



2026:CGHC:10396



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NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 906 of 2026**

Soham Hospital Through Director Dr. Yugal Kumar Chandrakar, Aged About 37 Years, S/o Mr. Arun Kumar Chandrakar, R/o Village And Post Malidaih, Mahasamund, District- Mahasamund (C.G.)

... Petitioner**versus**

1 - State Of Chhattisgarh Through Principal Secretary, Department Of Health And Family Welfare, Mantralay, Mahanadi Bhawan, Nava Raipur, District Raipur (C.G.)

2 - Health Secretary-Cum-Appellate Authority Department Of Health And Family Welfare, Mantralaya, Mahanadi Bhawan, Naya Raipur, District Raipur (C.G.)

3 - Commissioner Health Services- Cum- Assistant Chief Executing Officer, State Nodal Agency, Chhattisgarh, Address- Fourth Floor, Sector 19, North Block, Atal Nagar, Nawa Raipur (C.G.)

... Respondents

For Petitioner	:	Mr. Manoj Paranjpe, Sr. Adv. with Mr. Rohan Kumbhare, Adv.
For Respondents	:	Mr. Anand Dadariya, Dy. Adv. General



Hon'ble Shri Justice Naresh Kumar Chandravanshi

Order On Board

27-2-2026

1. The petitioner has preferred this writ petition under Article 226 of the Constitution of India, seeking following relief(s):-

“10.1 That, the Hon'ble Court may kindly be pleased to issue a writ/writs, order/orders, direction/directions, quashing the order dated 12.02.2026 (ANNEXURE P/5) passed by the respondent No.1 and Hon'ble Court may kindly be pleased to quash the order dated 26.11.2025(ANNEXURE P/3) also passed by Commissioner Health Services-Chief Executive Officer, State Nodal Agency Chhattisgarh and the Hon'ble Court may kindly further be directed to the respondent authorities to restore the empanelment of the petitioner's hospital.

10.2 The Hon'ble Court may kindly be pleased to grant any other relief which the Hon'ble Court deems fit and proper in the facts and circumstances of the case.”

2. Learned counsel for the petitioner would submit that petitioner hospital was empaneled as one of the hospitals under a medical scheme of the Central Government known as "Ayushman Bharat Pradhanmantri Jan Arogya Yojana" (for short 'the scheme') to provide treatment to patients eligible under the scheme. After empanelment, petitioner hospital is providing treatment to patients coming for treatment with card issued under the scheme. Hospital of petitioner was inspected on 29-9-2025 and Inspecting Team found certain shortcoming/irregularities in running and providing treatment to patients eligible under the scheme. Petitioner was served with show-cause notice dated 17-10-25 pointing 10



shortcoming /irregularities and calling upon petitioner to submit reply/ explanation till 24-10-2025 i.e. within seven days. He submits that punishment of de-empanelment or cancellation of registration is proposed under show-cause notice, which comes under the category of major penalty and therefore it was obligatory on the part of respondent No. 3, who issued show-cause notice, to provide sufficient time to petitioner to meet out the allegations as mentioned therein. He further contended that respondent No. 3 ought to have provided minimum seven days' time to submit reply. Petitioner was not served with report prepared by the Inspecting Team against petitioner and therefore, petitioner was also deprived from submitting explanation in a proper manner. Petitioner though submitted reply within short time on 22-10-2025, however, respondent No. 3 while passing order dated 26-11-2025 (Annexure P-3) has not considered the explanation as offered by petitioner in appropriate manner and rejected pleadings made in reply in one line that explanation offered is not satisfactory and acceptable, and issued the order imposing major penalty of de-empanelment of petitioner for a period of one year. He further submits that the petitioner preferred an appeal before the Appellate Authority, however, the appeal was also dismissed vide order dated 12-2-2026 (Annexure P-5). The appellate authority though extracted part of reply submitted by petitioner before the respondent No.3 and other pleadings made in appeal, but dismissed the appeal only observing that upon considering the reply submitted, order of the respondent No. 3 is found to be correct. No reason has been assigned on the grounds raised in appeal. He lastly contended that respondent No.3 is not having any jurisdiction to pass the order of de-empanelment or cancellation of registration. As per Clause



4.3.1. if respondent No. 3 finds that shortcoming/irregularity noted by Inspecting Team would attract de-empanelment or cancellation of registration, then respondent No. 3 shall recommend for such action against petitioner to the State Empanelment Committee (SEC) for taking final action against service provider i.e. petitioner herein. No such proceeding has been drawn and thereby the entire action on the part of respondent No. 3 of passing the order of de-empanelment / cancellation of registration vide order dated 26-11-2025 is without authority of law.

3. On the other hand, learned counsel appearing on behalf of the respondent State opposes submissions of learned counsel for petitioner and submits that Inspecting Team during inspection found shortcoming/irregularities and therefore issued show-cause notice to petitioner as per Guidelines on Hospital Empanelment and De-empanelment (Version 3.0) and after considering reply submitted by petitioner, the order of de-empanelment / cancellation of registration has been passed by respondent no.3, which is in accordance with Guidelines and does not call for any interference. Appellate Authority has also considered the grounds as pleaded in memo of appeal and dismissed the same. Hence, the order dated 12-2-2026, Annexure P-5, which is under challenge, is in accordance with law.
4. Heard learned counsel for the respective parties and perused the documents available in writ petition.
5. Admittedly, the petitioner hospital was empaneled under the scheme. Clause 6.4.2 of the Guidelines deals with penalties for offences by the Hospital. In case of non-adherence to quality and service standards as laid under the scheme, it is provided that in case major gaps and willful



suppression /misrepresentation of facts, show-cause with compliance period of 02 weeks for rectification, suspended if not rectified after 2 weeks and rejection of claims related to gaps and penalty up to 3 times of all cases related to gaps observed. It further provides that suspension of service until rectification of gaps and validation by District Empanelment Committee (DEC).

6. Perusal of show-cause notice issued to petitioner would show that it was issued on 17-10-2025 and petitioner was asked to submit reply by 24-10-2025. Thus, clear seven days' time to submit reply explaining allegations levelled against petitioner is not provided in show-cause notice. Non-grant of sufficient time to submit reply also violates principles of natural justice.
7. Perusal of order dated 26-11-2025, Annexure P-3, would show that explanation offered by petitioner to allegations / reply submitted by petitioner to show-cause notice, is turned down in one line mentioning that reply to show cause notice submitted by petitioner is not found satisfactory and it is not acceptable. No reason has been assigned for arriving at such a conclusion that reply submitted by petitioner is not satisfactory or not acceptable. Appeal preferred by petitioner was considered by the Appellate Authority, who though discussed the clauses of notice, explanation offered, grounds of appeal but in Para-6 of impugned order only observed that after considering the entirety of facts, action taken by respondent No. 3 against the petitioner is in accordance with law. Both the authorities i.e. appellate authority and respondent No. 3, are the public authority and therefore, it is expected from them to pass an order assigning reasons for not finding reply of petitioner to be satisfactory and not acceptable. In absence of any specific



reason to record that reply submitted by petitioner is dissatisfactory, it could be said that the order is passed without proper application of mind.

8. For the foregoing discussions, the writ petition deserves to be allowed and it is allowed. Order dated 26-11-2025 (Annexure P-3) passed by respondent No. 3 and order dated 12-2-2026 (Annexure P-5) passed by respondent No.1 are set aside. However, the respondent No. 3 will be at liberty to pass fresh speaking order considering show-cause notice dated 17-10-2025 (Annexure P-1) as also reply submitted by petitioner to it, in accordance with law.
9. Certified copy as per rules.

Sd/-

(Naresh Kumar Chandravanshi)

Judge