



IN THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH (COURT – II)
(Through Hybrid Mode)

Item No.101

IA(I.B.C)/1223(CH)2025

In
CP (IB) No.176/Chd/Pb/2024
(Admitted)

IN THE MATTER OF:

Punjab and Sind Bank

...

Petitioner

Versus

**C Gems And Jewels Private
Limited**

...

Respondent

Under Section: 7, 60(5) IBC 2016

Order delivered on 31.07.2025

CORAM:

**SHRI. K. K. SINGH,
HON'BLE MEMBER (T)**

**SHRI. K. BISWAL,
HON'BLE MEMBER (J)**

PRESENT:-

For the IRP-Applicant in : Mr. Aalok Jagga, Mr. Shubham Gupta, Mr.
IA(I.B.C)/1223(CH)2025 Sahil Lohan, Advocates along with Mr.
Navneet Gupta, IRP

For the Respondent in : Mr. Raman Sharma, Advocate
IA(I.B.C)/1223(CH)2025

ORDER

IA(I.B.C)/1223(CH)2025

1. This is an Application filed by the RP seeking direction to the Respondent-Hindustan Petroleum Corporation Limited(HPCL) to continue supply the petroleum products to their filling stations. The Corporate Debtor has been put into CIRP vide order dated 11.07.2025. As recorded in the order dated 29.07.2025, the supply of the petrol and CNG was stopped to the filling stations of CD w.e.f. 07.07.2025 i.e. few days prior to initiation of CIRP.



2. The Ld. Counsel for the Applicant Mr. Aalok Jagga has referred to the provisions of Section 14(2) and 14(2A) of the IBC and submits that supply of the petrol and CNG is essential to run the CD as a going concern during the moratorium period. In the context, we have heard the Ld. Counsel Mr. Raman Sharma appearing for the Respondent-HPCL. He refers to the Rules and Regulations of the Petroleum Act, 1934 and Petroleum Rules, 2022 and submits that though the land on which the filling stations are set up is owned by the CD but as per the policy of the Respondent-HPCL, the same is given to the Respondent-HPCL on lease for 30 years. He submits that the petrol pump etc. which are set up on that land is basically owned by the Respondent Company itself but the same are given to the CD being its dealer as per the dealership agreement. He also submits that as per the agreement and the relevant Rules, the supply of the petroleum products are made on payment of advance, however, the Respondent-HPCL within its own discretion have been supplying it on credit also to some of its dealers keeping in view the performance and relationship with such dealers. In the context, it is submitted that for some time, the CD was also given the facility of the credit, however, the CD failed to clear the outstanding of Rs.3.48 Crores and therefore, the supply was stopped. We have noted the submission so made by the Ld. Counsel. As regards the outstanding amount, Respondent Company will have to file its claim before the IRP/RP. The issue herein is of supply of critical goods and services required to preserve the value of the CD and to make it as a going concern.



3. Having considered the facts, we are of the view that supply of the petroleum products is very critical for running the CD as a going concern during the moratorium period also and we therefore, direct the Respondent-HPCL to resume and continue its supply which has been stopped w.e.f. 07.07.2025 during the moratorium period. It is clarified that the cost of the supply of the petroleum product during such period would be a part of the CIRP expenses which ultimately will have to be paid in priority together with other CIRP cost while arriving at resolution of the CD. Nevertheless, in this matter, we consider it appropriate to direct that the Respondent-HPCL shall supply the required petroleum products with a credit of minimum 4 days and the Applicant IRP/RP will ensure that the cash received on any day by selling the petrol and CNG etc. through the filling stations is first of all utilized to make the payment to the Respondent-HPCL the very next day itself. Respondent-HPCL is at liberty to place any of their official in the premises of the CD to ensure the compliance of the dealer and to make inspections as per the provisions of the relevant Act and Rules as referred to by the Ld. Counsel.

4. Accordingly, IA(I.B.C)/1223(CH)2025 stands allowed and disposed of.

Sd/-

(K. K. SINGH)
MEMBER (TECHNICAL)

Sd/-

(K. BISWAL)
MEMBER (JUDICIAL)