

SUPREME COURT OF INDIA

Present: Justice B.V. Nagarathna and Justice Joymalya Bagchi.
JUPALLY LAKSHMIKANTHA REDDY - Appellant/Petitioner(s)

Versus

STATE OF ANDHRA PRADESH & ANR. - Respondent(s)
Criminal Appeal No. 3951 of 2025

(i) Indian Penal Code, 1860 - Section 420 - Cheating - Essential ingredients - Deception coupled with dishonest inducement necessary - Mere deception by itself would not constitute cheating unless dishonest inducement established - Intention to cause wrongful gain or wrongful loss essential - False representation must be of material fact which induced victim to either part with property or act in manner they would not otherwise do - In absence of vital link between alleged false representation and action taken by victim, essential ingredient of offence not satisfied. [Para 12, 13, 14, 16]

"The ingredients of the offence of cheating are as follows: (1) Deception of a person by making false representation which the maker knows or has reason to believe is false and thereby 2) (a) Fraudulently or dishonestly inducing such person: (i) to deliver any property to any person, or (ii) to consent that any person shall retain any property, or (b) Intentionally induces that person to do or omit to do anything which he would not do or omit if he were not so deceived." [Para 12]

"To attract penal consequences, it must be shown that the false representation was of a material fact which had induced the victim to either part with property or act in a manner which they would not otherwise do but for such false representation." [Para 16]

(ii) Indian Penal Code, 1860 - Sections 464, 465, 468 and 471 - Forgery - Making false document and using forged document - Prosecution must establish accused made fake document to attract Section 465 - Accused must be connected to making of fake document - Requisite mens rea i.e. dishonest intention to cause wrongful loss and wrongful gain must be demonstrated - Where recognition/affiliation not dependent on production of alleged forged NOC, offences under Sections 468 and 471 not attracted. [Para 18, 19, 20]

"To attract Section 464 IPC, Making a false document, the prosecution must establish that the accused had made the fake document. No material connecting the appellant to the making of the fake document has been adduced in the impugned charge sheet." [Para 19]

"Offences under Section 468 IPC, Forgery for purpose of cheating, and Section 471 IPC, Using as genuine a forged document or electronic record, are not attracted, as the requisite mens rea, i.e., dishonest intention to cause wrongful loss to the Education Department and wrongful gain to himself has not been demonstrated as the issuance of the recognition was not dependent on the production of the alleged forged NOC." [Para 20]

(iii) Criminal Procedure Code, 1973 - Section 482 - Quashing of proceedings - Where uncontroverted allegations in chargesheet do not disclose essential ingredients of offences charged, proceedings liable to be quashed - Educational institution allegedly using fake NOC from Fire Department for recognition/affiliation - High Court in writ proceedings found NOC not necessary for buildings below 15 metres height - Appellant's building 14.20 metres - Since NOC not necessary, alleged false representation could not have induced Education Department - Proceedings under Section 420 IPC quashed. [Para 10, 11, 16, 21]

"Uncontroverted allegations in the charge sheet including the order in the writ proceedings, unequivocally show NOC from the Fire Department was not necessary for grant

of such recognition/renewal of affiliation as the height of the appellant's building was below 15 metres. Given this situation, the representation of the appellant that he possessed a valid NOC cannot be said to have induced the Education Department to grant recognition or renew the affiliation." [Para 16]

FACTS: Appellant's educational society running college from building with height 14.20 metres allegedly submitted forged NOC from Fire Department to obtain recognition/renewal of affiliation from Education Department. FIR registered under Sections 420, 465, 468, 471 IPC. As per National Building Code of India 2016, NOC from Fire Department not necessary for educational buildings below 15 metres height. High Court in writ proceedings by appellant directed Education Department to renew affiliation without insisting on fire NOC. Criminal case registered thereafter. Chargesheet filed under Section 420 IPC. High Court refused to quash proceedings. Supreme Court held allegations do not disclose essential ingredients of cheating or forgery as NOC not necessary for recognition, hence alleged false representation could not have induced Education Department. Proceedings quashed.

Cases Referred to:

1. (1998) 8 SCC 745, *Dr. Sharma's Nursing Home v. Delhi Admn.*, mere deception by itself would not constitute cheating unless other essential ingredient i.e. dishonest inducement established, dishonesty means deliberate intention to cause wrongful gain or wrongful loss. [Para 14]

2. (2000) 4 SCC 168, *Hridaya Ranjan Prasad Verma v. State of Bihar*, Section 415 IPC contemplates two distinct situations - first where person dishonestly induced to deliver property and second where person induced to do or omit act which but for deception he would not have done or omitted, in former inducement must be fraudulent or dishonest whereas in latter it need only be intentional, intention is gist of offence. [Para 15]

3. (2018) 7 SCC 581, *Sheila Sebastian v. R. Jawaharaj*, to attract Section 464 IPC making false document, prosecution must establish accused had made fake document. [Para 19]

Petitioner Counsel: B. Shravanth Shanker . Respondent Counsel: Guntur Pramod Kumar.

Joymalya Bagchi , J. - (10-09-2025)-

Full text reported as **2025 INSC 1096.**