22.09.2025
Sl. No. 7
Ct No. 3
SG

WPA 18925 of 2025
CAN 1 of 2025

Ohio Cardiology Associates India Private Limited & Anr.
Vs
The State of West Bengal & Ors.

Mr. Arindam Banerjee, Sr. Adv.
Mr. Abhijit Sarkar,
Ms. I. Hasan,
Ms. Y. Agarwal.
...for the petitioner

Mr. A. Ray, Sr. Adv.
Mr. Debasish Ghosh,
Ms. Munmun Ganguly.
...for NKDA

Ms. Sonal Sinha,
Ms. Sharmila Deb,
Ms. Ashmita Chakraborty.
...for the State

1. The petitioners have filed the present writ petition, being aggrieved by the alleged retrospective assessment carried out by the respondent Newtown Kolkata Development Authority in respect of the petitioners' premises bearing No. 10-0333, Action Area-ID, Newtown, P.S. Rajarhat, Kolkata, and the consequent demand notice dated 08.08.2025, along with the purported demand for property tax and penalty as reflected on the respondents' online portal..

2. The case of the petitioners is that Petitioner No. 1 is the absolute owner of the said premises by virtue of a registered deed of conveyance dated 02.01.2008, and has

been operating a hospital therein since 2017. The petitioners constructed the said building in accordance with a building plan duly sanctioned by the respondent-Newtown Kolkata Development Authority on 03.06.2014. The occupancy/completion certificate was issued on 03.03.2015. The petitioners have been running the said hospital and filing property tax returns under the self-assessment scheme.

3. Learned Senior Counsel for the petitioners states that the petitioners have been regularly paying property tax in accordance with the system generated demand from the year 2018 to 2025. The last payment was made for the fourth quarter of the financial year 2024–25, on 20.03.2025. He further states that the petitioners' trade license expired on 31.03.2025. On 03.04.2025, when the petitioners attempted to renew their trade and other licenses for the current year through the portal maintained by Respondent No. 2, the portal unexpectedly displayed a purported demand for alleged arrears of tax and penalties amounting to Rs. 1,99,38,056/- in respect of the said premises.

4. The alleged tax dues of Rs. 1,63,11,632/- are stated to pertain to the period from the 1st quarter of 2018–2019 to the 4th quarter of 2024–2025. Additionally, there is a demand for penalty amounting to Rs. 36,26,424/-, as reflected in the electronic tax demand

uploaded by the respondent authorities on their web portal. Learned Senior Counsel further submits that due to this exorbitant demand, the petitioners' trade license could not be renewed.

5. Learned Counsel for the respondent submits that the assessment was carried out under Section 36R of the New Town Kolkata Development Authority Act, 2007 (hereinafter referred to as 'the Act'). It is further contended that upon verification at the time of property tax filing, it was detected that the petitioners had willfully suppressed information relating to the assessment of the property, thereby necessitating the issuance of the impugned demand notice.

6. Learned Counsel argues that the petitioners have not been paying property tax in accordance with the provisions of the Act and that there has been material suppression of facts regarding the tax liability of the premises in question. He further submits that the petitioners have a statutory remedy to raise objections under Section 36S of the Act and may still avail themselves of said provision to raise the grievances sought to be addressed in the present writ petition.

7. Learned Counsel for the petitioners submits that the petitioners are ready and willing to approach the respondent authority to raise objections to the proposed assessment made by the said authority.

8. At this stage, this Court is of the considered view that the objections raised by the petitioners can be appropriately adjudicated by the respondent authority in terms of Section 36S of the Act.

9. In view of the above, the petitioners are remanded to the respondent authority for consideration of their objections to the proposed assessment. The petitioners further submit that they are ready and willing to deposit the principal amount, without prejudice to their rights and contentions, as raised before the respondent authority. It is also submitted that renewal of the trade license is essential, as the functioning of the hospital depends on such renewal, which in turn affects the validity of the petitioners' medical licenses. It is contended that if the trade license is not renewed, the hospital will be unable to function, causing severe prejudice to the petitioners.

10. Learned Counsel for the respondent submits that, at this stage, if the petitioners are ready and willing to deposit the said principal amount, the respondent authorities are agreeable to issuing the trade license to the petitioners, subject to the condition that if, upon completion of the proceedings under Section 36S, it is ultimately found that the petitioners had suppressed material facts as alleged under Section 36R, then the respondent authority shall be at liberty to cancel the

trade license in the event of the petitioners' failure to deposit the balance demand as raised.

11. In view of the submissions made by the learned Counsel for the parties, this Court directs the petitioner to deposit the principal amount without prejudice to his rights and contentions, before the respondent authority within a period of 2 days from the date of receipt of the server copy of this order. Upon such deposit, the respondent authority shall renew the trade license within 24 hours.

12. The petitioners shall, within two (2) weeks, file their objections under Section 36S of the Act before the respondent authority. Upon receipt of such objections, the respondent authority shall proceed in accordance with the provisions of Sections 36T and 36U of the Act, before passing any final order. The final order shall be duly communicated to the petitioners in terms of Section 36U(3) of the Act.

13. The petitioners shall be at liberty to take appropriate legal recourse, in accordance with law, if aggrieved by the final assessment passed by the respondent authority.

14. With the above directions, the writ petition being WPA 18925 of 2025 along with CAN 1 of 2025 is disposed of.

15. Since no affidavits have been filed by the respondents, the allegations made in the writ petition shall not be deemed to have been admitted.

16. There shall be no order as to costs.

17. Let urgent Photostat certified copy of this order, if applied for, be supplied to the parties on usual undertaking.

(Gaurang Kanth, J.)