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Victims' Compensation Schemes under the Code of Criminal Procedure and Judicial Directions

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Abstract

Over the last four decades, India's criminal process has moved slowly but unmistakably from an offender-centric model to a framework that acknowledges the rights and needs of victims. A cornerstone of this shift is the set of compensation mechanisms embedded in the Code of Criminal Procedure, 1973 (CrPC) most prominently Sections 357, 357A, 357B and 357C together with a growing body of Supreme Court directions that have operationalized and, at times, expanded these statutory tools. This paper maps the doctrinal evolution from early exhortations to use Section 357 liberally, to the statutory insertion of Section 357A (2009) requiring State-level schemes, to judicial mandates that fix minimums and timelines in specific classes of cases (notably acid attacks and sexual offences). It then assesses implementation challenges (inter-State disparities, delays, low awareness, and thin institutional capacity) and proposes concrete reforms oriented to speed, predictability, and dignity, consistent with international norms such as the 1985 UN Declaration on Justice for Victims of Crime.

Keywords: Victim Compensation Scheme, Code of Criminal Procedure 1973, Section 357A CrPC, Section 357B CrPC, Section 357C CrPC

1. Introduction

Victim compensation in criminal law serves a double role: it is a material response to harm, and a symbolic affirmation that the criminal process sees the victim. The 1985 UN Declaration of Basic Principles of Justice for Victims of Crime and Abuse of Power urged States to develop national funds and ensure "prompt redress" and access to services for victims. India has moved in that direction through statutory amendments to the CrPC and through judicial interventions that fill design gaps, articulate minimum entitlements, and nudge State authorities toward implementation.¹

At the statutory core is Section 357 CrPC, which empowers criminal courts to order compensation originally tethered to fines, but by judicial reading also available independent of fines under sub-section (3). Complementing that is Section 357A (2009), which obligates every State to frame a Victim Compensation Scheme (VCS), funded by the State and administered through Legal Services Authorities, and available even where the offender is unidentified or acquitted.² The Supreme Court's jurisprudence has turned these provisions from paper norms into living entitlements most notably in Hari Krishan (Hari Kishan) v. Sukhbir Singh (1988) (admonishing courts to use Section 357 "liberally"), Ankush Shivaji Gaikwad (2013) (a duty to apply mind to compensation), Suresh v. State of Haryana (2014) (interim compensation), and the Laxmi and Parivartan Kendra line of cases mandating minimums and timelines for acid-attack survivors.3

The rest of this paper proceeds in five steps: (i) a doctrinal and legislative overview; (ii) the judicial turn that supplied content and urgency; (iii) the funding architecture, especially the Central Victim Compensation Fund; (iv) intersections with POCSO and model schemes for sexual-offence survivors; and (v) implementation challenges and reforms.

2. From Section 357 to Section 357A: Doctrinal evolution and legislative design

2.1 Early judicial prods under Section 357

The Supreme Court's Hari Kishan v. Sukhbir Singh set the tone. Recognizing that courts had "seldom invoked" Section 357(3), the Court recommended liberal use of compensation as an addition (not a mere adjunct) to other sentences. It framed compensation as

a way to reassure victims that they are not "forgotten" by the criminal justice system. Later, in Mangilal v. State of M.P. (2004), the Court clarified procedural fairness around compensation orders (e.g., hearing the accused on quantum) and reiterated that the Section 357 power is substantive, not ancillary.⁴

2.2 The policy bridge to Section 357A

The 154th Report of the Law Commission (1996) and the Committee on Reforms of Criminal Justice System (2003, Malimath Committee) converged on the need for a dedicated victim-compensation framework, including a Victim Compensation Fund and State responsibility regardless of conviction. Those recommendations presaged the 2009 insertion of Section 357A, which requires every State to frame a scheme and enables courts to recommend compensation, Legal Services Authorities to decide quantum, and victims to apply even when offenders are untraced or acquitted.⁵

Section 357B clarifies that compensation under Section 357A is in addition to fines under IPC Sections 326A and 376D; Section 357C separately obligates treatment of victims free of cost in certain contexts important to link compensation with immediate care.

3. The present statutory scheme: who pays, when, and how

Section 357 enables courts to order the *accused* to pay compensation (including independent of fine under sub-section (3)). Section 357A shifts the locus to the State, directing each State Government (with the Centre) to create a Victim Compensation Scheme and a fund, administered by State and District Legal Services Authorities (SLSA/DLSA). Four archetypal scenarios under which compensation may be granted under State schemes have been officially recognized by the Government of India: (i) post-conviction; (ii) post-acquittal; (iii) where the accused is discharged; and (iv) where the offender is neither traced nor identified. In practice, many schemes allow interim compensation pending final determination often critical for medical and rehabilitation needs.

This architecture matters for at least three reasons. First, it de-links victim relief from the vagaries of conviction rates. Second, it employs legal services authorities (DLSA/SLSA) as administrative hubs that can process claims with summary inquiry. Third, it

¹ The Code of Criminal Procedure, 1973 (as amended), Sections 357, 357A, 357B, 357C. (Official text: India Code PDF.)

² Press Information Bureau, Government of India (1 April 2022) Four scenarios under which compensation may be granted under Section 357A schemes.

³ Ankush Shivaji Gaikwad v. State of Maharashtra, (2013) 6 SCC 770 Duty to apply mind to compensation; reasons required.

⁴ Hari Kishan & Anr. v. Sukhbir Singh & Ors., (1988) 4 SCC 551. (Courts should use Section 357 liberally; compensation is in addition to other sentences.)

⁵ Committee on Reforms of Criminal Justice System (Malimath Committee), 2003 Recommendations on victim compensation funds and State obligation. (MHA document.)

interlocks with special statutes (e.g., POCSO) that authorize interim and final compensation via the same funds.⁶

4. Funding and harmonization: Central Victim Compensation Fund and model schemes

While compensation is a State obligation under Section 357A, fiscal asymmetries across States threatened uneven relief. To support and supplement State schemes, the Ministry of Home Affairs (MHA) established the Central Victim Compensation Fund (CVCF) in 2015 (with subsequent revisions), also drawing on the Nirbhaya Fund corpus to bolster payouts. The CVCF Guidelines frame eligibility, co-funding, and importantly minimum amounts for certain categories, such as acid attacks and rape.⁷

Parallelly, the Supreme Court in Nipun Saxena v. Union of India (2018) approved and circulated NALSA's Compensation Scheme for Women Victims/Survivors of Sexual Assault/Other Crimes, 2018, as a model to be adopted (or used as a guideline) by States and Special Courts, pending updated POCSO Rules. That scheme standardized quantum ranges and sought to curb inter-State disparities.⁸

The result is an ecosystem where (i) statutory entitlement (CrPC), (ii) central co-funding (CVCF/Nirbhaya), and (iii) model schedules (NALSA) together pressure States to converge upwards on compensation floors though practice still varies across jurisdictions and offence types.

5. Judicial directions: filling gaps, fixing minimums, and accelerating relief

5.1 A duty to consider compensation Ankush Shivaji Gaikwad (2013)

In Ankush Shivaji Gaikwad v. State of Maharashtra, the Supreme Court crystallized a principle: criminal courts have a duty to apply their mind to compensation in every case; if they choose not to award, reasons must be recorded. The Court re-affirmed that Section 357(3) is not ancillary but in addition to other sentences a strong nudge against the under-use of compensation.

5.2 Interim compensation and the ambit of Section 357A Suresh v. State of Haryana (2014)

The Court in Suresh tied the availability of compensation under Section 357A to the victim's

needs rather than to the outcome of prosecution, emphasizing that interim compensation should be paid at the earliest to address immediate exigencies. This judgment is frequently relied on by High Courts to order interim disbursals without waiting for conviction.⁹

5.3 Minimums and timelines for acid-attack survivors Laxmi and Parivartan Kendra

In Laxmi v. Union of India, the Supreme Court directed that every acid-attack survivor must receive at least ₹3,00,000 under the VCS, with ₹1,00,000 within 15 days of the incident (or of notice to the State/UT) and the balance within two months a rare instance of the Court setting floors and timelines for a class of offences. Parivartan Kendra v. Union of India reinforced the need to enhance quantum in light of lifelong medical needs and to ensure strict compliance. The Government's own guidance mirrors these directions.

5.4 Identity protection and model schedules Nipun Saxena (2018)

Nipun Saxena did two things at once: it fortified identity-protection norms for sexual-offence survivors and directed circulation/usage of NALSA's 2018 Scheme as a model thereby seeding uniform quantum ranges across States and giving Special Courts a ready reference for awards under POCSO or CrPC. 10

5.5 Early scaffolding for victim-centered process Delhi Domestic Working Women's Forum (1994) and Bodhisattwa Gautam (1995)

Before Section 357A existed, two Supreme Court interventions sketched a victim-centered approach. In Delhi Domestic Working Women's Forum, the Court laid down requirements for legal representation, information on rights, and anonymity in rape cases building procedural dignity that complements compensation. In Bodhisattwa Gautam, the Court exercising its public-law remedial powers directed **interim maintenance/compensation** to a rape survivor pending trial, signaling that monetary redress could be part of constitutional adjudication as well.¹¹

5.6 Public-law compensation alongside CrPC remedies Rudul Sah (1983) and Nilabati Behera (1993)

⁶ POCSO Rules, 2020, Rule 9 Interim and final compensation; payment by State within 30 days. (Central Government rules PDF; PIB explainer.)

⁷ MHA Compensation to Acid-Attack Victims (updated guidance reflecting ₹3 lakh minimum and timelines).

NALSA, Compensation Scheme for Women Victims/Survivors of Sexual Assault/Other Crimes, 2018

Suresh & Anr. v. State of Haryana, (2015) 2 SCC 227
Interim compensation under Section 357A at earliest.
Nipun Saxena v. Union of India, orders in 2018 directing circulation/usage of the NALSA Scheme.
Bodhisattwa Gautam v. Subhra Chakraborty, (1996)

¹ SCC 490 Interim compensation as public-law relief in a rape case.

In Rudul Sah v. State of Bihar, the Supreme Court granted compensation under Article 32 for illegal detention a watershed that opened the door to public-law damages for fundamental-rights violations. Nilabati Behera refined this, characterizing constitutional compensation as a strict-liability public-law remedy distinct from private tort claims. While these are not CrPC cases, they represent a complementary remedial track that has shaped judicial willingness to award monetary relief to victims. 12

6. Intersections with POCSO: Special Courts, interim awards, and timelines

The Protection of Children from Sexual Offences (POCSO) Act provides an additional layer of compensation powers. Section 33(8) allows Special Courts to award compensation; and Rule 9 of the POCSO Rules, 2020 expressly authorizes interim compensation at any stage after FIR, to meet the child's needs for relief or rehabilitation, with such interim sums adjustable against final awards. The State Government must pay within 30 days of the Special Court's order, typically out of the same Victim Compensation Fund administered under Section 357A.

In 2018, pending the updated POCSO Rules, the Supreme Court directed that NALSA's scheme would serve as a guideline for Special Courts in deciding compensation to child victims a directive later absorbed into practice once the 2020 Rules came into force.

7. Administration and practice: how schemes work on the ground

Application and inquiry. Under Section 357A and State VCS notifications, claims may be triggered by a court recommendation (e.g., at conviction or acquittal) or by a victim's direct application to the DLSA/SLSA. Most schemes envisage a summary inquiry on need and quantum, with interim relief available. Some States fix outer limits for instance, Telangana requires the Section 357A(5) inquiry to conclude *expeditiously* and not beyond 60 days; in acid-attack cases, ₹1,00,000 within 15 days is mandated.

Quantum and categories. After NALSA (2018) and CVCF (2015, revised), many States have aligned amounts for sexual offences and acid attacks with central floors; in other categories (e.g., grievous hurt, trafficking, homicide), quantum can vary markedly across States. Studies (and judicial training resources)

document this variation and recommend harmonization to curb "postcode justice." ¹³

Digital rails and DBT. A number of States now host online VCS portals (e.g., Haryana) to accept applications, upload documents, and track disbursals, often using Direct Benefit Transfer to credit bank accounts. These process innovations reduce friction, but implementation still depends on frontline capacity and claimant awareness.

8. Persistent challenges

Despite strong doctrine and clearer fiscal scaffolding, four structural issues recur.

- 1. Inter-State disparities. Because Section 357A leaves design to States, quantum, eligibility detail, and timelines differ significantly. Central floors exist for some offences, but many categories are still under-harmonized.
- 2. **Delays and procedural opacity.** Even where minimums and timelines are judicially fixed (e.g., acid-attack cases), disbursal can lag. Field reports and High Court orders frequently call out slow inquiries and documentation hurdles.¹⁴
- 3. Awareness and access. Many victims particularly in rural areas remain unaware of VCS entitlements or lack assistance to assemble supporting documents (injury certificates, FIR copies, income proofs). Legal Services Authorities are tasked with assistance, but staffing and outreach vary.
- 4. Integration with health and social care. Section 357C promises treatment of victims (e.g., in sexual offences) free of cost; uneven hospital compliance undermines the intended care-first design in which medical attention and compensation move together.

9. Recommendations

Anchored in statutory text, Supreme Court directions, and comparative victimology norms, the following steps can consolidate India's compensation architecture:

(i) National floors beyond a few categories. Extend centrally recommended minimums (as done for acid attacks and sexual offences) to other grave harms homicide (for dependents), grievous hurt, trafficking

¹² Nilabati Behera v. State of Orissa, (1993) 2 SCC 746 Public-law compensation as a strict-liability remedy for custodial death.

¹³ Ministry of Home Affairs (MHA), Central Victim Compensation Fund (CVCF) Guidelines (14 Oct 2015) Co-funding and minimums.

¹⁴ Laxmi v. Union of India, (2014) 4 SCC 427 and subsequent orders Minimum ₹3,00,000 for acid-attack survivors; ₹1,00,000 within 15 days; balance within two months.

indexed to inflation and periodically revised. Use CVCF incentives to nudge convergence.

- (ii) Enforceable timelines and automatic interim relief. Codify a "15–30–60" rule nationwide: *interim within 15 days* of recommendation or application where immediate expenses are evident; decision within 30 days on interim; final within 60 days. The acid-attack template demonstrates feasibility.
- (iii) One-form, one-window processes. Mandate uniform forms across States, with digital intake through SLSA/DLSA portals and assisted filling via para-legal volunteers. Create checklists aligned to POCSO and CrPC so Special Courts can trigger compensation orders seamlessly.
- (iv) Direct Benefit Transfer with grievance tracking. Require DBT payouts to named beneficiaries, with SMS/portal tracking and a short grievance-redress loop monitored by High Court Legal Services Committees.
- (v) Measurement and public dashboards. Each SLSA should publish quarterly data: number of applications, interim awards, average time to disbursal, and case-type-wise quantum, consistent with transparency norms and the UN Declaration's call for "prompt redress."
- **(vi)** Training and SOPs. Following Delhi Domestic Working Women's Forum and Nipun Saxena, invest in police–prosecution–medical SOPs that treat compensation as part of *early victim care* (with identity protection in sexual-offence cases).
- (vii) Keep the constitutional backstop strong. Preserve public-law compensation (Articles 32/226) as a fail-safe for egregious rights-violations Rudul Sah and Nilabati Behera remain landmark reminders that the Constitution furnishes remedies in addition to statutory schemes.

10. Conclusion

India's victim-compensation law is no longer a skeletal afterthought. The architecture Sections 357/357A CrPC, CVCF/Nirbhaya funding, NALSA model schedules, and POCSO Rule 9 exists and is reinforced by robust Supreme Court direction. The next frontier is administrative justice: shortening time-to-cash, harmonizing floors, and integrating compensation with healthcare and psychosocial support. If Section 357A was the statutory "bridge," the Court's interventions have been the "traffic rules" that ensure people can cross. The task ahead is to smooth the road: clearer timelines, simpler paperwork, uniform floors, and radical transparency. That is how compensation becomes not a lottery of jurisdiction, but a predictable right one that treats victims with compassion, dignity, and speed, exactly as the UN Principles envisioned four decades ago.

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