

Burnt Cash, In-House Probe, and Impeachment: Inside the Justice Varma Case

1. Inside the Justice Varma Case: What Sparked the Inquiry

The controversy surrounding **Justice Yashwant Varma** began dramatically on the night of 14 March 2025. Firefighters responding to a blaze at his official Delhi residence allegedly discovered large amounts of burnt and partially burnt currency notes in the storeroom. At the time, Justice Varma and his wife were out of town, yet the discovery immediately raised questions of impropriety and triggered a swift judicial response.

On 20 March, Delhi High Court Chief Justice D.K. Upadhyaya conducted a preliminary inquiry and transmitted photographs and videos of the recovered cash to then Chief Justice of India (CJI) Sanjiv Khanna. Justice Varma firmly denied any knowledge of the money, calling the allegations “baseless” and stressing that his reputation as a judge had been “irreparably damaged” by such claims.

The Supreme Court moved quickly. On 22 March, CJI Khanna constituted a three-member inquiry committee consisting of **Justice Sheel Nagu** (Chief Justice of Punjab and Haryana High Court), **Justice G.S. Sandhawalia** (Chief Justice of Himachal Pradesh High Court), and **Justice Anu Sivaraman** (Judge of Karnataka High Court). The same day, the Court uploaded Justice Varma’s response and supporting documents, including photographs and videos, on its website. Shortly thereafter, the Collegium recommended Justice Varma’s transfer to his parent High Court in Allahabad, directing that he not be assigned judicial work pending inquiry. The transfer was formalised by government notification on 29 March 2025.

In early May 2025, the committee submitted its 64-page report, holding Justice Varma responsible for “misconduct” and finding “strong inferential evidence” of his covert or active control over the cash. The report criticised him for failing to provide a plausible explanation, offering only a “flat denial” and suggesting conspiracy.

2. Impeaching a Judge in India: The Legal Path

The removal of judges in India follows a constitutionally defined path balancing accountability and judicial independence. **Article 222** empowers the President, after consulting the CJI, to transfer judges between High Courts. In **Union of India v. Sankalchand Himatlal Sheth (1977)**, the Supreme Court upheld the constitutionality of transfers without a judge's consent, clarifying that such powers serve the public interest and are not punitive tools for the Executive.

Further clarity came in **In Re Presidential Reference (AIR 1999 SC 1)**, where a nine-judge Bench held that the CJI must consult the four senior-most judges of the Supreme Court and the Chief Justices of the concerned High Courts. Collegium decisions must be by consensus, and adverse opinions by at least two judges prevent recommendations from being made.

With respect to tenure, **Article 217** fixes the retirement age of High Court judges at 62 years. Removal, however, is governed by **Articles 124(4) and 124(5)** and the **Judges (Inquiry) Act, 1968**. The Act provides for a committee of three members—one from the Supreme Court, one from the High Courts, and a distinguished jurist—to investigate allegations of incapacity or misbehaviour once a motion is admitted in Parliament. Judges are entitled to present their defence, including cross-examining witnesses. A judge may be removed only if both Houses of Parliament adopt an address to the President, supported by a majority of the total membership and by a two-thirds majority of members present and voting. Removal thus requires a rare political consensus.

3. Historical Context

India has witnessed only a handful of impeachment proceedings against judges, underscoring how extraordinary such steps are. Justice V. Ramaswami was the first judge subjected to impeachment in 1993, but the motion failed in the Lok Sabha due to lack of the requisite majority. Justice Soumitra Sen of the Calcutta High Court resigned in 2011 after the Rajya Sabha passed an impeachment motion against him, making him the first judge to face such a sanction. Around the same time, Justice P.D. Dinakaran resigned amidst allegations of corruption before proceedings could advance.

Other attempts include the 2015 motions against Justice J.B. Pardiwala (over controversial remarks on reservation) and Justice S.K. Gangele (accused of sexual harassment, though an inquiry found insufficient evidence). In 2017, Justice C.V. Nagarjuna Reddy faced a motion in the Rajya Sabha. Even Chief Justice of India Dipak Misra faced an impeachment proposal in 2018, though it did not proceed. These cases highlight both Parliament's willingness to invoke its constitutional power and the high procedural thresholds that safeguard judicial independence.

4. Where the Justice Varma Case Stands Today

Following the inquiry report, CJI Khanna forwarded the findings along with Justice Varma's reply to President Droupadi Murmu and Prime Minister Narendra Modi in May 2025, recommending initiation of removal proceedings. Faced with potential impeachment, Justice Varma challenged the in-house process before the Supreme Court on 19 July 2025. His petition argued that the committee lacked constitutional authority to recommend removal, contending that only Parliament can exercise such power. He also claimed denial of fair hearing and alleged that the panel acted with a pre-determined mindset, drawing adverse inferences without concrete evidence.

Justice Varma further argued that the in-house mechanism bypassed the safeguards of the Judges (Inquiry) Act, 1968 and improperly empowered the judiciary to recommend removal from a constitutional office. Meanwhile, reports indicated that Members of Parliament across party lines prepared to move an impeachment motion during the monsoon session, exceeding the constitutional minimum requirement.

At the same time, related petitions reached the Supreme Court. Advocate Mathews J. Nedumpara sought criminal proceedings against Justice Varma and challenged the validity of **K. Veeraswami v. Union of India (1991)**, which bars filing FIRs against sitting judges without the CJI's sanction. The Court directed him to approach the President and Prime Minister before pressing judicial intervention. Other benches refused urgent pleas for FIR registration, terming them premature during ongoing in-house proceedings.

In late July, a Division Bench of Justices Dipankar Datta and A.G. Masih began substantive hearings on Justice Varma's challenge. The matter gained urgency, but on 7 August 2025, the

Supreme Court dismissed Justice Varma's petition, upholding the in-house inquiry and commenting that his conduct did not inspire confidence. The ruling clears the path for parliamentary impeachment proceedings, marking a defining moment for judicial accountability and the balance between constitutional organs.