# IPC Section 20

## Section 20 of the Indian Penal Code: "Valuable Security"  
  
Section 20 of the Indian Penal Code (IPC) defines "valuable security." This definition plays a crucial role in various offenses related to theft, extortion, robbery, cheating, and forgery. Understanding its scope is essential for interpreting and applying these provisions of the law.  
  
\*\*The Text of Section 20:\*\*  
  
Section 20 states:  
  
"Valuable security.—‘Valuable security’ denotes a document which is, or purports to be, a document whereby any legal right is created, extended, transferred, restricted, extinguished or released, or whereby any liability is, or purports to be, incurred, or which acknowledges, or purports to acknowledge, the payment of money, or the delivery of any property, or any other valuable security."  
  
  
\*\*Deconstructing the Definition:\*\*  
  
The definition encompasses several key aspects:  
  
1. \*\*Document:\*\* A valuable security must be a "document" as defined under Section 19 of the IPC. This implies that it must be a matter expressed or described upon any substance by means of letters, figures, or marks, intended to be used, or which may be used, as evidence of that matter.  
  
2. \*\*Legal Right:\*\* A valuable security can be a document that creates, extends, transfers, restricts, extinguishes, or releases any legal right.  
  
3. \*\*Liability:\*\* It can also be a document that incurs or purports to incur any liability.  
  
4. \*\*Acknowledgement of Payment or Delivery:\*\* A valuable security can be a document that acknowledges or purports to acknowledge the payment of money or the delivery of any property or any other valuable security.  
  
5. \*\*"Purports to be":\*\* The inclusion of the phrase "purports to be" expands the definition to include documents that may not be legally valid but appear to be so on the face of it. This is important because the criminal act often involves the intent to deceive or defraud, regardless of the actual legal validity of the document.  
  
  
  
\*\*Expanding on the Key Elements:\*\*  
  
Let's delve deeper into each element:  
  
\* \*\*Documents Affecting Legal Rights:\*\* A valuable security can be a document that impacts legal rights in various ways:  
 \* \*\*Creation of a right:\*\* A grant deed creating ownership of property.  
 \* \*\*Extension of a right:\*\* A lease agreement extending the right to occupy a property.  
 \* \*\*Transfer of a right:\*\* A share certificate transferring ownership of shares in a company.  
 \* \*\*Restriction of a right:\*\* A mortgage deed restricting the owner's right to sell the property without the lender's consent.  
 \* \*\*Extinguishment of a right:\*\* A release deed extinguishing a debt or obligation.  
 \* \*\*Release of a right:\*\* A waiver releasing someone from a contractual obligation.  
  
  
\* \*\*Documents Incurring Liability:\*\* A valuable security can be a document that creates an obligation or responsibility:  
 \* \*\*Promissory Note:\*\* A written promise to pay a specific sum of money.  
 \* \*\*Bill of Exchange:\*\* An unconditional order in writing, addressed by one person to another, signed by the person giving it, requiring the person to whom it is addressed to pay on demand or at a fixed or determinable future time a sum certain in money to or to the order of a specified person, or to bearer.  
 \* \*\*Bond:\*\* A debt security obligating the issuer to pay a specified amount at a future date.  
  
  
\* \*\*Documents Acknowledging Payment or Delivery:\*\* A valuable security can be a document that confirms the receipt of something valuable:  
 \* \*\*Receipt:\*\* A written acknowledgement of payment received.  
 \* \*\*Bill of Lading:\*\* A document issued by a carrier acknowledging receipt of goods for shipment.  
 \* \*\*Warehouse Receipt:\*\* A document acknowledging the receipt of goods for storage in a warehouse.  
  
  
  
\* \*\*"Purports to be":\*\* This crucial phrase extends the definition to include documents that may not be legally valid but appear to be so. This is important because the criminal intent is often focused on the deceptive appearance of the document, regardless of its actual legal enforceability. For example, a forged will, even though legally invalid, can still be a valuable security if it appears genuine and is used to claim inheritance.  
  
  
\*\*Illustrative Examples:\*\*  
  
\* \*\*Currency Notes and Coins:\*\* While not explicitly mentioned, currency notes and coins are generally considered valuable securities as they represent a promise to pay by the Reserve Bank of India.  
\* \*\*Cheques:\*\* A cheque is a valuable security as it represents an order to a bank to pay a specific amount of money.  
\* \*\*Postal Orders:\*\* Similar to cheques, postal orders represent an order to pay a specific sum.  
\* \*\*Share Certificates:\*\* These documents represent ownership of shares in a company.  
\* \*\*Bonds and Debentures:\*\* These are debt instruments issued by companies or governments.  
\* \*\*Insurance Policies:\*\* These documents represent a contractual agreement between the insurer and the insured.  
\* \*\*Fixed Deposit Receipts:\*\* These acknowledge the deposit of a sum of money with a bank or financial institution.  
  
  
\*\*Importance of Section 20 in Different Offenses:\*\*  
  
Section 20's definition is crucial in various offenses:  
  
\* \*\*Theft (Section 378):\*\* Theft involves the dishonest taking of movable property out of the possession of any person without that person's consent. Valuable securities are considered movable property for the purpose of theft.  
\* \*\*Extortion (Section 383):\*\* Extortion involves intentionally putting a person in fear of injury and dishonestly inducing them to deliver any property or valuable security.  
\* \*\*Robbery (Section 390):\*\* Robbery is a form of aggravated theft involving the use of force or threat of force. Valuable securities can be the target of robbery.  
\* \*\*Cheating (Section 415):\*\* Cheating often involves the use of deceptive means to induce someone to deliver property or valuable security.  
\* \*\*Forgery (Sections 463-477A):\*\* Forgery involves the creation or alteration of a document with the intent to defraud. Many forged documents are valuable securities.  
  
  
  
\*\*Judicial Interpretations:\*\*  
  
Judicial interpretations have further clarified the scope of "valuable security," addressing specific scenarios and clarifying the application of the definition to different types of documents. These interpretations provide valuable guidance in applying the law to practical situations.  
  
  
\*\*Conclusion:\*\*  
  
Section 20 of the IPC provides a comprehensive definition of "valuable security," encompassing a wide range of documents that affect legal rights, incur liabilities, or acknowledge payment or delivery. The inclusion of the phrase "purports to be" extends the definition to cover documents that may not be legally valid but appear to be so, reflecting the focus on deceptive intent in many related offenses. Understanding the nuances of this definition is crucial for interpreting and applying various provisions of the law relating to theft, extortion, robbery, cheating, and forgery. The judicial interpretations surrounding Section 20 further refine its meaning and ensure its effective application in upholding justice.