-H , the Fair value of the Corporate Debtor is Rs. 10,99,61,457 and its Liquidation value is Rs. 8,53,18,524. The details of the distribution of the Resolution Plan amount amongst various stakeholders are given as per which the Resolution plan value is Rs. 10,94,44,296/-, which comes to approximately 128.2 % of the liquidation value and around 99.5% of the fair market value of the Corporate debtor . And the Resolution Applicant is eligible to participate in the CIRP in question U/s 29A of the Code. The CoC members have properly analysed the feasibility and viability of the Resolution Plan dated 05.12.2023 and of the second Addendum dated 08.12.2023, which was duly put for e-voting in the 19th CoC Meeting held on 27.02.2025 and it was approved by the CoC members holding 73.43% of Voting share. As stated,



in the Form H, the pending litigation on the issue was also suitably averted as to how to face the outcome of those litigations. After approval of the Resolution plan, proceedings in respect of avoidance transactions under Chapter III, will be pursued by the Monitoring Professional till the Monitoring professional is discharged. Any recovery from any such litigation shall be distributed in the matter as specified under section 53 of the Code.

11. The above facts clearly establish that the instant Application has been filed duly following the provisions of section 31 of the Code making the Resolution Plan in question eligible to be approved, and it is also in conformity with the settled position of law as stated supra. And the Resolution plan is viable and it has an effective implementation schedule and there is no reason to put the Company under liquidation. Therefore, we are satisfied that the instant Application deserves to be disposed of with suitable directions as mentioned below.

12. It is to be clarified here that approval of the Resolution Plan shall not be construed as a waiver of any statutory obligations/liabilities of the Corporate Debtor and shall be dealt with by the appropriate Authorities in accordance with law. Any waiver/concession sought in the Resolution Plan shall be subject to approval by the Authorities concerned. As regards to the reliefs sought, the Corporate Debtor has to approach the Authorities concerned for such reliefs, and we trust the Authorities concerned will do the needful. "Approval of this plan by NCLT shall be deemed to be sufficient notice which may be required to



be given to any person for such matter and no further notice shall be required to be given, as per the view taken by the Hon'ble Supreme Court in the case of ***Ghanashyam Mishra and Sons Private Limited Versus Edelweiss Asset Reconstruction Company Limited in Civil Appeal No.8129/2019 with Civil Appeal No.1554/2021 and 1550-1553/2021, decided on 13.04.2021: (2021) 9 SCC 657.***

13. In the result, by exercising the powers conferred on this Adjudicating Authority U/s 31 of the Code, IA(IBC) NO. 32 of 2024 in CP(IBC) NO. 78/Chd/J&K/2020 is hereby disposed of by approving the Resolution plan dated dated 05.12.2023 along with the addendum dated 08.12.2023 submitted in respect of Corporate Debtor M/s Unico Leather Product Private Limited with the following consequential directions;;

- a) The Resolution Plan shall bind all the stakeholders involved in the CIRP and the SRA along with Resolution Professional and all the concerned are directed to adhere to the terms as mentioned in the Resolution plan without any deviation except with leave of this Adjudicating Authority by filing miscellaneous Application(s) seeking suitable directions(s).
- b) The moratorium under Section 14 of the IBC shall cease to have effect from the date of this Order.
- c) The Resolution Applicant shall obtain necessary approval as per law within a period of one year from the date of this order.



- d) All crystallized liabilities and unclaimed liabilities of the Corporate Debtor as on the date of this order, except as provided in the Resolution Plan, shall stand extinguished on the approval of this Resolution Plan.
- e) If the SRA fails to pay the amount as envisaged in the Resolution Plan to the stakeholders within the timeline fixed in the Plan, the entire amount paid by the SRA shall be forfeited.
- f) It is hereby ordered that the Performance Bank Guarantee furnished by the Resolution Applicant shall remain in force till the amount proposed to be paid to the creditors under this plan is fully paid off and the plan is fully implemented.
- g) The Memorandum of Association (MoA) and the Articles of Association (AoA) shall accordingly be amended and filed with the concerned Registrar of Companies (RoC) for information and record.
- h) Henceforth, no creditors of the erstwhile Corporate Debtor can claim anything other than the liabilities referred to in the Resolution Plan.
- i) The Applicant shall forward all records relating to the conduct of the CIRP and the Resolution Plan to the IBBI along with a copy of this order for information.
- j) The Applicant shall forthwith send a copy of this Order to the CoC and the Successful Resolution Applicant.
- k) The Registry is directed to furnish a free copy to the parties as per Rule 50 of the NCLT Rules, 2016.



- 1) The Registry is directed to communicate this Order to the concerned Registrar of Companies for updating the master data and also forward a copy to IBBI.
14. Accordingly, ***I.A. (IBC) No. 32 of 2024*** with **the Plan value of Rs.10.94 crores** in **CP (IB) No. 78/Chd/J&k/2020** is ***allowed*** and stands ***disposed of***.

Sd/-

(Shishir Agarwal)
Member (Technical)

November 27 , 2025
Sudesh

Sd/-

(Khetrabasi Biswal)
Member (Judicial)