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

% ***Reserved on: 18th December, 2025***
***Pronounced on: 13th March, 2026***

\+ **CRL.M.C. 4975/2017**

**SHAH KRUTIBEN HEMAL KUMAR**
C/O Iqbal Rupani, TPS IV,
4™ ROAD, Bandra (W), Mumbai.

.....Petitioner

Through: Mr. Aniruddha Deshmukh, Advocate

versus

**THE COMPETENT AUTHORITY**
Ministry of Finance,
Department of Revenue,
Govt. of India,
Narcotic Drugs and Psychotropic
Substances Act, 1985,
1st Floor, CU Shah Building,
Ashram Road, Navarangpura,
Ahmedabad, Gujarat.

Also at

C/O Siddharth Majmudar,
Inspecting Officer,
C-Wing, Mittal Court,
3rd Floor, Nariman Point, Mumbai.

.....Respondent

Through: Ms. Saumya Tandon, CGSC with Mr. Gaurav Singh Sengar, Advocate

**CORAM:**
**HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA**

**J U D G M E N T**

**NEENA BANSAL KRISHNA, J.**

**1.** Petition under Section 482 of the Code of Criminal Procedure, 1973 *(hereinafter referred to as 'Cr.P.C.')* has been filed by the ***Petitioner, Smt. Shah Krutiben Hemal Kumar*** to challenge the Order dated 19.05.2017 of the Appellate Tribunal, PMLA as the *Appellate Tribunal for Forfeited Property* under Section 68(O) of the Narcotic Drugs and Psychotropic Substances Act (*hereinafter referred to as 'NDPS Act'*), in Case No.FPA-ND-29/BOM/2014, dismissing the Appeal against the Order of forfeiture of property dated 17.10.2014, by the Respondent/Office of Competent Authority, NDPS Act.

**2.** ***Briefly stated***, *Mr. Iqbal Musa Master Patel* was apprehended on 07.07.2001, by Narcotics Control Bureau, Ahmedabad, who was found in possession of 03 kg. of Heroin. His trial in Sessions Case No.183/2001, resulted in his *conviction for the offence under Section 8(c) read with Section 21 and 29 of the NDPS Act* and *sentenced to undergo RI for 12 years and with fine of Rs.2,00,000/- and in default of payment of fine, to undergo SI for two years, vide Order dated 03.11.2006*. He was released from Jail on 06.07.2013, after completion of his sentence.

**3.** Subsequent to his arrest on 07.07.2001, Competent Authority commenced proceedings under Section 68E of the NDPS Act and "*identified illegally acquired properties*", in the name of his wife and brother, as under:

A-LIST OF VEHICLES

| | | | |
|---|---|---|---|
| GJ 16K 1654 | 4 WHEELER | MARUTI CAR ALTO MOTEL | YUNUS MUSA MASTER BROTHER OF IQBAL MUSA MASTER |

B-LIST OF IMMOVABLE PROPERTY

| | | |
|---|---|---|
| K BLOCK NO. 661 VPO VAREDIYA DIST. BHARUCH | HACRE -53.16 ACRE 1 GUNTA 13 | HAMIDA IQBAL MUSA (WIFE) AND YUNU MUSA MOHD. MASTER (BROTHER)<br><br>NOTE-THE SAID PROPERTY HAS BEEN BOUGHT FROM FATIM MOHD. HUSSAIN POWER OF MUSA UMERU |

C-LIST OF BANK ACCOUNTS

| | | |
|---|---|---|
| A/C NO. 1784 | HAMIDA IQBAL MASTER (WIFE) | RS 1[illegible]872 |
| AC NO. 895 | HIAZ IQBAL MASTER (SON) | RS. 18924 |
| AC NO. 894 | MIHNAZ MASTER (SON) | RS. 6487 |

**4.** Having *reasons to believe that there is a direct nexus between the said assets, vehicles land bungalow, property, bank a/c vis-à-vis illegally earned money, from illicit trafficking in narcotics drugs on part of the said accused, his relative and associate, a* ***preliminary Freezing Order dated 05.12.2001*** **under Section 68F (1) NDPS Act** was passed in respect of movable and immovable properties, *till further orders. Further, Shri Iqbal Musa Patel was restrained not to deal, transfer, alienate or dispose of these properties in any manner.*

**5.** Thereafter, the Competent Authority *vide* Confirming **Order dated 31.12.2001**, observed that personal hearing was duly given to Mr. Iqbal Musa Master Patel, who failed to join the proceedings or give any explanation. **Preliminary Freezing Order dated 05.12.2001, was confirmed.**

**6.** The Petitioner, (*subsequent purchaser*) stated that she had contacted Smt. Hamida Iqubal Musa Patel, the sole and exclusive owners of the premises in question, and was informed that they had even obtained NA permission for the sale. The title documents/Revenue Record which had entries right till 10.07.2001, were duly examined by her before purchase, but there was no endorsement of Order of Freezing. Petitioner claimed that had there been any actual confirmation of the Freezing Order upon the property by the Competent Authority, there would have been such an endorsement in the Revenue Record.

**7.** Petitioner further claimed that finding no defect in the title of the subject property, she purchased it from Smt. Hamida Iqubal Musa Patel and Mr. Yunus Musa Master, for a total consideration of Rs.14,00,000/-, *vide* registered Sale Deed dated 11.09.2012. Consequently, the record of rights was updated and it was recorded that there were no encumbrances upon the said land and the Petitioner was recorded as the owner. Thereafter, Mutation Entry was made in her name and she has been paying taxes for the said property.

**8.** For the first time, a *Show Cause Notice dated 09.10.2013* under Section 68H of the NDPS Act, was issued by the Competent Authority to the affected persons, but it was never served upon the Petitioner; instead, it was served upon the Land Revenue Officer, Bharuch. Thereafter, *vide* Order dated 06.11.2013 subject property (*hereinafter referred to as 'Forfeiture Order'*) was forfeited by the Competent Authority, without giving any Notice or hearing to the Petitioner. She came to know about the said Order dated 06.11.2013 on 18.11.2013, when the endorsement was made in the Revenue Record and the same was communicated to her by the Revenue Department.

**9.** She then, filed two representations with the Respondent, requesting them to vacate the Forfeiture Order *qua* her property, as she was a *bona fide purchaser for valuable consideration*.

**10.** The Competent Authority passed Order dated 17.10.2014 under Section 68V of the Act, whereby the Petitioner's Representation was rejected only on the ground that the sale was *null and void*, in terms of Section 68M NDPS Act, while completely overlooking that the Petitioner was an excepted holder and the property was outside the purview of the provisions of the Act, since she had purchased it *bona fide*, for valuable consideration.

**11.** Aggrieved by the Order of the Competent Authority dated 17.10.2014, the Petitioner preferred ***Appeal No.FPA-ND-29/BOM/2014*** before the *Tribunal for Forfeited Property*, specifically pleading that the she was not served with any Notice, prior to passing its decision by the Competent Authority.

**12.** Competent Authority filed its Reply, and also placed on record additional documents.

**13.** Thereafter, *vide* Order dated 26.05.2017, the learned Tribunal ***dismissed the Appeal observing that the Petitioner had no locus standi*** to challenge the Orders and that the transfer in favour of the Petitioner, after passing of the Order dated 05.12.2001 under Section 68F(1) NDPS Act, was *null and void*; once the property was frozen, the Petitioner cannot acquire any right, title or interest in the property.

**14.** *Aggrieved by the aforesaid Order dated 26.05.2017 of the learned Tribunal,* Petitioner has filed the present Petition. The ***grounds of challenge*** are that Section 68A(1) of NDPS has not been considered, which specifically states that the provisions of Chapter VA (*Forfeiture of Illegally Acquired Property*) would only apply to persons specified therein and not to any other class of persons. Thus, Chapter VA could not be attracted against the Petitioner.

**15.** Furthermore, the commencement of the *forfeiture proceedings itself was invalid and without jurisdiction*. Even Section 68A(2)(f) of NDPS Act has been overlooked, which provides that only *the holder of the property* can be proceeded against. The impugned Order fails to note *Section 68B(g)(iii)(A) NDPS Act*, which defines as to what *would constitute illegally acquired property*. The sub-clause (A) specifically states that *illegally acquired property* would not include a property purchased *by a transferee in good faith, and for valuable consideration.* The Petitioner had demonstrated that she was *a transferee in good faith and for adequate consideration*, and the provisions of Chapter VA, could not be invoked against her. The impugned Order is erroneous in coming to a finding that the property was illegally acquired property, even though Petitioner was a *bona fide* purchaser.

**16.** Moreover, impugned Order fails to note ***Section 68H of NDPS Act,*** which requires the Competent Authority to demonstrate that there existed a *reason to believe* that the property being proceeded against was illegally acquired property. The term *'reason to believe'* predicates that the Competent Authority to have existence of reasons, to conclude that the property was legally acquired and not to act merely on suspicion. Order of Competent Authority fails to demonstrate that either the transfer to the Petitioner was in any manner fraudulent or that the Petitioner was an associated person, as defined under the Act, which is fatal to the proceedings.

**17.** The impugned Order *materially misinterprets the provisions of the Explanation to Section 68M of NDPS Act,* in so far as the explanation only seeks to save a Notice of forfeiture, if the same is defective to the extent indicated in the Explanation and does not save substantive proceedings wherein it would be mandatory for the Competent Authority, to demonstrate the compliance with the provisions of Section 68H(1) of NDPS Act. There existed no reasonable basis for the Competent Authority to pass impugned Order, which *ex-facie* demonstrates the gross perversity of the Order.

**18.** Further, Competent Authority, despite possessing the power under Section 68S of NDPS Act, to determine the owner of the property, failed to do so and did not serve a notice upon the Petitioner, which demonstrates the mechanical manner in which the entire proceedings have been conducted. There is nothing on record to show that the Competent Authority complied with provisions under Sections 68A and 68B of NDPS Act, in order to invoke proceedings in the first place.

***19.*** *Therefore, a prayer is made for the quashing and setting aside of the Impugned Judgment dated 19.05.2017 of the Appellate Tribunal, PMLA.*

**20.** ***Counter Affidavit has been filed on behalf of the Respondent*****,** wherein *preliminary objection* was taken that *Forfeiture Order dated 17.10.2014 of the Competent Authority*, was made in respect of the property belonging to Smt. Hamida Iqubal Musa Patel and Mr. Yunus Musa Master, the wife and brother of Mr. Iqubal Musa Master Patel, a convict who underwent his sentence of 12 RI years along with fine, under Section 8(c) read with Section 21 and 29 of the NDPS Act.

**21.** After conviction of the Accused, the Proceedings for freezing the property in question, had been initiated vide Order dated 05.12.2001 under Section 68(F)(1) NDPS Act, by the Intelligence Officer, Narcotics Control Bureau, Ahmedabad. This preliminary Order of freezing, was confirmed by the Competent Authority, *vide* Order dated 31.12.2001 under Section 68F(2) NDPS Act. The communication was made to all Land Revenue Authorities including Sub-Registrar, Talati (Patwari) etc. and the Acknowledgment Slips were also provided to the Petitioner.

**22.** The impugned property was apparently purchased by the Petitioner on 11.09.2012, from the wife and brother of convict, who were persons covered under Section 68(A)(2)(d) of NDPS Act. If the contention of Petitioner is accepted, then every person, in order to avoid forfeiture of property in the future, would sell the property to third party and frustrate the proceedings under the Act. Moreover, Section 68(M) of the Act specifically provides that all transfers, done after the Order is passed under Section 68F(1) of NDPS Act, are null and void. Therefore, the learned Appellate Tribunal has rightly upheld the Order of the Competent Authority, forfeiting the Suit property.

**23.** Reliance is placed on *Winston Tan and Anr. vs. Union of India*, (2012) 12 SCC 222, wherein provision in SAFEMA, which is analogous to section 68M of NDPS Act, was considered by Hon'ble Apex Court and it was held that such plea is not available to a transferee, who has purchased the property during forfeiture proceedings.

**24.** It is claimed that the Petitioner is not an affected person and therefore, has no *locus standi* to make contention that Show-Cause Notice under Section 68H of NDPS Act, should have been communicated to her. Moreover, she has already been heard by the learned Appellate Tribunal and all the contentions on merits have been dealt with in the impugned Order. There is no merit in the present Petition, which is liable to be dismissed.

**25.** ***Petitioner has filed Written Submissions***, wherein similar grounds, as agitated in the Petition, have been reiterated.

**26.** ***Respondent in its Written Submissions***, after reiterating dates and facts as already narrated, re-affirmed the contentions raised in its Counter-Affidavit.

**27.** Reliance is placed on *Tejas R. Doshi vs. Competent Authority & Anr.*, R/Special Civil Application No.2797/2012, decided on 14.10.2024, wherein identical issue was raised and it was held that the transfer must be treated as void, ineffective and inoperative in law.

**28.** Further reliance is placed on Judgment dated 30.08.2024 passed by Hon'ble Gujarat High Court in R/Special Civil Application No. 10076/2011, titled as *Mer Nagabhai Chhaganbhai Dedara & Ors. vs. Competent Authority SAFEMA/NDPS, Mumbai & Ors*.

**Submissions heard and records perused.**

**29.** The Petitioner, Smt. Shah Krutiben Hemal Kumar has challenged the Order dated 19.05.2017 whereby the Appellate Tribunal, New Delhi has upheld the Order dated 17.10.2014 of the Office of Competent Authority, Ministry of Finance, Deptt. of Revenue, NDPS Act, whereby the subject property was declared as *illegally acquired property*, within the meaning of Chapter 5A NDPS Act and forfeited it to the Central Government, free from all encumbrances.

**30.** It is not is dispute that Narcotic Control Bureau, Ahmedabad Zonal Unit, Ahmedabad on 07.07.2001, arrested Mr. Iqbal Musa Master Patil, who was found in possession of 3.056 Kgs heroin. Subsequent to the seizure, he faced the trial in Sessions Case No.183/2001 and was eventually convicted and sentenced on 03.11.2006.

**31.** During the investigations, the Investigating Agency traced the movable and immovable properties of the Accused (Convict), including the suit property, which was reflected in the Revenue Records, etc. to be *purchased in the name of the wife and son* of the Convict Iqbal Musa Master Patel, on 18.10.2000, *vide* a registered Sale Deed. It was subsequently, purchased by the Petitioner, who has challenged the forfeiture, on the ground of being *a bona fide purchaser*.

**32.** Chapter 5A of NDPS deals with *Forfeiture of illegally acquired property*.

**33.** The term "**illegally acquired property**" is defined under Section 68B(g), as under:

> *"(g) "**illegally acquired property**", in relation to any person to whom this Chapter applies, means, —*
> *(i) any property acquired by such person, whether before or after the commencement of this Chapter, wholly or partly out of or by means of any income, earnings or assets derived or obtained from or attributable to 2[the contravention of any provisions 3[of this Act or the equivalent value of such property; or*

*(ii) any property acquired by such person, whether before or after the commencement of this Chapter, for a consideration, or by any means wholly or partly traceable to any property referred to in sub-clause (i) or the income or earning from 1[such property or the equivalent value of such property; or]*

*[(iii) any property acquired by such person, whether before or after the commencement of the Narcotic Drugs and Psychotropic Substances (Amendment) Act, 2014, wholly or partly out of or by means of any income, earnings or assets the source of which cannot be proved, or the equivalent value of such property,]*

*and includes—*

*(A) any property held by such person which would have been, in relation to any previous holder thereof, illegally acquired property under this clause if such previous holder had not ceased to hold it, unless such person or any other person who held the property at any time after such previous holder or, where there are two or more such previous holders, the last of such previous holders is or was a transferee in good faith for adequate consideration;*

*(B) any property acquired by such person, whether before or after the commencement of this Chapter, for a consideration, or by any means, wholly or partly traceable to any property falling under item (A), or the income or earnings therefrom;"*

**34.** Section 68(C) prohibits holding of illegally acquired property either by the Accused himself or through any other person on his behalf, and states that any person who holds any illegally acquired property in contravention of provisions of Sub-Section (1), *such property shall be liable to be forfeited to the Central Government*, in accordance with the provisions of this Chapter. *Proviso to Sub-Section 2* provides that no property shall be forfeited under this Chapter, if such property was acquired by a person to whom this Act applies, before *a period of six years* from the date when he was arrested.

**35.** The **first step** in the Forfeiture proceeding is ***the identification of the illegally acquired property,*** which may include an inquiry, investigation or survey in respect of place, person, property etc, in terms of Section 68E.

**36.** The Revenue Record filed on record, show that the Suit land had been purchased *vide* Registered Sale Deed dated 22.10.2000 for a sale consideration of 75,000/- by Hamida Iqbal Musa Patil, wife of Accused and Yunus Musa Mohd. Hassan Hussaina, GPA Holder Musa Umarji Mohd, from the erstwhile recorded owners. The property, therefore, *had been acquired within a period of six years before the arrest of the Accused on 07.07.2001;* therefore, the forfeiture proceedings under NDPS Act, was validly initiated against him and his family members.

**37.** The **second step** is whether the wife/ brother *of the Accused, in whose name the property was purchased, would be amenable to forfeiture proceedings.* **Section 68A** provides that the provision of this Chapter shall be applicable to the persons specified therein. ***Sub-Section 2(d)*** provides that it is applicable to every person *who is a relative of a person*, referred to in Clause (a) or Clause (b) or Clause (c) or Clause (cc). Further, *Section 68(i) defines the* ***relative to be the spouse of a person as well as brother or sister of the person.***

***38.*** *The Sale Deed being in the name of the wife and son who are the relatives of the Accused is, therefore, amenable to the forfeiture proceedings under Chapter VA.*

***39.*** The **third aspect is the procedure to be followed for the Forfeiture.** Section 68F provides for seizure or freezing of illegally acquired property. It states that if the Officer conducting inquiry, has ***reason to believe*** that the property is *illegally acquired property* and *is likely to be concealed, transferred or dealt with in any manner which may result in frustration of any proceeding undertaken for forfeiture of such property.*

**40.** During the inquiry, it was found that *Account No.894 and 895* were opened on 23.02.1994 by Accused Person, in the name of (AP)-4 Fiaz Iqbal Musa Patel and AP-5 Minhas Iqbal Musa Patel, both sons of Accused, who were minors at the time of opening of the Account and were pursuing their studies.

**41.** *Account No.1784 was opened on 24.08.2000 by Accused No. 2 in the name of Hamida Iqbal Musa Patel,* the wife, wherein she had stated herself to be a 'Housewife'.

**42.** It was found that none of these three persons *were having any independent source of income.* The perusal of the Bank Statements of the aforesaid Accounts revealed that there were negligible transactions from the date of opening till 1999. However, credit entries for the period 2000 to 2001 till the date of arrest of Musa Iqbal, were frequent and of higher amounts.

**43.** The Income Tax Office, Bharuch *vide* their Letters dated 13.06.2013 and 25.06.2013 informed that none of these affected persons held a PAN and were not filing Returns of income, to claim their legal income.

**44.** The records reflected that the Accused Iqbal Musa was engaged in drug trafficking since long time and he did not have any legal source of income. He had credited funds in the aforesaid Savings Accounts of his wife and sons, thereby routing and adjusting the illegal income earned by him. It was established that **neither the wife nor the sons**, had any legal source of income, to acquire the aforesaid property and therefore, **there was a reason to believe that the properties had been illegally acquired.**

***45.*** Therefore, there was sufficient evidence to establish that the subject property was acquired from the illegal funds generated by Iqbal Musa from the illegal activity of drug trafficking. There is no ground shown to question this finding.

**46.** The **next step** in the Freezing proceedings was issue of Show Cause Notice, to the affected person. The record reflects that the Competent Authority issued a Notice to the Accused Sh. Iqbal Musa Patil for personal hearing, through Superintendent of Ahmedabad Central Prison, Sabarmati, Ahmedabad, and thereafter, confirmed on 31.12.2001, the Freezing Order dated 05.12.2001 confirmed on 31.12.2001. Due procedure was thus, followed while making the Freezing Order.

**47.** The **main contention** of the Appellant is that **she was a *bona fide* purchaser of the subject property *vide* registered Sale Deed dated 11.09.2012 and, therefore, the forfeiture was liable to be set aside.**

**48.** The Competent Authority undertook the Forfeiture Proceedings, in respect of suit property, in respect of which Freezing Order had been made in December 2001 and confirmed on 31.12.2001. The *Show Cause Notice dated 09.10.2013* was issued to Iqbal Musa, the wife, brother and the two sons, asking them to explain within 30 days from the receipt of Notice, the source of their income, earnings or assets out of which they had acquired the subject properties, and also to submit the evidence on which they relied and other relevant information and particulars, to show cause why the said property be not declared as '*Illegally Acquired Property*', in terms of

Clause (g) of Section 68B and thereafter, forfeit the same to the Central Government.

**49.** Subsequent to the issue of *Show Cause Notice under Section 68H NDPS Act on 09.10.2013 to the Affected Persons/Noticee,* a Representation dated 06.05.2014 was received from the Petitioner, Shah Krutiben Hemal Kumar through Sh. Ghani Ayub Musabhai, the duly constituted Attorney who claimed to have purchased the subject property *vide* a Sale Deed dated 11.09.2012, for a consideration of Rs.14 lakhs and requested the Respondent to withdraw the Show Cause Notice, in respect of the subject property. The Petitioner thus, claimed that *she being the purchaser of the subject property*, the same was not amenable to forfeiture.

**50.** The ***first ground of challenge*** of the Petitioner was that ***no Notice** in respect of the forfeiture proceedings,* had been given to her. She had made all necessary inquiries in respect to the subject land in the Revenue Record and in the Record of Rights, wherein the ownership was shown in the name of Hamida Iqbal Musa Patel i.e. the wife of the Convict, who was reflected as having a legal and valid title over the disputed land, before purchasing the disputed land. Her name has already been entered in the Revenue Record, on 21.10.2012.

**51.** This contention of the Petitioner has been rightly rejected by the Appellate Authority *in the* impugned Order, by making a reference to the **Proviso to Section 68 (H) NDPS Act**, which reads as under:

> *"**68H. Notice of forfeiture of property**.—(1) If, having regard to the value of the properties held by any person to whom this Chapter applies, either by himself or through any other person on his behalf, his known sources of income, earnings or assets, and any other*

*information or material available to it as a result of a report from any officer making an investigation under section 68E or otherwise, the competent authority has reason to believe (the reasons for such belief to be recorded in writing) that all or any of such properties are illegally acquired properties, it may serve a notice upon such person (hereinafter referred to as the person affected) calling upon him within a period of thirty days specified in the notice to indicate the sources of his income, earnings or assets, out of which or by means of which he has acquired such property, the evidence on which he relies and other relevant information and particulars, and to show cause why all or any of such properties, as the case may be, should not be declared to be illegally acquired properties and forfeited to the Central Government under this Chapter.*

*(2) Where a notice under sub-section (1) to any person specifies any property as being held on behalf of such person by any other person, a copy of the notice shall also be served upon such other person.*

***Provided that no notice for forfeiture shall be served upon any person referred to in clause (cc) of sub-section (2) of section 68A or relative of a person referred to in that clause or associate of a person referred to in that clause or holder of any property which was at any time previously held by a person referred to in that clause.***

***Explanation.—****For the removal of doubts, it is hereby declared that in a case where the provisions of section 68J are applicable, no notice under this section shall be invalid merely on the ground that it fails to mention the evidence relied upon or it fails to establish a direct nexus between the property sought to be forfeited and any activity in contravention of the provisions of this Act."*

**52.** The similar facts as in hand, were considered in the judgment of Winston Tan & Anr. vs. Union of India & Anr. 2012 (12) SCC 222 in respect of Section 7 Smugglers and Foreign Exchange Manipulators (Forfeiture & Property) Act, 1976, which is *para materia* to Chapter VA of NDPS Act. In the said case as well, the petitioner had claimed to be the *bona fide* purchaser of the Suit property, in respect of which the Forfeiture Order had been passed.

**53.** In the case of *Winston Tan & Anr*., (supra) it was held that there is a distinction made between the relatives and associates and from the holders who though may have purchased the subject property from a Convict/ Detenu, which is not liable to be forfeited. *However, such distinction has no application to a transferee who has purchased illegally acquired property from a Convict or his relative or associate, after issuance of Notice of Forfeiture. Once a Notice of Forfeiture has been issued* in respect of any property, *any subsequent transfer of such property, is prohibited* and shall be ignored for the purpose of the forfeiture proceedings. If such property is subsequently forfeited, then such transfer shall be deemed to be null and void.

**54.** Similarly, in the case of *Aamenabai Tayebaly & Ors. vs. Competent Authority under SAFEMA and Ors.*, (1998) 1 SCC 703, Supreme Court held that the transaction of transfer affected after the issuance of Notice of Forfeiture, is of no legal consequence and such transfer does not confer any title on the transferee.

**55.** In order to show that the Appellant was a *bona fide* purchaser, she has referred to mutation of her name in the Revenue Records. However, there may not have been any entries in the Revenue Records about the property being frozen, but *the question of good faith* and *adequate consideration,* does not arise for the simple reason that the sellers i.e. Hamida Iqbal Musa

Patel through Iqbal Musa, had sufficient Notice of the freezing of the property in December, 2001. They were having no title to transfer the subject property, to any third person. Therefore, any transfer made by them in favour of the Petitioner, was nothing but null and void.

**56.** This aspect was explained in Winston Tan & Anr. (supra), of which paragraph 28, reads as under:

> *"It is true that the appellants had obtained encumbrances certificates from the Sub-Registrar prior to purchase which show that there were no encumbrances to the subject flat. It is also true that the appellants had obtained loan from Vijaya Bank, Brigade Road Branch, Bangalore for purchase of the said flat. It is a fact that sale consideration to the tune of Rs. 26 lakhs was paid directly by the Bank to the vendors after the Bank was satisfied about the title of the vendors. The appellants had also mortgaged the flat with the Vijaya Bank as a security towards loan. But unfortunately these facts are of no help to the appellants as the sale in their favour was effected after notices under Section 6(1) were issued to the vendors. Such sale has no legal sanction. The sale is null and void on the face of Section 11; it is not protected so as to enable the purchaser to prove that he is transferee in good faith for adequate consideration.* ***As a matter of law, no title came to be vested in the appellants by virtue of sale deed dated 10.02.2005 as the vendors could not have transferred the property after service of the notice under Section 6(1) and during pendency of forfeiture proceedings under SAFEMA. The title in the subject flat is deemed to have vested in the Central Government on or about 08.12.2003 when the first notice under Section 6(1) was issued and served on one of the vendors. The vendors ceased to have any title in the subject flat on the date of transfer i.e. 10.02.2005. They had no transferable right.*** *The appellants cannot claim any right in the flat. In the circumstances, question*

> *of according any opportunity to the appellants to prove that they are transferees in good faith with adequate consideration does not arise."*

**57.** It is also significant to note that the Order of freezing of NCB dated 05.12.2001 passed under Section 68F of the NDPS Act and was subsequently confirmed by the Competent Authority, Mumbai in exercise of power vested under Section 68F(2) *vide* Order dated 31.12.2001. These Orders were duly communicated to the respective Land Revenue Authorities *viz* Collector, Mamlatdar (Tehsildar), Sub-Registrar, Talati (Patwari), etc. The Appellate Tribunal in the impugned Order noted that the related AD slips had been placed on record by the Respondent and the copies were duly supplied to the Appellants. Once, the subject property was frozen by the I.O, NCB and confirmed by the Competent Authority in terms of Section 68M of the Act, any further transaction in relation to the property, was null and void.

**58.** The impugned Order of the Appellate Tribunal has been made in accordance with Chapter VA of the NDPS Act. There is no infirmity in the impugned Order dated 19.05.2017.

**59.** The Petition is, therefore, **dismissed** and stands disposed of along with pending Applications, if any.

**(NEENA BANSAL KRISHNA)**
**JUDGE**

**MARCH 13, 2026**
*R/VA*