

The 80 Crore Debt that Saved a Mountain

Dharamsukh was fifty-five, and his hands were his biography. Thick, calloused, and deliberate, they had spent four decades teaching leather to obey—cutting, stitching, shaping until the raw became refined. Across the upper Mandi district of Himachal Pradesh, his shoes had worked into weddings, harvests, and funeral alike, carrying the story of a man who built beauty from endurance. His company, “Dharamsukh Footwear Private Limited,” was a result of his hard work and sheer dedication to not bow down to the historical injustices. Being from the Dalit community, Dharamsukh’s lineage was rooted in leatherwork—a heritage both respected for its skill and, often, marginalized by society. Yet, Dharamsukh carried his identity with pride, leveraging the success of his business with dignity. Owning that company in the high hills was a constant source of joy. Every day, the vast, clean backdrop of the mountains made him feel worthy; a proud man who had finally escaped the shadows of his marginalized community.

His routine was a happy rhythm. The early morning prayers, followed by the familiar scent of old leather and rhythmic beat of machines that signaled profit and progress. Dharamsukh was in the last lap of his working life, and the future was clear and bright. He wished to expand his unit, not just for money but to pave a way for his community. And most importantly, he had to secure dignified marriages for his two daughters, Lakshmi and Priya. Lakshmi, twenty-two, was ready for marriage but had postponed it to study; Priya, eighteen, was still in college. Five years ago, he’d devised a plan focusing on the emerging Himalayan economy that rests on tourists and trekkers flooding the valley. He could sense the rapidly growing demand of modern, fashionable and durable footwear. Dharamsukh decided to leap from crafting bespoke leather boots to manufacturing high-quality, weather-resistant trekker shoes. To execute this, he needed new machinery: an industrial press, heavy-duty stitching machines, and a specialized sole-molding unit.

The loan was gargantuan. He mortgaged his ancestral land and borrowed a total of 80 crore rupees from a consortium of lenders, including the State Bank of Himachal Pradesh and a regional cooperative bank. It was a terrifying risk as it would take ten years of relentless

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production to clear the debt, but the outcome would certainly secure his mission of a purposeful life.

The unit was revamped. The new machines hummed with efficiency, and for three glorious years, “Dharamsukh Footwear Private limited” thrived, churning out boots labeled with pride: “Made in the lap of the Himalayas.” Profits soared and the company was on track to meet its ten-year goal. Dharamsukh often walked the perimeter of his unit at sunset, inhaling the scent of new leather and machine oil mixed with the crisp mountain air. The sight of his production unit—the culmination of his life’s work and his daughters’ future—would momentarily still the anxiety of the massive debt.

The monsoon of 2025 was crueler than any Dharamsukh could remember. The ancient wisdom of the mountains, which dictated predictable monsoon patterns, seemed to have disappeared. Days were stiflingly hot, glaciers were melting faster than usual, and the evenings brought localized storms of unprecedented violence. On a humid afternoon in August, the sky suddenly turned bruised purple. Dharamsukh was working late, finalizing a big order for a trekking company situated in Manali. His foreman, Pratap, warned him about the strange intensity of the rain. “This isn’t rain, Dharamsukh ji,” Pratap said, his voice taut with fear. “The air is too heavy. The sound...” The sound was not of rain, but of the mountain itself tearing apart. The cloudburst hit the ridgeline directly above their valley. In minutes, what had been a quiet stream swelled into a roaring, brown beast. A wall of water, mud, boulders, and uprooted trees slammed into the unit. Dharamsukh had time only to shout a warning before the front wall gave way. He and Pratap scrambled onto a nearby, ancient deodar tree, clinging desperately as the deluge ripped through the unit. The new industrial press and the sole-molding machine were tossed around like toys. The mud caked the leather stock, ruined the motors, and swept away the entire inventory.

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An hour later, the violence subsided but the unit turned a skeletal ruin. The roof had collapsed in sections, the machines were unrecognizable, twisted lumps of metal, and the entire floor was entombed under six feet of viscous, heavy mud. The 80-crore rupee investment had vanished. The ten-year plan was over. In its place remained only the immovable, suffocating weight of the loan. The following months were a blur of futile excavation and paperwork. The damage estimate exceeded the insurance cover and within weeks, the company failed to meet its principal and interest payment obligations. Seeing no collateral beyond the heavily damaged land and the now non-existent machinery, the consortium of lenders, with State Bank of Himachal Pradesh leading the charge, had no choice but to initiate proceedings under the Insolvency and Bankruptcy Code (IBC), 2016.

The bank filed an application for the initiation of the Corporate Insolvency Resolution Process (CIRP) against the Dharamsukh Footwear Private Limited. The NCLT (National Company Law Tribunal) admitted the petition, triggering the formal corporate insolvency process. First, the company was placed under a moratorium, immediately halting all legal proceedings against it, but also stripping Dharamsukh and his board of control. The very company he had founded was now legally managed by an outsider, Mr. Alok Verma, the appointed Resolution Professional (RP). The Committee of Creditors (CoC), representing the banks and financial institutions owed the 80 crores, took charge of the company's fate. Dharamsukh, the once-proud managing director, was reduced to assisting the RP in assessing the damage. The stigma was crushing. For a man who had prided himself on self-reliance and honor, being declared insolvent felt like a personal humiliation. His neighbors whispered; his daughters looked at him with a mixture of love and silent worry.

The RP's preliminary report was grim: "The going concern value is negligible. The chances of a successful resolution are slim." The CoC quickly moved towards liquidation, which would mean selling off the remaining land and twisted metal to recover a fraction of the debt, effectively ending the company and Dharamsukh's dream. "Mr. Rana," the RP, a man of rigid

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suits and financial statements, informed him, "The CoC is demanding liquidation. You have thirty days—the period remaining before the next critical CoC vote—to propose a viable Resolution Plan that offers creditors a better return than liquidation." They have recognized that Dharamsukh was better positioned to understand the terrain and the wreckage better than any outsider. He was granted a tight thirty day window to rebuild his capacity to repay the debt—a last chance.

He spent the first twenty days in a state of catatonic despair. He'd walk into the tattered remnants of the unit, now cleared of most mud but still smelling of decay and failure. What could he sell? Twisted iron? Waterlogged leather scraps? "You have ten days left, Papa," Lakshmi reminded him gently one evening, her eyes pleading with him to fight.

Dharamsukh sat on a broken stool, his head in his hands. His daughters' marriages and the commitment to his community, the dreams he had so meticulously built, were washing away in the same current that had destroyed his business. He felt the huge impersonal force of climate change—something he couldn't fight, couldn't negotiate with—had singled him out for ruin. "I have nothing left, Lakshmi," he muttered, his voice hoarse. "No material, no money, no hope." On the twenty-fifth day, Dharamsukh didn't go to the unit. He walked up the valley slope toward the trekking trails, intending only to clear his head. He walked for hours until he reached the high meadow where the air was thin and the view was breathtaking. But the beauty was polluted. The entire meadow, a designated campsite for trekkers, was littered with debris—not the natural debris of the cloudburst, but human waste. Broken plastic water bottles, discarded polyethylene tent wrappers, chipped trekking poles, and hundreds of shiny, impossible-to-biodegrade packets

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of instant noodles and energy bars. The monsoons hadn't swept them away; they had merely buried them and brought others down from higher camps.

Dharamsukh stared at the accumulation. It was a tragic consequence of unchecked tourism—a plastic glacier growing alongside the real ones. He kicked a stack of crushed plastic bottles making a sharp sound grating on his nerves. Plastic. Plastic. It was the curse of the mountains, the blight of the modern age. Suddenly, the forgotten wisdom of his ancestors resurfaced. His community used low-tech methods to create durable goods. He remembered his Masterji teaching him how to use fire and simple moulds to bind various materials. He realized the fatal flaw in his modern factory that placed excessive reliance on imported polymer supply chain. The mountains were now offering an endless supply of polymer in the form of waste plastic.

Dharamsukh rushed to his daughters, Lakshmi (now a commerce graduate) and Priya (who understood material science). "We don't need the automated moulding lines," he declared, his eyes blazing. "We need the kiln, the fire-resistant stone moulds, and the trash."

Their new plan was radical: A Zero-Waste Resolution Plan. The working capital was the mountain's plastic trash. They could use salvaged equipment and local labour to process and bind the melted plastic into composite soles far more rugged than the expensive synthetic ones that the flood had destroyed.

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The irony was stark, but the solution was brilliant. He didn't need to import expensive synthetic polymers. He needed to harness the one resource the modern world was carelessly leaving behind.

The next few days were a blur of work. The tattered unit was partitioned. The front section became a processing center. Villagers, initially curious, soon joined in, motivated by Dharamsukh's energy and the promise of a small daily wage paid from the last of his salvaged savings. They collected sacks of plastic waste: PET bottles, high-density polyethene (HDPE) wrappers, and polypropylene scraps—all categorized.

The specialized sole-molding machine was gone, but the traditional fire-resistant stone moulds remained. He adapted a large salvaged metal drum and used his old kiln, fueled by dry wood, to serve as a rudimentary plastic-melting furnace. This was dangerous work that required constant monitoring, just as he had learned decades ago. He mixed the melted plastic polymers with fragments of salvaged rubber and natural fiber, pouring the resulting composite—a dark and durable sludge—into the old moulds. The material cooled into soles that were incredibly light, immensely rugged, and perfectly suited to the rocky Himalayan terrain.

The upper parts were a challenge. He couldn't afford new leather. Instead, he used the undamaged segments of the waterlogged leather stock, combined with thick canvas salvaged from abandoned military surplus tents he found in the valley. The result was the 'Himalayan

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Eco-Trekker’—a shoe that was aesthetically unique, sustainable by necessity, and almost indestructible.

He presented the first ten pairs to the CoC on the 28th day. They were rough, with speckled soles that clearly showed hints of recycled materials, but they were undeniably sturdy and waterproof. “The material cost,” Dharamsukh stated, his voice firm, “was zero. Our labor cost is covered by the immediate sale. This is not just a shoe, sir. This is a story. It is the only shoe in the Himalayas that cleans the mountain as it is made.”

The CoC was skeptical. This was not the usual financial engineering. But Dharamsukh and his daughters had modeled a return to creditors that was demonstrably higher than the liquidation value—a core requirement of the IBC.

Crucially, the SBH recognized the potential for positive public relations and a future-proof business model. They approved the plan. The Resolution Professional was replaced by Dharamsukh, now serving as the Resolution Applicant and resuming control under strict CoC monitoring, requiring him to pay back a minimum monthly installment against the debt.

The story was the real currency. When Dharamsukh took his first batch to Manali, the trekking community, weary of the environmental impact of their industry, was captivated. The initial ten pairs sold in an hour.

Word of the “Recycled Ecological Himalayan Shoe” spreads. Foreign tourists saw it as a statement; local guides appreciated its traditional design and waterproofing. Orders started pouring in, small at first, then rapidly growing. Dharamsukh's tattered unit became a symbol of

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circular economy and environmental resilience. He hired more people from his marginalized community—all of them experts in manual labour and traditional leatherwork, skills that were now perfectly suited to the meticulous, hands-on process of plastic preparation and molding. His new business was rooted in both his ancestral knowledge and an innovative solution to a global crisis.

Within two years, Dharamsukh cleared the initial phase of the debt recovery. The bank supervisor, recognizing the success, worked with him to restructure the remaining debt. By the end of the fourth year, a year ahead of his original ten-year plan, Dharamsukh had paid off the entire 80 crore loan. He was officially discharged from insolvency, his dignity restored not just by law, but by his own hands. “Dharamsukh Footwear Private Limited” was formally dissolved and replaced by “Himalayan Eco-Trekker Private Limited,” a brand known for its commitment to sustainability and its zero-waste policy.

On a crisp spring morning, exactly six years after the cloudburst, Dharamsukh watched Lakshmi and Priya—both married in a joint ceremony, resplendent in traditional Himachali attire—depart with their husbands. He was not just solvent; he was prosperous, environmentally conscious, and a respected leader in his region. Standing next to the refurbished kiln, watching the dark, speckled material being poured into the molds—the material that was once toxic waste—Dharamsukh realized the mountain had not punished him; it had simply forced him to look deeper for the answer.