

# EXPRESS OPINION

BECAUSE THE TRUTH INVOLVES US ALL

EDITORIALS      COLUMNS

## Can corporations be victims? The debate is on after Supreme Court verdict

*On July 14, the Supreme Court in 'Asian Paints vs Ram Babu' (2025) ruled that companies aggrieved by any injury owing to criminal conduct can challenge an acquittal or seek enhancement of the sentence. Critics argue that such recognition diverts attention from the illegal activities committed by the businesses*



The case pertains to a complaint by Asian Paints through a third party authorised on its behalf (complainant) relating to the sale of counterfeit products under its brand name.



**G S BAJPAI**  
**ANKIT KAUSHIK**

Aug 1, 2025 16:47 IST ✓

First published on: Aug 1, 2025 at 16:47 IST

Even as companies are increasingly found culpable for corporate crimes, their recognition as victims of crime has also been jurisprudentially established. On July 14, the [Supreme Court](#) in *Asian Paints vs Ram Babu* (2025) ruled that companies aggrieved by any injury owing to criminal conduct can challenge an acquittal or seek enhancement of the sentence, in line with the established jurisprudence on victim justice. The judgment is a landmark one in as much as it grants due recognition to corporates as victims under the criminal justice system. The implications of such recognition are far-reaching, as it enables and grants corporations access to a host of rights available to victims under our criminal procedure.

Under section 2(wa), CrPC (now section 2(y) of the Bharatiya Nagarik Suraksha Samhita, 2023 (BNSS)), a “victim” refers to any person who has suffered injury or loss as a result of the accused’s act or omission. Section 2(26) of the Bharatiya Nyaya Samhita, 2023 (BNS) and section 3(42) of the General Clauses Act, 1897, define a person to include any “company or association or body of persons.” BNS and criminal law, therefore, generally apply not only to natural persons, but also to legal persons.

Given this, a crucial question is whether a corporate entity can suffer an “injury”, as conceived in criminal law, at par with natural persons. Section 2(14) of the BNS defines an injury to mean any harm, illegally caused, to the “body, mind, reputation and property” of any “person”. Criminal acts that cause loss or injury to any company, including economic loss, reputational harm, or violation of intellectual property (IP) rights, therefore, amount to victimisation. The reasoning of the Court in the [Asian Paints](#) case is based on this interpretation of “injury”. The company, Asian Paints, suffered both revenue loss as well as weakened market competitiveness due to a loss of reputation, due to a clear IP infringement.

The case pertains to a complaint by Asian Paints through a third party authorised on its behalf (complainant) relating to the sale of counterfeit products under its brand name. The accused was acquitted by the trial court, and Asian Paint's appeal to the Rajasthan High Court was rejected with the reasoning that only the original complainant could contest the acquittal, not the affected company. In this context, the Supreme Court ruled that the term "victim" applies to any entity, individual or juristic that suffers harm from a criminal act and that a company need not be the initial complainant to be recognised as a victim. It further reiterated that the victim's right to appeal under the proviso to Section 372 of the Code of Criminal Procedure, 1973 (CrPC) stands independently and does not rely on Section 378.

Since the Court clarified that the term "victim" under this provision includes any person or legal entity that has suffered harm or loss as a result of a criminal act, not merely those who initially filed the complaint, consequently, entities like Asian Paints are entitled to appeal not only in cases of acquittal but also where the conviction is for a lesser offence or the compensation awarded is insufficient. This decision marks a shift from passive tolerance to active enforcement. The ruling emphasised that victimhood is determined by the harm endured, rather than procedural status. Citing *Mahabir vs State of Haryana*, the Court affirmed that the legislature aimed to empower victims, recognising them as central to the justice process.

Companies can be victims of crime, corruption, and human rights abuses in various countries, but legal, jurisdictional, and reputational challenges often limit their ability to seek justice. The recognition of companies as victims and the effectiveness of remedies vary significantly, with substantial barriers remaining, particularly in cross-border cases and in countries with weak governance. Corporations rarely invoke the imagery of a crime victim in the public imagination. The same may be attributed to the fact that the stereotypical notion of the ideal victims in Nils Christie's conceptualisation requires the victim to be someone who is weak, carrying out a respectable project, cannot be blamed for the offence, and is victimised by a powerful but unknown offender. While companies may satisfy some of the traits, such as that of involvement in a respectable project and blameless conduct, they often fall short on other traits, such as being weak or victimised by a bad and powerful offender.

A recognition of corporations as victims, however, must be accompanied by a caveat. Hopkins' (2016) research titled *Business, Victimization, and Victimology* conceptualises that the idea of "crimes against businesses" has been strategically employed by both governments and corporate entities to construct a narrative of business victimhood. Critics argue that such recognition diverts attention from the illegal activities committed by the businesses by portraying themselves as victims rather than victimisers, and that it may enable powerful corporations with deep pockets to dominate the public discourse on victim justice.

Traditionally, India's criminal justice system placed the responsibility for prosecution primarily on the state, leaving victims, especially corporate entities, with a minimal role. While this approach suited conventional crimes involving physical harm, it fails to address the complexities of contemporary corporate offences such as financial damage, brand erosion, and fraud in the supply chain. The Supreme Court's ruling opens up avenues for companies to actively pursue criminal proceedings. It also removes the longstanding reliance on the public prosecutor's discretion, which often impeded companies from seeking justice when the state opted not to appeal.

Additionally, this judgment holds particular significance for industries frequently affected by counterfeit and unauthorised market activities. The jurisprudential shift, with the Supreme Court explicitly bringing a corporate entity under the ambit of a victim, expands the scope for judicial interpretation, extending several other victim rights under our criminal justice system to corporate entities.

*Bajpai is Vice Chancellor at National Law University [Delhi](#), where Ankit is Assistant Professor*

© The Indian Express Pvt Ltd

# Corporate Affairs

# Corporate India

# India Supreme Court