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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 4468/2025, CM APPL. 20631/2025
M/S PANACEA INSTITUTE OF RADIOLOGY AND MEDICAL
SERVICES PVT. LTD.Petitioner

Through: Mr. Priyank Kher and Mr. Vivek
Kumar Tiwari, Advs.

versus

CGHS (HQ), GOVT. OF INDIA AND ANR.Respondents

Through: Mr. Vineet Dhanda, CGSC, Ms.
Akansha Choudhary, Ms. Shweta
Shandily and Mr. Kamaldeep, GP for
R-1.

Mr. Vikas Chopra, Adv., QCI.

Mr. Dhruv Rohatgi, Ms. Chandrika
Sachdev and Mr. Dhruv Kumar,
Advs. for R-2 and 3.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

% **08.04.2025**

CM APPL. 20632/2025 (Exemption)

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

W.P.(C) 4468/2025

3. The present petition has been filed by the petitioner, *inter-alia*,
praying as under –

*“(a) that this Hon'ble Court may kindly be pleased to issue a writ
in the nature of mandamus and/or any other appropriate writ,
order or direction thereby quashing and setting aside the order
dated 06.09.2023, 12.10.2023, 09.07.2024, 30.10.2023,
03.11.2023, 00.10.2023 and 04.01.2024 passed by the
Respondent No.1-5 i.e., /CGHS, DAK, DGEHS, ESIC Hospital*



and NABH respectively and consequently all other orders and/or decisions/actions taken by respondents on the basis of the said order be also quashed and set aside;

(b) that this Hon'ble Court may kindly be pleased to issue a writ in the nature of mandamus and/or any other appropriate writ, order or direction thereby permanently restraining the respondents from executing and/or giving effect to and/or taking any prejudicial action against the petitioners in pursuance of the said order dated 06.09.2023, 12.10.2023, 09.07.2024, 30.10.2023, 03.11.2023, 00.10.2023 and 04.01 .2024;”

4. The background of the matter is that on 06.09.2023, the Central Government Health Scheme (CGHS) issued an office order, temporarily suspending the empanelment of the petitioner. The allegations in the said office order included non-compliance of prescribed rules under Pre-Conception and Pre-Natal Diagnostic Techniques (PC & PNDT) Act. Office order dated 06.09.2023 is reproduced as under –

OFFICE ORDER

Sub: Suspension of empanelment of Panacea Institute of Radiology & Medical Services Private Limited (earlier known as Focus Imaging & Research Centre Pvt. Ltd.), II-10, Green Park Extn. New Delhi 110016.

With reference to the above-mentioned matter, the under signed is directed to draw attention to the Office Memorandum No. S-11045/36/2012-CGHS (HEC) dated 01.10.2014 vide which Focus Imaging & Research Centre Pvt. Ltd., H-10, Green Park Extn. New Delhi 1 10016 was empanelled under CGHS w.e.f 1.10.2014 (Name Changed- Panacea Institute of Radiology and Medical Services Private Limited w.e.f. 26.08.2022) and to state that various complaints are received against Panacea Institute of Radiology and Medical Services Private Limited for non compliance of prescribed rules under PC & PNDT Act. and other issues, so it has been decided to temporarily suspend empanelment of Panacea Institute of Radiology and Medical Services Private Limited, H-10, Green Park Extn. New Delhi 110016 from CGHS with immediate effect till further orders. The Centre is show caused to explain within 10 days, why its empanelment may not be withdrawn from CGHS.

5. The petitioner submitted its reply to the said office order on



11.09.2023. It is submitted that this suspension was issued without prior notice or affording the petitioner an opportunity to be heard.

6. Subsequently a second show cause notice dated 12.10.2023 was issued by respondent no. 1/ CGHS to the petitioner. The allegations in the said show cause notice, *inter-alia*, pertain to submission of a forged Fire Safety NOC and violations under the PC & PNDT Act. The said show cause notice is reproduced as under –

“SHOW CAUSE NOTICE

To

The Director

*Panacea Institute of Radiology and Medical Services Private Limited H- 10.
Green Park Extn. New Delhi- 110016*

Sub: Regarding complaints received against Panacea Institute of Radiology and Medical service Services Private Limited

The Office of under signed is in receipt of multiple complaints against your centre, the gist of which is as follow:

- 1 Echocardiography of the CGHS Beneficiaries is being done by Technician.*
- 2. An FIR lodged against the Director/Owner of the Institute; by the employees of the Centre.*
- 3. FIRE NOC dt 10.01.2022 submitted, it was not authentic.*
- 4. PC-PNDT Certificate submitted was not in the name of Panacea Institute of Radiology and Medical Services Private Limited.*
- 5. It is understood that A Writ Petition is filed in High Court against your centre regarding fraudulent practices.*
- 6. Complaint that despite the suspension from CGHS Empanelment, the Centre is doing the test of CGHS beneficiaries as CGHS Empanelled Centre.*
- 7. Complaint that forged papers of doctors and other staff are submitted to maintain AERB certification without consent of doctors and staff.*

You are hereby directed to submit a point wise reply to the show cause notice within 07 days of the receipt of this letter, failing which it would be construed that you have nothing to submit and action including withdrawal of empanelment of your centre may be initiated.”

7. Subsequently, various other empanelments, including those with



ESIC (vide an undated order - 00.10.2023), DGEHS (dated 03.11.2023), and DAK (vide order dated 30.10.2023), were also suspended on the basis of the CGHS's office order dated 06.09.2023. It is submitted that no prior notice or hearing was given by these authorities.

8. Thereafter, the respondent no.5, the National Accreditation Board for Hospitals & Healthcare Providers (NABH), acting solely on the basis of the CGHS suspension order dated 06.09.2023, issued a Show Cause Notice dated 08.12.2023 to the petitioner. The petitioner submitted a detailed response on 13.12.2023, rebutting the allegations. Nonetheless, NABH withdrew the petitioner's accreditation through an order dated 04.01.2024. The petitioner further submitted a detailed representation dated 05.02.2024, objecting to the withdrawal of accreditation.

9. It is submitted that one of the core allegations against the petitioner relates to the submission of a Fire Safety NOC, which is claimed to have been forged. However, the petitioner submits that its premises do not require a Fire NOC under the applicable legal framework. It is pointed that as per Rule 27 of the Delhi Fire Service Rules, 2010, premises below 15 meters in height and within four storeys are exempt from the requirement of obtaining a Fire Safety Certificate. Despite this, the CGHS and other authorities have taken action based on an allegedly forged Fire NOC which, the petitioner submits, was neither created nor submitted by it.

10. It is further submitted that the forged Fire NOC in question was, in fact, procured and submitted by one Mr. Vinod Kumar Sharma and his associates without the petitioner's knowledge. It is submitted that upon discovering the forgery, the petitioner promptly filed criminal complaints on 17.01.2024 and again on 15.07.2024, naming Mr. Sharma and one Mr. Ajit



Kumar for forgery, criminal breach of trust, and conspiracy. These complaints are presently under investigation.

11. Subsequently, the petitioner's empanelment with CGHS was conditionally restored vide an Office Memorandum dated 27.03.2024. The restoration order required submission of a valid NABH/QCI certificate within 90 days. The said order reads as under:

*"F.No.6-90/CGHS/Gr. Cell/2023
Office of the Additional Director
Central Government Health Scheme, Headquarter
Sector-13, R.K. Puram, New Delhi-110066
(Grievance Cell)*

*CGHS Bhawan, New Delhi-66
Dated: 27 March, 2024*

OFFICE MEMORANDUM

Subject: Revoking the suspension of empanelment of Panacea Institute of Radiology and Medical Services Pvt. Ltd. H-10, Green Park Extn., New Delhi-110016.

With reference to the above mentioned matter, the undersigned is directed to draw attention to the Office Order No. 6-90/CGHS/Gr. Cell/2023/680-705, dated 06.09.2023 vide which Panacea Institute of Radiology and Medical Services Pvt. Ltd., H-10, Green Park, Extn., New Delhi-110016 was temporarily suspended from empanelment under CGHS Delhi till further orders. A representation was received from the centre for consideration of revocation of its suspension. After careful examination of the explanation given by the concerned Centre, it has not been decided by the Competent Authority to revoke the suspension of empanelment of Panacea Institute of Radiology and Medical Services Pvt. Ltd., H-10, Green Park Extn., New Delhi-110016 w.e.f. date of issue of this order on the same terms and conditions on which it was empanelled earlier but on non-NBH/NABL rates. The revoking of suspension of empanelment is subject to-

1. *Submission of New PBG of Rs.2,00 Lakhs within 3 days of issuance of this order with 30 months validity as its present PBG stands forfeited.*



2. *Submission of QCI recommendation/NABH Certificate within a period of 90 days.*

In case of non-submission of QCI recommendation/NABH certification within the stipulated period of 90 days, the Centre would be debarred from the CGHS panel for a period of 3 years and its PBG would be forfeited.

*Signed by
Manoj Jain
Additional Director-HQ.”*

12. It is submitted that the petitioner applied for certification and submitted all necessary documentation within time. However, due to administrative delays at NABH/QCI, which were beyond the petitioner's control, the final certificate was not issued within the stipulated timeframe. Anticipating the delay, the petitioner submitted written extension requests dated 18.06.2024 and 26.06.2024, requesting a short extension. However, these requests were rejected. On 09.07.2024, CGHS passed a final order cancelling the petitioner's empanelment. The said order reads as under;

*“F.NO.6-90/CGHS/Gr.Cell/2023/697-702
Office of the Additional Director
Central Government Health Scheme, Headquarter
Sector-13, R. K. Puram, New Delhi -110066
(Grievance Cell)*

*CGHS Bhawan, New
Delhi-66*

Dated: 09 July, 2024

OFFICE MEMORANDUM

Subject: Suspension of empanefment of Panacea Institute of Radiology and Medical Services Pvt Ltd. H-10, Green Park Extn .. New Delhi-110016.

With reference to the above mentioned matter, the undersigned is directed to draw attention to the Office Order No. 6-90/CGHS/Gr.



Cell/2023, dated 26.03.2024 vide which suspension of Panacea Institute of Radiology and Medical Services Pvt. Ltd, H-10, Green Park Extn., New Delhi-110016 was revoked subject to submission of – “QCI recommendation I NABH Accreditation Certificate within a period of 90 days. In case of non submission of QCI recommendation I NABH Accreditation Certificate within a period of 90 days, the Centre would be debarred from the CGHS panel for a period of 3 years and its PBG would be forfeited” The Centre has failed to submit QCJ recommendation I NABH Accreditation Certificate withjn stipulated time. Therefore, the empanelment of Panacea Institute of Radiology and Medical Services Pvt. Ltd, H-10, Green Park Extn., New Delhi-110016 stands cancelled with immediate effect.

*Signed by
Dr. Satheesh Y H
Director, CGHS.”*

13. Being aggrieved on account of the above, the petitioner has filed the present petition.
14. Learned senior counsel for the petitioner submits that the said order suffers from various errors apparent on the face of the record.
15. It is submitted that the order dated 09.07.2024 has been issued to the petitioner only on the account of the inability of the petitioner to get the requisite NABH certification. It is submitted that the same is due to circumstances beyond the control of the petitioner.
16. It is submitted that the petitioner has applied for NABH certificate in April, 2024 itself. No reasons have been communicated by NABH for non-processing of the application submitted by the petitioner.
17. It is submitted that as a result of the impugned order, the entire business of the petitioner has come to a standstill.
18. Issue notice.
19. Learned counsel, as aforesaid, accepts notice on behalf of the



respondents.

20. Learned counsel for the CGHS seeks some time to take instructions as to whether as an interim measure, while the petitioner's application with NABH is pending, the suspension of the petitioner can be revoked on the same lines as was done vide the aforesaid order dated 27.03.2024.

21. Learned counsel for the NABH submits that if the petitioner applies afresh for getting the requisite accreditation with NABH, the same shall be processed expeditiously and within a period of six weeks from the date of submission thereof, subject to necessary compliances by the petitioner. The said statement is taken on record.

22. Learned counsel for the petitioner submits that the petitioner shall be applying afresh for getting the requisite accreditation with NABH and shall also endeavour to comply with any further requisition as may be made by NABH.

23. Let counter-affidavit be filed by the respondents before the next date of hearing.

24. List on 06.05.2025.

SACHIN DATTA, J

APRIL 8, 2025/cl