

News

The Supreme Court reinstates the fraud case after the landowner's daughters were denied compensation for the purchase of the land.



One of the daughters, who is the appellant, claimed that only the sons and grandsons were compensated for the land that BMRCL had purchased.

In Kathyayini v. Sidharth PS Reddy & Ors, the Supreme Court recently reinstated criminal proceedings against two men who were accused of fabricating a family tree and a partition deed in order to unfairly deny their five female cousins the ₹33 crore in land compensation that the Bengaluru Metro Rail Corporation Limited (BMRCL) had granted them.

According to a bench of **Justices Vikram Nath and PB Varale**, there was a conspiracy to fabricate documents in order to deny the five ladies, who were the landowner's daughters, their fair portion.

One of the deceased KG Yellappa Reddy's five daughters, the appellant in this case, claimed that her brothers and nephews had created a fake family tree on January 18, 2011. According to the tree, Reddy had no daughters and just three sons.

The sons and grandkids were the only ones who were compensated for the land that BMRCL had purchased, according to a contentious partition deed dated March 24, 2005, and this family tree.

The appellant claimed that it wasn't until October 2017 that she realized this, by which point ? 27 crore had been credited to the accused individuals' accounts. They allegedly threatened and mistreated her when she questioned them. She complained to the police, and two formal charges were filed under the Indian Penal Code (IPC) for forgery, criminal conspiracy, and cheating.

Charge sheets were later submitted in both cases by the City Crime Branch. After taking cognizance, the trial court filed two complaint cases against the defendants, including the nephews of the appellant.

Sidharth and Vikram Reddy, two of the accused who are the sons of the appellant's older brother Sudhanva Reddy, petitioned the Karnataka High Court in 2021 in an attempt to stop the criminal charges against them.

The High Court granted their plea, ruling that while Yellappa Reddy's thumb impression was on the partition instrument, there was no evidence of fabrication or trickery.

The High Court erred in relying on the sub-registrar's assertion, which had not been put to the test during cross-examination, the Supreme Court ruled.

The Bench stated, *"It would be foolish to rely on the unconfirmed testimony of a Sub-Registrar to ascertain the genuineness of Partition deed."*

Additionally, it pointed out that although the High Court had admitted the daughters' exclusion from the family tree, it had incorrectly determined that the act did not qualify as cheating.

The Court determined that the exclusion was neither technical nor coincidental. A criminal prosecution was necessary to ascertain the truth after the allegedly falsified documents were used to claim compensation intended for the entire family.

The Court stated, *"All of the aforementioned factors suggest that a criminal trial is necessary to ensure justice to the appellant."*

The Court also dismissed the notion that because related civil claims were still pending, criminal proceedings should be quashed. Citing a number of earlier decisions, it concluded that where a criminal offense is proven, civil remedies do not preclude prosecution.

"If there is a prima facie case against the accused, the pending civil proceedings on the same subject matter, involving the same parties, are not grounds to dismiss the criminal proceedings."

In the end, the Court dismissed the High Court's November 2023 order and granted the appeal. In compliance with the law, it instructed the trial court to move forward with the criminal allegations against the respondents.

Advocates Priya Puri, Utkarsh Pratap, Arunima Das, Ritim Mangala, Sachin Dubey, and Sharad Kumar Puri, along with Senior Advocate Menaka Guruswamy, represented the appellant.

Nikhil Rohatgi, Ranjeeta Rohatgi, V N Raghupathy, Raghavendra M Kulkarni, M Bangaraswamy, Venkata Raghu Mannepalali, Mythili S, Nikhil Majithia, and Rishi Kumar Singh Gautam were the advocates who represented the respondents.