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W.P. No.32920 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.11.2025

CORAM:

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P. No.32920 of 2025

and

W.M.P. Nos.36909, 36911 and 48930 of 2025

Dhanalakshmi Srinivasan Medical
College and Hospital,
Represented by its Authorized Signatory,
NH-45 Trichy-Chennai Highway,
Siruvachur,
Perambalur 621 113.

Petitioner

Vs

1. The State of Tamil Nadu
Represented by its Principal Secretary,
Department of Health and Family Welfare,
Fort St George, Chennai 600 009.

2. Directorate of Medical and Rural
Health Services

Appropriate Authority,
Represented by its Director,
No.359 Anna Salai,
Teynampet, Chennai 600 006.

3. Kidney Transplant Authorization Committee
Government Rajaji Hospital,
Alwarpuram, Madurai 635 020.

Respondents



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Prayer : Writ Petition filed under Article 226 of the Constitution of India to issue Writ of Certiorari, calling for the records of the 2nd respondent in the impugned order dated 18.08.2025 in reference M.M. No.12829/NP7/1/2025, quash the same.

For Petitioner : Mr.Abishek Jenasenan

For Respondents : Mr.J. Ravindran
Additional Advocate General
Asstd. By Ms.M. Sneha
for R1 & R2

ORDER

This writ petition has been filed to call for the records of the 2nd respondent in the impugned order dated 18.08.2025 in reference M.M. No.12829/NP7/1/2025 and quash the same.

2. The petitioner-hospital is a renowned medical college and hospital that has been functioning in the field of medical education for more than a decade. It has obtained all requisite approvals from both the Central and State Governments to function the said hospital. The petitioner applied for registration under Section 14 of the Transplantation of Human Organs and Tissues Act, 1994, for conducting kidney transplantation procedures, and the said registration was periodically renewed. It is also stated that the said hospital has been regularly conducting dialysis and transplantation procedures strictly in accordance with law and its registration is valid up to 12.10.2026. While



things stood thus, a press release broadcast in a news channel levelled baseless allegations that the petitioner-hospital was involved in kidney trafficking.

Based solely on the said press release, the 2nd respondent issued an order dated 23.07.2025 temporarily suspending the petitioner's registration certificate. Aggrieved thereby, the petitioner preferred an appeal before the Government and also addressed a letter to the 2nd respondent seeking clarification regarding the pending transplantation procedures that had already been approved.

3. Subsequently, another press release dated 10.08.2025 was issued, again containing allegations against the petitioner-hospital. Aggrieved by the same, the petitioner filed W.P. No.32231 of 2025, challenging the press release issued by the 1st respondent. During the pendency of the said writ petition, and without concluding the suspension proceedings, the 2nd respondent passed the impugned order dated 18.08.2025 cancelling the petitioner's registration, that too, without issuing any show cause notice, thereby depriving the petitioner of an opportunity to submit an explanation. Challenging the order dated 18.08.2025 issued by the 2nd respondent, this writ petition has been filed.

4. Learned counsel for the petitioner submitted that the impugned cancellation order is wholly unsustainable, having been passed in gross violation of Section 16(1) of the Transplantation of Human Organs and Tissues Act, 1994. Section 16(1) mandates that before cancelling or suspending any registration, the appropriate authority shall issue a notice setting out the



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grounds and afford the hospital a reasonable opportunity to submit its explanation. He further contended that no such notice was ever issued after the suspension order. The petitioner had already filed an appeal against the order of suspension, and while the said appeal and writ petition were pending, the authority proceeded to cancel the licence purely on the basis of press release telecasted in a news channel. The impugned order does not even make a reference to a show cause notice.

5. Learned counsel further submitted that in an identical proceedings, very similar cancellation orders were quashed by this Court solely on the ground of violation of principles of natural justice, and the statute itself stipulates mandatory notice before taking adverse action. He also submitted that the petitioner-hospital handles critical kidney-transplantation cases and that several patients undergoing kidney transplanation and dialysis stand directly affected by the abrupt cancellation. Reliance was placed on the order passed by the learned Single Judge of Madurai Bench of this Court dated 03.11.2025 in W.P.(MD) No.30026 of 2025, where, in identical circumstances, the impugned orders therein were quashed. On the aforesaid score, he prayed for quashment of impugned order dated 18.08.2025 issued by the 2nd respondent and allowing of this writ petition.

6. Per contra, learned Additional Advocate General assisted by Ms.M.Sneha, learned counsel appearing for the respondents 1 and 2 submitted



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that certain allegations regarding the transplantation activities in the petitioner-hospital had emerged, pursuant to which the licence was suspended under the Tamil Nadu Clinical Establishments Act, and the petitioner was required to submit an explanation. He further submitted that since the petitioner had already filed an appeal under Section 17 of the Act, the writ petition may not be maintainable. He further submitted that even though transplantation licence was suspended, the petitioner was permitted to continue dialysis services. However, he fairly submitted that if this Court finds that the impugned order suffers from lack of opportunity, the same may be treated as a show cause notice, and liberty may be given to the petitioner to submit their explanation, which the 2nd respondent will consider in accordance with law.

7. This Court gave its anxious consideration to the submissions advanced by the learned counsel on either side and perused the materials placed on record. Since no adverse orders are passed against the 3rd respondent, notice to 3rd respondent is dispensed with.

8. Admittedly, the impugned order is a final order of cancellation. It is an undisputed fact that prior to issuance of the impugned cancellation order dated 18.08.2025, the respondents have not issued any show cause notice to the petitioner-hospital. Further, it is crystal clear on a reading of Section 16(1) of the of the Transplantation of Human Organs and Tissues Act, 1994 mandates



that before cancellation, the authority must issue a notice setting out the grounds and afford reasonable opportunity of hearing to the registered hospital.

9. The Hon'ble Supreme Court as well as this Court have repeatedly held that an order passed behind the back of the affected party, without notice, is vitiated for breach of the principles of natural justice. Even in similar circumstances, batch of proceedings viz., suspension as well as cancellation orders issued to another hospital were quashed solely on the same ground of violation of principles of natural justice. In the instant case, the cancellation has been ordered vide proceedings dated 18.08.2025 by the 2nd respondent is based on the press release flashed in a media. Such action is in clear violation of Section 16(1) of the Act and contrary to the constitutional requirement of fairness in administrative action and thus the action of the 2nd respondent in issuing the cancellation order dated 18.08.2025 is unsustainable and the same cannot be entertained. Therefore, on the ground of violation of the principles of natural justice, this Court is inclined to interfere and issues the following directions :-.

a) The impugned order of cancellation dated 18.08.2025 issued by the 2nd respondent is hereby set aside.

b) The 2nd respondent shall send a show cause notice to the petitioner-hospital with regard to the alleged kidney trafficking and direct the petitioner-hospital to submit an explanation by stipulating a time frame.



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c) On receipt of such explanation from the petitioner-hospital, the 2nd respondent shall consider the same and pass orders afresh, on merits and in accordance with law, specifically in accordance with Section 16(1) of the Act, within a period of six weeks thereafter. The 2nd respondent shall also afford an opportunity of personal hearing to the petitioner before passing any orders.

d) It is made clear that this Court has not expressed any opinion on the merits of the allegations, and all issues are left open to be decided by the 2nd respondent.

e) Entire exercise shall be completed by the 2nd respondent, preferably not later than two months from the date of receipt of a copy of this order.

10. In the result, the writ petition stands allowed with the aforesaid observations and directions. No costs. Consequently, connected miscellaneous petitions are closed.

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Index : Yes / No

Internet: Yes/No

Speaking Order/Non-Speaking Order

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To

1. The Chief Secretary to Govt.
of TN &
Chairman, Empowered Committee,
Constituted by the Govt. of TN
Health and Family Welfare (EAPII-2) Dept.,
for the Chief Minister's Comprehensive
Health Insurance Scheme,
Fort. St. George,
Chennai – 600 009.

2. The Secretary to Govt.
Govt. of Tamil Nadu
Family and Health Welfare (EAP-1),
Fort. St. George,
Chennai – 600 009.

3. The Managing Director,
Tamil Nadu Medical Services Corp.
No.417, Pantheon Road,
Egmore,
Chennai – 600 008.

4. The Project Director,
Tamil Nadu Health Systems Project
3rd Floor,
DMS Annex New Building,
259 Anna Salai,
Teynampet,
Chennai – 600 006,
Tamil Nadu.



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5. The Chief Executive Officer,
Ayushman Bharat
Pradhan Mantri Jan Arogya Yojana
9th Floor,
Tower – L,
Jeevan Bharati Building,
Connaught Place,
New Delhi – 110 001.

6. The Director of Medical and Rural
Healthcare Services,
Govt. of Tamil Nadu,
Chennai – 600 006.

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and
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