

# **DAILY CURRENT AFFAIRS**

19th July 2025







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# Judge challenges SC probe, ex-CJI's actions in cash case

# Why in News?

Removal of Allahabad High Court Judge

# **Syllabus**

■ **GS Paper 2** – Indian Polity

# Judge challenges SC probe, ex-CJI's actions in cash case

Krishnadas Rajagopal NEW DELHI

Allahabad High Court judge Justice Yashwant Varma said on Friday that the Supreme Court's inhouse inquiry process, which recommended his removal from office, is a "parallel, extra-constitutional mechanism" designed for the judiciary to usurp Parliament's exclusive authority.

An in-house inquiry committee of three judges constituted by the then-Chief Justice of India Sanjiv Khanna had confirmed that unaccounted cash was found in the gutted storeroom at Justice Varma's official residence after a blaze on March 14 and 15 this year. Chief Justice Khanna (now retired) had sent the report to the Prime Minister and President in May after Justice Varma refused to resign.

Now, just days before the Parliament's Monsoon Session is set to open, Jus-



Justice Yashwant Varma

# Motion to remove judge not related to govt.: Minister

NEW DELHI

Union Law Minister Arjun Ram Meghwal on Friday said that the motion of removal against Allahabad High Court judge Yashwant Varma was not related to the government but Parliament. » Page 8

tice Varma has resorted to challenging both the report and Chief Justice Khanna's action in the Supreme Court, in a rather unconventional move by a sitting High Court judge.

Justice Varma said the in-house inquiry takes away the exclusive powers of the Parliament – granted under Article 124 and 218 of the Constitution – to remove judges, through an address supported by a special majority after an inquiry under the Judges (Inquiry) Act, 1968.

The petition has been filed under an anonymous acronym 'XXX', but describes the petitioner as Allahabad High Court judge.

#### 'No legal sanction'

The in-house procedure, devised by the Supreme Court, had no legal sanction, the petition argued, claiming that it was a threat to the separation of powers. Justice Varma urged the top court to declare the in-house procedure unconstitutional.

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# **Key Takeaways from the Article**

In- House Inquiry Process

The Supreme Court introduced an in-house inquiry procedure in 1999.

This was prompted by the C. Ravichandran Iyer v. Justice A.M. Bhattacharjee case (1995), which exposed the absence of a mechanism to deal with Judicial misconduct falling below the impeachment.

Procedure of In- House Inquiry Process

The in-house inquiry process begins when a complaint against a judge is received by the CJI, a High Court Chief Justice, or the President, it need not originate from Parliament.

If found credible, the CJI may ask the concerned High Court CJ to conduct a preliminary inquiry. Based on this report, if deeper investigation is needed, the CJI constitutes a threemember committee (two Chief Justices and one High Court judge).

#### **Procedure of In- House Inquiry Process**

The committee conducts the inquiry while ensuring natural justice, allowing the judge to respond. The final report submitted to the CJI must state whether the allegations are substantiated and if they warrant removal.

If the misconduct is minor, the judge may be warned or advised, and the report kept confidential (but placed on record).

If serious misconduct is established, the judge may be asked to resign or retire.

Upon refusal, the judge may be relieved of **judicial duties**, and if necessary, the CJI may recommend **impeachment**.



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• Process for Removal of Judges (To be discussed in class)

# Prelims PYQs (2015)

- Q. Who/Which of the following is the custodian of the Constitution of India?
- (a) The President of India
- (b) The Prime Minister of India
- (c) The Lok Sabha Secretariat
- (d) The Supreme Court of India

# Prelims PYQs (2019)

# Q. Consider the following statements: (2019)

- 1. The motion to impeach a Judge of the Supreme Court of Indian cannot be rejected by the Speaker of the Lok Sabha as per the Judges (Inquiry) Act, 1968.
- 2. The Constitution of India defines and gives details of what constitutes 'incapacity and proved misbehaviour.
- 3. The details of the process of impeachment of the Judges of the Supreme Court of India are given in the Judges (Inquiry) Act, 1968.
- 4. If the motion for the impeachment of a Judge is taken up for voting, the law requires the motion to be backed by each House of the Parliament and supported by a majority of total membership of that House and by not less than two-thirds of total members of that House present and voting.

# Which of the statements given above is/are correct?

- (a) 1 and 2
- (b) 3 only
- (c) 3 and 4 only
- (d) 1, 3 and 4

# Indian inequality and the World Bank's claims

# Why in News?

India Poverty & Equity Brief Report by World Bank

# **Syllabus**

GS Paper 2 – Governance & Social Justice



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# Indian inequality and the World Bank's claims

nequality is an important concern for the political economy of a democracy.

However, the Indian inequality debate is different characterised by the selective use of data to make exaggerated claims that fuel miscognosticing explore than peally in a better.

data to make exaggerated claims that fuel misperceptions rather than result in a better understanding. The sharp reactions to a recent World Bank report ("India Poverty and Equity Brief: April 2025") are an illustrative case in point. The World Bank report claims that India has almost eradicated extreme poverty. Further, it claims, the country has significantly reduced consumption inequality since 2011-12, in terms of consumption patterns of the population. In terms of the Gini coefficient, a measure of inequality. of the Gini coefficient, a measure of inequality, of the Gim coefficient, a measure of inequality, the report (without separating the consumption and income inequality-based estimates) has placed India among the top four least unequal countries. These findings have created quite a stir, as the media and the public are accustomed to reports claiming very high inequality in India. What has happened?

#### What it is based on

The World Bank's claims about the Indian The World Bank's claims about the Indian inequality are based on the official Household Consumption Expenditure Survey (HCES) data for 2022-2023. This data is collected using the modified mixed reference period (MMRP) method, which employs the state-of-the-art statistical technique. As the World Bank report correctly observes, "The MMRP is considered an inexcession and a literature to the considered and the control of the control of the considered and the control of improvement and alignment with international best practices..." The World Bank has adjusted

best practices..." The World Bank has adjusted the Indian data to account for some but not all government-provided free goods and services. The World Bank finds that during 2011-12 and 2022-23, India registered a major decline in consumption inequality; in this period, the consumption-based Gini coefficient dropped from 28.8 to 25.5.

Critics of the report argue that the World Bank Critics of the report argue that the world Bank has underestimated the inequality, as the HCES data does not capture consumption by the rich, it is a valid critique, but India is not an exception. This limitation applies to all survey data in all countries and, in itself, does not question the broad ranking of countries. Even if we discount the precision of the World Bank's inequality estimates a similerant improvement in India's estimates, a significant improvement in India's international ranking is a fact. Of course, we should not confuse consumption inequality with

should not confuse consumption inequality w income inequality.

The decrease in India's consumption inequality is substantial and indisputable. To address the data issue, let us assume that the problem of missing elite consumption is more pronounced in India – say, the HCES rounds do not capture consumption by the top 5% families at all. In that case, going by the consumption expenditure data, it is irrefutable that the consumption inequality has decreased between 2011-12 and 2022-23 for the remaining 95% of the



#### Ram Singh

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Policy Committee of
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India (RBI), and
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First Household
Income Survey, Ministry of Statistics and Programme Implementation (MoSPI),

Even if the

precision of the

improvement in

World Bank's inequality

estimates is discounted a

significant

international

India's

population covered in HCES data.

The HCES data show that the country's consumption basket is healthier today than ever. Between 2012 and 2023, the per capita availability of milk and eggs has increased by 45% and 63%, respectively. The availability of fruits, vegetables and protein products has increased. The share of cereals in the food bill, as well as calorie intake, has decreased, while that of healthier products has increased, for all strata. All this improves the diet for the 95%, rather than the richest groups, whose consumption already matches the best in the world.

The dietary intake improvements are most

The dietary intake improvements are most striking for the bottom 20% of households in striking for the bottom 20% of households in rural and urban areas, even if we ignore the free food and cash transfers received by these groups. The share of rural households consuming fresh fruits (to a different frequency) has increased from 63.8% in 2011-12 to 90% in 2023.

The 2022-23 and 2023-24 rounds of consumption data irrefutably demonstrate that extreme poverty has been almost eradicated. Whether we use the Paragraian Tanquillar or

Whether we use the Rangarajan, Tendulkar, or Whether we use the Rangarajan, Tendulkar, or the multi-dimensional powery index of NITI Aayog, poverty has declined significantly. Based on the International Powerty Line of \$3 between 2011 and 2023, India has pulled around 27 crore people out of extreme powerty.

Independently, the nightlight data show a significant increase in consensabiling the of three activities.

significant increase in ownership rates of pucca homes and paved roads in rural areas over the last 10 years, owing to the Pradhan Mantri Gramin Awas Yojana and Pradhan Mantri Gram Gramm Awas Yojana and Pradham Mantri Gram Awas Yojana and Pradham Mantri Gram Sadak Yojana. Among the poorest 20% of households, more than 40% own a vehicle today, compared to just 6% in 2011-12. This enables rura workers to work part-time in nearby cities without having to migrate. If we factor in these and the other policies targeted at the bottom of the present when the processing the property of the present when the processing the pr the pyramid, such as Ayushman Bharat, the aggregates of welfare for the poor would look even better.

Examining income levels
True, it is important to examine income
inequality separately from consumption
inequality. There is no official income survey data The mainstream media and commentators use the income shares of the top 1%, as estimated by the World Inequality Lab (WIL) to argue that the income inequality is very high in India, disregarding critical limitations of these estimates.

Given the lack of data on income distribution, the WIL uses the income tax data to estimate top income levels. They use the old consumption data and estimates of the income-consumption relationship to estimate income for low- and middle-income households. The latter estimates unrealistically assume that consumption expenditure exceeds income for 70%-80% households. How can it be that all families exceeds income for 70%-80% of

except the top 20·30%, spend more than they earn, year after year?

As an inevitable consequence of using such an

implausible assumption, the income of the bottom 80% gets underestimated. This reduces their estimated share of national income. Conversely, shares of top income groups are overestimated.

overestimated. Even if we ignore these limitations, we do not find an increase in income inequality. Taking the WIL estimates as they stand, the national income shares of the bottom 50% have increased from 13.9% in 207 to 15% in 2022. During the same period, the share of the top 10% has decreased from \$8.8% to \$7.7%. from 58.8% to 57.7%

The high national income shares of the top 1% The high national income shares of the top 1% are a matter of concern. However, since 2017, the income shares of the top 1% have increased by only 0.3 percentage points. Research by this writer indicates that a part of this increase is attributable to improved income reporting by affluent groups in response to the Centre's control of the control of anti-tax evasion measures since 2016-17. Better reporting should not be mistaken for increased inequality.

inequality.

Furthermore, the WIL inequality estimates used by the media and commentators are based on pre-tax income levels. However, it is the post-tax and post-subsidy/transfer income that matters to people. Therefore, to be meaningful, income inequality estimates should be based on moreone inequality estimates should be based on the property of the property in the post-tax rather than the pre-tax income. For

the post-tax rather than the pre-tax income. For instance, in the assessment year 2023-24, the top 1% of all taxpayers accounted for 72.77% of the total tax paid. Even in the individual category, the top 1% paid 42% of the total tax paid.

Arguably, wealthy individuals should pay more taxes, but the point is that even at the existing tax rates, the actual post-tax income of top-income taxpayers is only 65%-75% of the levels used in headline-grabbing estimates. For low-income groups in contrast the income levels used are groups, in contrast, the income levels used are smaller than the actual effective income, which is higher, due to the all-time high welfare transfers ngnet, due to the arrithmen ingine we had entailed that account for more than 8% of GDP. On a post-subsidy, post-tax income basis, over the last decade, we will find a decrease in income inequality in recent years.

#### The other story about India

Admittedly, we must travel a long way before we can claim to be an egalitarian society. Inequality in accessing quality health and education is a serious concern. For a country of our size and diversity, inevitably, there are many lived realities. However, the story of India is not just about poverty and inequality any more; it is about progress and assirtings too. While being about progress and aspirations too. While being mindful of the current problems and challenges ahead, let us also celebrate the country's

# **Key Takeaways from the Article**

The World Bank Report on India's Inequality:

India's Progress on Poverty: The World Bank's 2025 report claims India has significantly reduced **extreme poverty**, with around **27 crore people** lifted out of extreme poverty between **2011 and 2023** 

> Consumption Inequality: According to the report, consumption inequality in India decreased substantially between 2011-12 and 2022-23, as evidenced by a drop in the Gini **coefficient** (from **28.8 to 25.5**). This marks India's rise in the global ranking of consumption





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**India's Improved Consumption Patterns:** 

**Dietary Improvements**: The **per capita availability** of **milk, eggs, fruits, and vegetables** has increased for most of the population, particularly benefiting the **bottom 20%** of households. This indicates better nutrition and a healthier diet across the population.

**Rural Progress**: Significant improvements in **rural India** include better access to **fresh fruits** and a **rise in vehicle ownership** among the poorest households. This is attributed to various government schemes like **PM Gramin Awas Yojana** and **PM Gram Sadak Yojana**.

**Government Policies Contributing to Poverty Alleviation:** 

Welfare Transfers: Over 8% of India's GDP is spent on welfare transfers, which significantly reduce inequality, particularly for low-income households.

Housing and Infrastructure: Programs like the Pradhan Mantri Gramin Awas Yojana and Pradhan Mantri Gram Sadak Yojana have improved living standards in rural areas, increasing pucca homes and paved roads, leading to increased mobility and economic opportunities.

# Prelims PYQs (2016)

- Q. India's ranking in the 'Ease of Doing Business Index' is sometimes seen in the news. Which of the following has declared that ranking? (2016)
- (a) Organization for Economic Cooperation and Development (OECD)
- (b) World Economic Forum
- (c) World Bank
- (d) World Trade Organization (WTO)

Nistar, first indigenous diving support vessel, commissioned into Navy

# Why in News?

Nistar, first indigenous diving support vessel

# **Syllabus**

■ GS Paper 3 – Science & Technology



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# *Nistar*, first indigenous diving support vessel, commissioned into Navy

# Saurabh Trivedi

NEW DELHI

The Indian Navy on Friday commissioned INS Nistar, the first indigenously designed and constructed diving support vessel, in the presence of Union Minister of State for Defence Sanjay Seth in Visakhapatnam.

The 118-metre ship, which is the first of two diving support vessels being built by Hindustan Shipyard Ltd., is designed to undertake complex deep sea saturation diving and rescue operations – a capability select navies possess across the globe.

Mr. Seth said the commissioning of *INS Nistar* firmly reinforces the role of the Indian Navy as the "first responder" and "preferred security partner" in the region. Supporting the indigenous shipbuilding industry has been one of the pillars of the government's



Minister of State for Defence Sanjay Seth during the commissioning of INS Nistar on Friday in Visakhapatnam. V. RAJU

"Aatmanirbhar Bharat" campaign. At present, all of the 57 new warships in the pipeline are being constructed indigenously.

Critical support

Chief of the Naval Staff Admiral Dinesh K. Tripathi termed *INS Nistar* as not just a technological asset, but a crucial operational enabler. "*Nistar* will provide critical submarine rescue support to the Indian Navy as well as our regional partners," he said.

INS Nistar is installed with state-of-the-art diving equipment such as remotely operated vehicles, selfpropelled hyperbaric life boat, diving compression chambers. It can undertake diving and salvage operations up to 300 metres depth. It would also serve as the "Mother Ship" for deep submergence rescue vessel to rescue and evacuate personnel, from a dived submarine in distress well below surface.

# **Key Takeaways from the Article**

**INS Nistar - A Technological Asset for the Indian Navy:** 

First of Its Kind: INS Nistar is India's first indigenous diving support vessel, marking a significant milestone in India's naval capabilities.

**Specifications**: The ship is **118 meters** long and is designed to undertake **complex deep-sea saturation diving** and **rescue operations**, capabilities that are possessed by select global navies.

**Support to Submarine Rescue Operations**: It will provide **critical submarine rescue support** for the **Indian Navy** and **regional partners**.





#### All in one

# Why in News?

Pradhan Mantri Dhan Dhaanya Krishi Yojana

# **Syllabus**

■ GS Paper 3 – Indian Economy

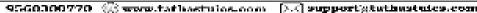
# All in one

Agriculture needs more public spending, not just one umbrella scheme

he Prime Minister Dhan-Dhaanya Krishi Yojana (PMDDKY), a scheme approved by the Union Cabinet, is to be implemented through the convergence of 36 existing schemes across 11 Departments. According to Union Agriculture Minister Shivraj Singh Chouhan the scheme seeks to address the "disparities in productivity" between States, and even among districts within a State. The Centre's pet schemes such as the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) and the PM Fasal Bima Yojana (PMFBY) as well as relevant State schemes, to be identified by the District Dhan Dhaanya Samitis, will be subsumed in the PMDDKY. Local partnerships with the private sector will also be promoted under the proposed scheme, which will begin in October during the rabi crop season. The scheme is to get an annual outlay of  $\rat{2}4,000$ crore for six years. Modelled on NITI Aayog's Aspirational Districts Programme, the Centre will identify 100 districts based on low productivity and cropping intensity and less credit disburse ment. The hope is that the scheme will result in higher productivity, value addition in agriculture and allied sectors, local livelihood creation, leading to increased domestic production and self-reliance. This convergence of schemes must be viewed in the background of decreasing public spending on agriculture. The Parliamentary Standing Committee on Agriculture, in the latest report on Demands for Grants, had observed a continuous decline, from 3.53% in 2021-22 to 3.14% (2022-23), 2.57% (2023-24), 2.54% (2024-25) and 2.51% (2025-26), of the allocations for agriculture as a percentage of total Central Plan outlay.

This aggregation of all schemes under one umbrella suggests that the Government wants uniformity in running the welfare, financial and technical schemes in the agriculture sector. It is keen to add States' measures too in the new scheme. It remains to be seen how effective such uniformity will be on the ground as further decrease in public investment in agriculture could be disastrous. Private-public partnerships should be for the larger good of self-reliance, particularly in the production of foodgrains, edible oil and pulses. The progress of area coverage under *kharif* crops, released last week, points to a decrease in the sowing of oil seeds and popular pulses Though it promotes national uniformity, it is welcome that the new scheme will function based on 'District Plans' that will be aligned to the national goals of crop diversification, conservation of wa ter and soil health, self-sufficiency in agriculture and allied sectors. For the PMDDKY, the Centre will monitor 117 key indicators of progress on a monthly basis. But to make it more participatory, States, local self governments, primary agriculture cooperative societies, agriculture universities and organisations of farmers and traders must be involved in this process







# **Key Takeaways from the Article**

**Overview of PMDDKY:** 

Scheme Objective: The PMDDKY aims to address disparities in agricultural productivity between States and within districts by bringing together 36 existing schemes from 11 central government departments.

**Annual Outlay**: ₹24,000 crore allocated for a six-year period.

# **Key Features:**

Convergence of schemes: Includes flagship schemes such as PM-KISAN and PM Fasal Bima Yojana (PMFBY).

**Target Areas**: Focus on **100 districts** with low productivity, low cropping intensity, and inadequate credit disbursement

**Private-Public Partnerships**: The scheme promotes **local partnerships** with the private sector.





# Prelims PYQs (2020)

- Q. Under the Kisan Credit Card scheme, short-term credit support is given to farmers for which of the following purposes? (2020)
- 1. Working capital for maintenance of farm assets
- 2. Purchase of combine harvesters, tractors and mini trucks.
- 3. Consumption requirements of farm households
- 4. Post-harvest expense
- 5. Construction of a family house and setting up a village cold storage facility.

# Select the correct answer using the code given below:

- (a) 1, 2 and 5 only
- (b) 1, 3 and 4 only
- (c) 2, 3, 4 and 5 only
- (d) 1, 2, 3 4 and 5

U.S. adds TRF to terror list

# U.S. adds TRF to terror list for Pahalgam strike

The Resistance Front declared a 'Foreign Terrorist Organisation' and 'Specially Designated Global Terrorist'; External Affairs Minister calls it an 'affirmation of India-U.S. counter-terror cooperation'

#### Kallol Bhattacherjee

NEW DELHI

n a move that is being viewed as an endorsement of India's intercounter-terror national campaign, the United States on Thursday designated The Resistance Front (TRF) as a "Foreign Terrorist Organisation" and "Specially Designated Global Terrorist". The TRF, which is backed by the Pakistan-based Lashkar-e-Taiba militant group, claimed to be behind the deadly April 22 terror attack that left 26 people dead in Pahalgam.

The Indian government welcomed the U.S. designation of the TRF as a terror group, with External Affairs Minister S. Jaishankar describing the move as "a strong affirmation of India-U.S. counter-terrorism

# **Terror trail**

The U.S. designation follows India's global campaign against cross-border terrorism launched after the **April 22** Pahalgam terrorist attack

Following Operation
Sindoor, the Indian
government sent a
technical team with a
comprehensive dossier
on The Resistance
Front to New York for
presentation



■ The evidence was presented to the 1267 Sanctions Committee that decides on global listing of terrorist groups ■ India had designated the TRF as a terror outfit under Unlawful Activities (Prevention) Act in January 2023 Security personnel at the Pahalgam terror attack site in J&K.

Pakistan's LeT proxy: Founded in 2019 by Muhammad Abbas Sheikh, the TRF is a Pakistan-based Lashkar-e-Taiba proxy that claimed responsibility for the Pahalgam attack

cooperation". The External Affairs Ministry added that India's cooperation with international partners will continue to ensure "that terrorist organisations and their proxies are held accountable".

"Today, the Department

of State is adding The Resistance Front as a designated Foreign Terrorist Organisation (FTO) and Specially Designated Global Terrorist (SDGT). TRF, a Lashkar-e-Taiba (LeT) front and proxy, claimed responsibility for the April

22, 2025, Pahalgam attack which killed 26 civilians," said U.S. Secretary of State Marco Rubio.

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**SANCTIONS ON PAKISTAN** 

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