

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

2026.PHHC.073051



**CWP No.29545-2024(O&M)
Date of Decision: 11.05.2026**

D.D.Associates

....Petitioner

vs.

State of Punjab and others

....Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present: Mr.Aman Pal, Senior Advocate with
Mr. Balraj Sharma, Advocate
Mr. Japsehaj Singh, Advocate
for the petitioner
Mr. Dixit Anand, Proprietor in person
Mr. Ishan Kaushal, AAG, Punjab
Mr. Sarthak Gupta, Advocate
for respondents No. 2 and 3
Mr. Anil Sharma, Advocate
Ms. Devyanj Sharma, Advocate
for respondent No. 4

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Article 226 of the Constitution of India is seeking setting aside of order dated 26.07.2024 (Annexure P-18) whereby respondent No. 2-Managing Director, Punjab Health Systems Corporation (for short "Corporation") has rejected its claim for release of payment of Rs. 5,67,23,040/-.

2. As per pleadings, the petitioner is a Micro enterprise registered under the Micro, Small and Medium Enterprises Development Act, 2006 (for short "2006 Act"). Petitioner and Respondent-Corporation entered into an agreement for supply of medical equipments i.e. E-Stethoscopes and chip based real time PCR (True-net). The petitioner supplied agreed material,

however, dispute erupted between the parties with respect to quality and



CWP No.29545-2024(O&M) -2-

value of the material. The Corporation asked the petitioner to accept Rs. 15,000/- per unit instead of Rs. 22,176/- per unit. The petitioner agreed to accept Rs. 15,000/- per unit. Despite said arrangement, Corporation did not make payment which has led to filing of present petition.

3. Learned counsel for Corporation on being asked, confirmed that there is no irregularity or deficiency in the supplied material, however, they are unable to make payment because State Government has not released the funds and asked to cancel the contract. They principally agree with the offered price i.e. Rs. 15,000/- per unit and quality of material.

4. Learned State counsel submits that decision has to be taken by Corporation. If the Corporation decides to make payment, the State has no objection.

5. In the wake of statement of both sides, the petition stands disposed of with a direction to Corporation to make payment of agreed amount i.e. Rs. 15,000/- per unit within three months from today, failing which the respondent would be liable to pay interest @ 7.5% per annum on the expiry of said period. It is made clear that, as agreed by the petitioner, there would be no liability of interest till the expiry of three months from today.

6. Pending Misc. application(s), if any, shall stand disposed of.

11.05.2026
paramjit

(JAGMOHAN BANSAL)
JUDGE

Whether speaking/reasoned:	Yes	
Whether reportable:		No