

IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH
[Through Physical hearing/ VC Mode (Hybrid)]

ITEM No.03
CP (IB) No.98/BB/2025

IN THE MATTER OF:

Canara Bank	...	Petitioner
Vs		
M/s BNH Infra Projects India Pvt Ltd	...	Respondent

Petition under Section 7 of the I & B Code, 2016

Order delivered on: 16.03.2026

CORAM:

SHRI. SUNIL KUMAR AGGARWAL
HON'BLE MEMBER (JUDICIAL)

SHRI. RADHAKRISHNA SREEPADA
HON'BLE MEMBER (TECHNICAL)

PRESENT:

For the Petitioner : None

ORDER

1. None for the Petitioner.
2. **C.P is admitted vide separate order.**
3. List for awaiting IRP report on 01.06.2026.

-Sd-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-Sd-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)

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IN THE NATIONAL COMPANY LAW TRIBUNAL, BENGALURU BENCH

*(Exercising powers of Adjudicating Authority under
The Insolvency and Bankruptcy Code, 2016)*

CP (IB) No.98/BB/2025

*(Application u/s. 7 of the Insolvency and Bankruptcy Code, 2016
read with Rule 4 of the Insolvency and Bankruptcy
(Application to Adjudicating Authority) Rules, 2016.)*

IN THE MATTER OF:

CANARA BANK

A body corporate constituted under the Banking Companies
(Acquisition & Transfer of Undertakings) Act, 1970,
H. O. at No.112, J.C. Road, Nagarathpet,
Bengaluru - 560002

and inter alia a branch at

Canara Bank Specialized Asset Recovery Management Branch-1,

Spencer Tower, 2nd Floor, M.G. Road,
Bengaluru - 560001

... Financial Creditor

Versus

M/s. BNH Infra Projects India Pvt. Ltd.

No. 29, 4th Floor, Nanjappa Mansion,
KH Road, Shanthi Nagar,
Bengaluru - 560027

... Corporate Debtor

Order delivered on: 16.03.2026

CORAM:

1. Shri Sunil Kumar Aggarwal, Hon'ble Member (Judicial)
2. Shri Radhakrishna Sreepada, Hon'ble Member (Technical)

ORDER

1. The present Petition has been filed under Section 7 of the Insolvency and Bankruptcy Code, 2016 (for brevity "IBC"/"Code") read with Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 by Canara Bank (hereinafter referred to as the *Petitioner/Financial Creditor/FC*) through Sh. Rahul Ranjan, Senior Manager, certified to be still in the service of the Bank, on the strength of General Power of Attorney dated 13.06.2015, seeking initiation of Corporate Insolvency Resolution Process (CIRP) against M/s. BNH Infra Projects India Pvt.

Ltd. (hereinafter referred to as the *Corporate Debtor/CD*) on the ground that the CD has committed default in repayment of financial debt of **Rs.11,31,33,234.50/-** (Rupees Eleven Crores Thirty One Lakhs Thirty Three Thousand Two Hundred Thirty Four and Fifty Paise only) on **27.03.2024**, when the loan account of the CD was classified as Non-Performing Asset (NPA).

2. Relevant facts of the case are as follows:

- i. The FC is a banking company constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and carries on banking business through its branches across India, including the Specialized Asset Recovery Management Branch at Bengaluru.
- ii. The CD is a private limited company incorporated on 05.11.2007 having CIN: U45202KA2007PTC044299, and registered office at No. 29, 4th Floor, Nanjappa Mansion, KH Road, Shanthi Nagar, Bengaluru - 560027.
- iii. On the CD approaching the FC for financial assistance, various credit facilities were sanctioned to the CD, including Overdraft (OD/OCC), Working Capital Term Loan under Guaranteed Emergency Credit Line (GECL), GECL Extension and Term Loan.
- iv. Based on the request and renewal letters of CD, dated 07.12.2019, 30.09.2021, 17.06.2022 and 07.07.2022, the Overdraft (OD/OCC) facility aggregating to Rs.45,00,00,000/- was sanctioned vide letters dated 26.11.2019, 30.09.2021, 07.07.2022 and 19.10.2022.
- v. Additionally, the FC had sanctioned following further facilities to the CD, including:
 - a. Working Capital Term Loan under GECL of Rs.2,54,00,000/- vide sanction letter dated 23.06.2020.
 - b. Working Capital Term Loan under GECL Extension of Rs.2,25,00,000/- vide sanction letter dated 26.10.2021.
 - c. Term Loan of Rs.5,00,00,000/- vide sanction letter dated 19.10.2022.
- vi. Thus, the total sanctioned credit facilities aggregated to Rs.54,79,00,000/-, excluding a bank guarantee facility.
- vii. It is submitted that the aforesaid facilities were secured by execution of several security documents including Common Hypothecation Agreements and Supplemental Hypothecation Agreements dated 07.12.2019, 30.06.2020,

- 30.09.2021, 09.11.2021, 07.07.2022 and 21.10.2022 creating charge over the movable assets of the CD.
- viii. Further security was created through Memorandum of Deposit of Title Deeds executed by **Smt. Shilpa Basavaraj** in favour of the FC in respect of immovable properties. The credit facilities were also secured by guarantees executed by: Smt. Shilpa Basavaraj , **Sri Gaurav Sharma** , **Sri. Lalith Jain** and **Sri. M.D. Ramanjam**.
- ix. Further, **M/s Tattva Properties** had executed a Corporate Guarantee dated 21.10.2022 in favour of the FC securing the facilities granted to the CD.
- x. It is stated that the CD has availed and utilized the said financial facilities but failed to adhere to the repayment obligations and the terms and conditions stipulated in the sanction letters and loan agreements. Consequently, the account of the CD was classified as Non-Performing Asset (NPA) on 27.03.2024. The FC has placed on record the statement of account showing the outstanding liability. As per the statement of account, the total outstanding amount as on 28.02.2025 is Rs.64,30,48,821.77/- along with further interest and charges as applicable. The FC has also filed the record of default issued by the Information Utility (Form-D) evidencing the occurrence of default.
3. On notice of the petition being issued to the respondent/CD, the petitioner has filed an Affidavit of Service dated 21.11.2025, evidencing that it was duly served by hand against receipt dated 25.10.2025. The notices were also served through email with a tagged soft copy of the complete paper-book on 28.10.2025. It has been verified that said e-mail address is taken from the Master Data of CD available on MCA website. The respondent was also duly served with notice of petition through Registered Post on 29.10.2025.
4. The respondent had appeared though Counsel Sh. Harshith on 21.11.2025 and sought time for filing objections. After hearing both sides, three weeks' time was granted to the respondent to file reply subject to depositing cost of Rs.25,000/- in Prime Minister National Relief Fund and submitting its receipt. The respondent however neither filed Vakalathnama and reply/objections to the petition nor appeared on 13.01.2026. Records revealed that cost had also not been deposited. The respondent thus

proceeded was *ex-parte* due to non-appearance/non-compliance. The respondent however did not turn up even thereafter till date.

5. We have heard the learned counsel for the Petitioner/FC and carefully perused the material available on record. In view of the conscious abstention of respondent/CD, we could not have the benefit of hearing and assimilating their point of view.
6. In order to initiate CIRP under Section 7 of the IBC, the FC is required to establish: Existence of financial debt, and Occurrence of default in repayment of such financial debt.
7. From the documents placed on record, it is evident that the CD had availed various financial/credit facilities from the FC pursuant to sanction letters dated 26.11.2019, 30.09.2021, 07.07.2022 and 19.10.2022 along with other loan facilities sanctioned subsequently.
8. The FC has placed on record the sanction letters, loan documents, hypothecation agreements, guarantees, statement of accounts and record of default with the Information Utility, which establish the existence of financial debt and the default committed by the CD. The debt is reflected even in the index of charges in the MCA master data printed on 06.02.2025 sometime around the date of filing of this petition.
9. The account of the CD was declared NPA on 27.03.2024, and the default amount claimed is above the threshold prescribed under the Code. The present petition has been filed on 09.04.2025, which is well within the period of limitation. Thus, the FC has successfully established the existence of financial debt and occurrence of default within the meaning of Section 7 of the Code.
10. In the given facts and circumstances, the present petition being complete and having established the default in payment of the financial debt and the default amount being above the threshold prescribed under the Code, the petition is liable to be admitted in terms of Section 7 of the IBC, 2016.
11. Accordingly, **CP (IB) No. 98/BB/2025** is hereby **admitted** initiating Corporate Insolvency Resolution Process against **M/s. BNH Infra Projects India Pvt. Ltd.**

Consequently, **moratorium is declared** in terms of Section 14 of the Code imposing the following prohibitions:

- a. The institution of suits or continuation of pending suits or proceedings against the CD including execution of any judgment, decree or order in any court of law, tribunal, arbitration panel or other authority;
 - b. Transferring, encumbering, alienating or disposing of by the CD any of its assets or any legal right or beneficial interest therein;
 - c. Any action to foreclose, recover or enforce any security interest created by the CD in respect of its property including any action under the SARFAESI Act, 2002;
 - d. The recovery of any property by an owner or lessor where such property is occupied by or in the possession of the CD.
12. It is further directed that the supply of essential goods or services to the CD shall not be terminated or suspended during the moratorium period in accordance with Section 14(2) of the Code. The provisions of Section 14(3) shall however not apply to such transactions as may be notified by the Central Government.
13. The order of moratorium shall have effect from the date of this order till completion of the CIRP or until approval of the Resolution Plan under Section 31 or passing of an order of liquidation under Section 33 of the Code, as the case may be.
14. In Part-III of Form-1, **Mrs. Shirley Mathew**, having Registration No. IBBI/IPA-001/IP-P01043/2017-18/11716, has been proposed as the Interim Resolution Professional (IRP). The written communication in Form-2 along with her consent affidavit has been filed along with the petition.
15. Accordingly, Mrs. Shirley Mathew, residing at 23, Fifth Cross, Hutchins Road St. Thomas Town, Bangalore, Karnataka-560084, email: **shirley@smathew.in**, Mobile No. **9845510322**, is hereby appointed as the Interim Resolution Professional. The IRP is directed to take steps as mandated under the Code, particularly under Sections 15, 17, 18, 20 and 21 of the IBC, and complete the CIRP within the prescribed timeline.

16. The FC shall deposit a sum of **Rs.2,00,000/- (Rupees Two Lakhs Only)** with the IRP to meet the expenses arising out of issuing public notice and inviting claims. These expenses shall be subject to approval by the CoC. **In addition, the IRP shall issue individual notices to the Jurisdictional Income Tax Authority; Principal Commissioner of Income Tax (Judicial), Bengaluru; Regional Provident Fund Commissioner; GST Commissioner; Commercial Tax Authority; recognized Labour Unions.**
17. The IRP shall, after collation of all the claims received against the CD and determination of the financial position of the CD, constitute the CoCs and shall file a report certifying the constitution of the Committee before this Adjudicating Authority on or before the expiry of thirty days from the date of his/her appointment. The IRP shall also convene the first meeting of the CoCs within seven days of filing the report of constitution of the Committee. The IRP is further directed to submit monthly progress reports to this Authority along with inside and outside photographs of the office, warehouse, installations, equipment, and other assets of the CD. Upon taking control of the assets and management of the CD, the IRP/RP shall affix a board outside the premises of the CD specifying that the CD is undergoing CIRP, along with the number and title of the present case and the complete name and contact details of the IRP/RP, so as to enable stakeholders to make enquiries and/or lodge their claims, if any, within the prescribed timelines.
18. A copy of this order shall be communicated to both parties. The learned counsel for the Petitioner shall deliver a copy of this order to the IRP forthwith. ***The Registry is also directed to forward a softcopy of this order to the Interim Resolution Professional through email.***

-Sd-
RADHAKRISHNA SREEPADA
MEMBER (TECHNICAL)

-Sd-
SUNIL KUMAR AGGARWAL
MEMBER (JUDICIAL)