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No-Fault Compensation for Covid-19 Vaccine Adverse Effects: Supreme Court's Constitutional Mandate

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WHY IN NEWS

The Supreme Court of India, in **Rachana Gangu v. Union of India (2026 INSC 218)** decided on 10 March 2026, directed the Union Government to formulate a **"no-fault" liability compensation policy** for individuals who suffered serious adverse effects or death following Covid-19 vaccination, noting that India lacks any "uniform or structured policy mechanism" for such redress. A bench of **Justices Vikram Nath and Sandeep Mehta** directed the Ministry of Health and Family Welfare to frame the policy.

WHAT THE SUPREME COURT ORDERED

The Supreme Court's order in **Rachana Gangu v. Union of India** directed the Centre, through the Ministry of Health and Family Welfare, to create a structured compensation mechanism for serious **Adverse Events Following Immunisation (AEFI)** — particularly cases involving rare but severe outcomes such as myocarditis, pericarditis, or **Thrombosis with Thrombocytopenia Syndrome (TTS)** — associated with Covid-19 vaccines administered under India's national vaccination programme. The case was prompted by

petitions filed by parents of individuals who allegedly died after receiving Covid-19 vaccines — including Rachana Gangu, who lost both her daughters in 2021 to Cerebral Venous Sinus Thrombosis and Multi-System Inflammatory Syndrome following vaccination.

The core principle the Court applied is **no-fault liability**: compensation is payable to victims or their families without requiring proof of negligence or intentional wrongdoing by the vaccine manufacturer or the State. The Court clarified that establishing a no-fault compensation policy is **not an admission of liability** by the government and does not prevent affected individuals from seeking other legal remedies. The Court also directed that **AEFI-related data be placed in the public domain** on a periodic basis.

CONSTITUTIONAL BASIS

The Court grounded its direction in two fundamental rights.

Article 21 (Right to Life and Personal Liberty): The SC held that the State is not merely a passive regulator of vaccination safety — it is an "active guardian of welfare and dignity" of citizens who suffer grave health consequences from a public health programme the State itself conducted. The right to life includes a positive State obligation to support those severely harmed by participation in a State-run health intervention.

Article 14 (Right to Equality): The Court rejected the government's suggestion that affected individuals seek civil or consumer court damages against manufacturers. It found that forcing citizens into individual litigation would produce "inconsistent outcomes" and "unequal access to relief" — richer, legally informed claimants might succeed while poorer claimants with identical injuries fail. This inequality of outcomes violates Article 14's guarantee of equal treatment.

WHY INDIVIDUAL LITIGATION IS INSUFFICIENT

The Court's rejection of the litigation route rests on three observations. First, **rare adverse effects do not negate State responsibility** — even events occurring at rates as low as 0.001 per lakh doses affect real people, and the scale of India's vaccination programme (over 220 crore doses administered) means even rare rates translate to significant absolute numbers.

Second, the vaccination programme was **de facto mandatory despite being officially "voluntary"**. Unvaccinated individuals faced administrative restrictions — on travel, entry to public places, access to services — making meaningful non-participation practically impossible. When the State effectively compels participation in a health intervention, its obligation to compensate those harmed is stronger than when participation is genuinely voluntary.

Third, **existing AEFI surveillance is insufficient as a remedy**. The Court acknowledged that the existing AEFI Committee framework (National and State level) provides adequate monitoring and causality assessment — and explicitly **refused to create any new committee** — but held that the State's

responsibility "cannot end at surveillance alone." The Court observed: "This gap cannot be lightly overlooked, particularly when vaccination programmes are undertaken as public health measures under the aegis and authority of the State itself."

SERIOUS ADVERSE EFFECTS RECOGNISED

Myocarditis and Pericarditis: Inflammation of the heart muscle or its lining. Causally associated with **mRNA vaccines** (Pfizer-BioNTech / Comirnaty, Moderna / Spikevax). Most frequently observed in adolescent and young adult males after the second dose. The condition is typically mild and self-limiting but can be serious in a small number of cases.

Thrombosis with Thrombocytopenia Syndrome (TTS): A rare clotting disorder characterised by abnormal blood clots combined with low platelet counts. Primarily linked to **viral vector vaccines** — notably the AstraZeneca (Covishield in India) and Janssen formulations. India primarily administered Covishield (manufactured by Serum Institute of India, Pune) and Covaxin (Bharat Biotech, Hyderabad — developed in collaboration with **ICMR-National Institute of Virology**) during its vaccination drive.

JUDICIAL PRECEDENTS

Gaurav Kumar Bansal v. Union of India (2021)

The SC directed the **National Disaster Management Authority (NDMA)** to issue guidelines for ex gratia assistance for Covid-19 deaths. The NDMA subsequently fixed **₹50,000 per deceased** payable by states from the **State Disaster Response Fund (SDRF)**. The procedure was simplified: deaths within 30 days of a positive Covid test were treated as Covid deaths; district-level grievance redressal committees were created to resolve death certificate disputes.

Jacob Puliyel v. Union of India (2022)

The SC upheld the legality of India's vaccine approval process and the AEFI monitoring mechanism. Critically, it ruled that **bodily integrity is protected under Article 21** — no individual can be forcibly vaccinated. This judgment established the constitutional floor for voluntary consent, which in turn strengthens the State's compensatory obligation for those who did participate.

THE NO-FAULT PRINCIPLE IN CONTEXT

No-fault compensation for vaccine adverse events is not novel — several countries operate structured mechanisms. The **US National Childhood Vaccine Injury Act (1986)** created the Vaccine Injury Compensation Program (VICP), a no-fault administrative programme. The **UK's Vaccine Damage Payments Act (1979)** provides lump-sum payments. India has no equivalent standing mechanism; the SC's order would be the first systematic legal requirement for one.

UPSC RELEVANCE

Rachana Gangu v. Union of India (2026), No-fault liability, AEFI (Adverse Events Following Immunisation), TTS (Thrombosis with Thrombocytopenia Syndrome), Myocarditis, NDMA, SDRF, Covishield (Serum Institute), Covaxin (Bharat Biotech + ICMR-NIV), Gaurav Kumar Bansal v. UoI (2021), Jacob Puliyel v. UoI (2022), Article 14, Article 21.

MAINS GS-2:

Fundamental rights — Article 21 expansions; judicial activism; State obligation in public health.

MAINS GS-3:

Vaccine policy, pharma regulation, public health infrastructure.

MAINS GS-4:

State's ethical duty of care in compulsory public health interventions.

📌 FACTS CORNER — KNOWLEDGEPEDIA

SC ORDER — CORE FACTS:

Case: Rachana Gangu v. Union of India (2026 INSC 218), decided 10 March 2026

Bench: Justices Vikram Nath and Sandeep Mehta

Direction: MoHFW to frame no-fault compensation policy for serious Covid-19 vaccine AEFIs

Key principle: No-fault liability — compensation without proof of negligence

Clarification: Policy is not an admission of govt liability; does not bar other legal remedies

Data transparency: AEFI data to be placed in public domain periodically

Refused to create new committee: Existing AEFI Committee framework deemed adequate for investigation

INDIA'S COVID-19 VACCINES:

Covishield — AstraZeneca/Oxford; manufactured by Serum Institute of India (SII), Pune

Covaxin — Whole-virion inactivated (Vero cell platform); Bharat Biotech + ICMR-NIV, Hyderabad; 77.8% efficacy against symptomatic Covid-19

Sputnik V — Russian; limited use in India (Dr. Reddy's Laboratories)

Total doses administered (India): 220+ crore

SERIOUS AEFIS:

TTS (Thrombosis with Thrombocytopenia Syndrome): Blood clots + low platelets; linked to viral vector vaccines (Covishield/AstraZeneca)

Myocarditis/Pericarditis: Heart inflammation; linked to mRNA vaccines (Pfizer, Moderna)

KEY JUDICIAL PRECEDENTS:

Gaurav Kumar Bansal v. UoI (2021): NDMA directed to issue ex gratia guidelines; ₹50,000/COVID death from SDRF

Jacob Puliyel v. UoI (2022): Bodily integrity under Art. 21; vaccination cannot be forced

AEFI MONITORING:

AEFI Committees — causality assessment at district, state, national levels

National AEFI Committee — under MoHFW; classifies events as consistent/inconsistent/unclassifiable causal link

INTERNATIONAL COMPARISONS:

USA: VICP (Vaccine Injury Compensation Program) under National Childhood Vaccine Injury Act, 1986 — no-fault administrative system

UK: Vaccine Damage Payments Act, 1979 — lump-sum payment (currently £120,000)

India: No standing mechanism before this SC order

OTHER RELEVANT FACTS:

NDMA = National Disaster Management Authority (constituted under Disaster Management Act, 2005; chaired by Prime Minister)

SDRF = State Disaster Response Fund (centrally funded, managed by states)

De facto mandatory vaccination: restrictions on unvaccinated individuals at workplaces, transport, public spaces made non-participation practically impossible

Covishield and TTS: AstraZeneca acknowledged in UK court (2024) that Covishield can cause TTS in rare cases

Sources: Drishti IAS , LiveLaw , The Hindu , PIB

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