

Daily Current Affairs



by Dhananjay Gautam

Table Of Content 26 July 2025

1. Judicial Accountability Under Scrutiny

2. Sharp Decline in Net FDI Raises Concerns Over **Investment Sentiment in India**

3. Syros Island in the Spotlight

4. Rare Bird Alert: Long-Billed Bush Warbler **Spotted in India After 46 Years**

5. Cambodia Back in Focus: Border Dispute Sparks Fresh Tensions with Thailand

6. India—UK Free Trade Agreement 2025

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GS Paper 2 – Governance, Constitution, Polity, Social Justice

1

Judicial Accountability Under Scrutiny: Debate Over In-House Inquiry Mechanism

Context: In a significant development, the Chief Justice of India (CJI) has agreed to constitute a special Bench to hear a petition filed on behalf of Justice Yashwant Varma of the Allahabad High Court, raising questions about the constitutional validity of the judiciary's in-house inquiry mechanism. This petition could redefine the contours of judicial accountability and the doctrine of separation of powers in India.



Background: Allegations and a Constitutional Crisis

In **March 2025**, unaccounted cash was allegedly recovered from Justice Varma's residence. Following this, an **in-house committee** recommended his removal **without granting a personal hearing**. After refusing to resign, proceedings for his **impeachment** were initiated in **Parliament**, sparking intense debate over the **independence of the judiciary** and the **limits of internal oversight**.

Understanding the In-House Procedure for Judges:

The **in-house mechanism**, introduced in **1999 by** the **Supreme Court**, was aimed at dealing with complaints of judicial misconduct without resorting to the formal impeachment process. Here's how it works:

- Filing of Complaints: Complaints may be submitted to the Chief Justice of India, the Chief Justice of a High Court, or directly to the President of India.
- Preliminary Examination: The High Court Chief Justice seeks a response from the accused judge and forwards the findings to the CJI.
- Fact-Finding Committee: Upon finding prima facie merit, the CJI appoints a committee consisting
 of two Chief Justices of other High Courts and one High Court judge.
- Outcome and Recommendation: If the committee finds sufficient grounds for removal, the CJI may
 advise resignation. Upon refusal, the findings are forwarded to the President and Prime Minister,
 potentially triggering parliamentary impeachment.

Key Legal and Constitutional Issues Raised:

Justice Varma's petition highlights several serious concerns:

- 1. Lack of Constitutional Backing: The in-house procedure is not grounded in the Constitution or any statute, making it vulnerable to challenge. Articles 124(4) (for Supreme Court judges) and 218 (for High Court judges) provide for removal only through parliamentary procedure, implying that internal mechanisms may lack legitimacy.
- 2. Violation of Natural Justice: The petition argues that no personal hearing was granted, and the accused judge was denied access to the full report and the evidence. This undermines the right to fair trial and due process, guaranteed under Articles 14 (equality before law) and 21 (right to life and liberty).
- **3. Breach of Separation of Powers:** Critics argue that by conducting disciplinary proceedings internally, the **judiciary is encroaching on Parliament's exclusive domain**—a violation of the **separation of powers**, a basic structure of the Constitution.

Wider Implications and the Road Ahead:

Need for Institutional Reform

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There is an urgent need to **codify judicial conduct mechanisms** within a **legislative framework**—possibly through an updated version of the **Judges (Inquiry) Act, 1968**, with provisions for **transparency, fairness, and appeal**.

Balancing Judicial Independence and Accountability:

Judicial independence must **not be equated with immunity**. Judges must be held to the **highest ethical standards**, but **disciplinary mechanisms must ensure procedural fairness** and avoid becoming tools of internal bias or executive influence.

Comparative Perspective: Global Practices

- In the **United States**, judges can be investigated by **Judicial Councils** but only removed through **Congressional impeachment**.
- The UK uses a formal complaint mechanism under the Judicial Conduct Investigations Office (JCIO), ensuring independent review and procedural transparency.
- Several **European countries**, like **Germany** and **France**, have codified procedures for disciplining judges through **independent bodies** with **judicial and administrative members**.

Conclusion: Towards Transparent Judicial Ethics

This case could become a watershed moment for judicial reform in India. As public trust in institutions is crucial, the judiciary must not only be impartial but appear to be so. Strengthening external oversight, ensuring due process, and codifying judicial discipline are vital steps toward a robust, accountable, and independent judiciary.







GS Paper 3 – Economy

2

Sharp Decline in Net FDI Raises Concerns Over Investment Sentiment in India

Context: India witnessed a staggering drop of 98.2% in Net Foreign Direct Investment (FDI) during May 2025, with inflows plunging to just \$40 million, compared to \$2.2 billion recorded in May 2024. While gross FDI inflows remained relatively resilient at \$7.2 billion, they too saw a slight dip from \$8.1 billion year-on-year, reflecting an evolving investment landscape.



Understanding Net FDI: A Key Economic Indicator

Net FDI refers to the **net inflow of foreign capital** into the country, calculated by subtracting **outflows** (such as **profit repatriation**, **divestments**, and **outward FDI** by Indian firms) from **gross inflows**. It represents the **real addition of foreign investment** to the domestic economy and serves as a barometer of **long-term investor confidence**.

Why the Sudden Decline? Key Drivers Behind the FDI Slowdown

Several factors have contributed to this sharp fall in net FDI:

- Increased Repatriation and Divestment: Foreign investors withdrew profits or sold their stakes, reducing net inflows.
- Higher Outward FDI by Indian Firms: Indian companies have been actively investing abroad, which has added to the outflows.
- Global Economic Uncertainty: Geopolitical tensions, inflation, and tightening financial conditions in developed markets have tempered investor risk appetite.

Top Sources and Sectors Attracting FDI:

Despite the drop in net inflows, India remains an attractive destination for long-term investment:

- Major Source Countries: Singapore, Mauritius, the UAE, and the United States accounted for over 75% of FDI inflows in May 2025.
- **Leading Sectors:** The **manufacturing sector**, **financial services**, and **computer services** remained top performers in absorbing foreign capital.

Implications of the Declining Net FDI:

- 1. External Sector Vulnerability: A sudden drop in net FDI can lead to short-term pressure on the balance of payments and affect the exchange rate stability, especially when accompanied by portfolio outflows.
- 2. Liquidity Challenges for Key Sectors: Sectors heavily reliant on FDI, such as infrastructure, technology, and real estate, may face liquidity constraints and slower expansion plans if this trend continues.
- 3. Mixed Investor Sentiment: While gross inflows remain strong, suggesting that India's fundamentals are still attractive, the rising repatriation signals a more mature investment climate where investors are freely entering and exiting the market.
- **4. Strategic Repositioning by Investors:** The shift could also reflect **strategic realignment**, where investors choose to diversify portfolios geographically due to emerging risks in Asia or improved prospects in other regions.

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Types of FDI: A Quick Overview:

Understanding the **forms of FDI** provides insight into the nature of foreign investments:

- Horizontal FDI: Replicating the same business in a foreign country.
 - Example: McDonald's opening outlets in India.
- **Vertical FDI**: Investing in a different part of the supply chain.
 - *Example*: A U.S. oil company investing in Indian petrol stations.
- **Conglomerate FDI**: Investing in an **unrelated sector** abroad.
 - *Example*: A textile firm acquiring a fintech startup overseas.
- **Greenfield FDI**: Setting up **entirely new infrastructure** (e.g., a new manufacturing plant in India).
- **Brownfield FDI**: Acquiring or investing in **existing facilities**.
 - *Example*: Foreign acquisition of an Indian pharmaceutical unit.

Expert View: A Sign of Market Evolution?

According to the **Reserve Bank of India (RBI)**, the uptick in repatriation may indicate a **maturing investment environment**, where foreign investors are now **more confident in managing capital exit**—a hallmark of an **open and stable economy**.

Looking Ahead: Rebuilding Investor Momentum

To restore and enhance net FDI performance, India needs to:

- Ensure policy consistency and regulatory clarity.
- Accelerate ease of doing business reforms.
- Strengthen **bilateral investment treaties** (BITs) to protect investor rights.
- Foster long-term strategic partnerships in **emerging sectors** like **green energy**, **semiconductors**, and **digital infrastructure**.





GS Paper 1 – Geography

3

Syros Island in the Spotlight: Cruise Diverted Amid Political Protest

Context: A cruise liner carrying **Israeli tourists** was recently **diverted to Cyprus** after being denied docking at **Syros Island** due to a **quayside protest** linked to ongoing tensions over the **Gaza conflict**. The incident has drawn international attention, highlighting how global issues can impact even the most peaceful tourist destinations. The Greek government has yet to issue a formal statement, but local reports confirm the protest was non-violent and involved a small group of demonstrators.



Discovering Syros: The Beating Heart of the Cyclades

Syros (also known as **Siros** or **Syra**) is a **picturesque island** nestled in the **Cyclades archipelago** in the **Aegean Sea**. Known for its blend of **classical elegance** and **island charm**, Syros stands out from the more commercial tourist hotspots like Mykonos and Santorini.

- Located approximately **78 nautical miles (144 km) southeast of Athens**, Syros spans a modest area of **83.6 square kilometers**.
- The island is **hilly and irregular in shape**, with its highest point reaching **442 meters (1,450 feet)** above sea level.
- As of the **2021 census**, the population stood at around **21,124 residents**.

Major Towns: Where History Meets the Horizon

The **main city**, **Ermoupoli**, is a **hilltop settlement** with neoclassical architecture, cascading down to a picturesque port. It serves as:

- The administrative capital of the Cyclades.
- The headquarters for the South Aegean region.
- A vibrant hub of culture, history, and governance.

Other notable towns include **Ano Syros**, a traditional medieval settlement, and **Vari**, a seaside village known for its calm beaches and tavernas.

What Makes Syros Special: Beyond the Postcards

While less flashy than other Aegean islands, Syros is treasured for its **authentic Greek lifestyle**, offering visitors:

- **Stunning beaches** like Galissas, Kini, and Delfini.
- **Cultural festivals**, especially the **Syros International Film Festival** and **Ermoupolia Festival**, celebrating music, theatre, and visual arts.
- A rich blend of **Orthodox and Catholic heritage**, evident in its architecture and religious landmarks.

Economy of Syros: Anchored in Tradition and Trade

Syros boasts a **diverse economy** that combines traditional industries with maritime commerce:

• **Shipbuilding** and **repair** continue to thrive, especially around Ermoupoli's historic **Neorion Shipyards**.

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- Other industries include **tanning**, **textile production**, **weaving**, and **confectionery**, particularly the famous **Syros loukoumi** (Turkish delight).
- However, the **backbone of Syros's economy** is **maritime trade** and **commercial shipping**, thanks to its strategic location and robust port infrastructure.

A Blend of Old-World Grace and Modern Vitality

Syros offers a unique contrast to Greece's more touristic islands. Its **noble charm**, **quiet sophistication**, and **resilient local culture** make it a hidden gem for travelers seeking **authenticity** and **rich history**. Though recent protests may have briefly stirred its calm waters, Syros remains a symbol of **civic expression** and **timeless beauty** in the Aegean.





GS Paper 3 – Environment and Ecology

4

Rare Bird Alert: Long-Billed Bush Warbler Spotted in India After 46 Years

Context: In an exciting breakthrough for birdwatchers and conservationists, a group of birders recently made the **first confirmed sighting in 46 years** of the **Long-Billed Bush Warbler** (*Locustella major*) in **India**. The elusive species, classified as **Near Threatened** by the IUCN, was observed in the remote **Suru Valley of Ladakh**, marking a monumental moment in Indian ornithological history.



Meet the Long-Billed Bush Warbler: A Hidden Gem of the Highlands

The **Long-Billed Bush Warbler** is a **medium-sized songbird**, best known for its **extraordinarily elusive nature** and its preference for rugged, high-altitude landscapes.

- Scientific Name: Locustella major
- **Size**: Measures approximately **15–17 cm** in length.
- Distinct Features:
 - o A long bill and relatively long tail
 - Brownish-olive plumage with fine streaks on the back
 - Pale underparts, ranging from whitish to buff
 - Sexes appear similar, making field identification challenging
- Behavior:
 - Skulking and secretive, often running through undergrowth rather than flying
 - Occasionally appears on low bushes to sing, producing a faint clicking call, likened to the soft buzz of a grasshopper.

Natural Habitat: High-Altitude Hideouts

This rarely seen warbler is typically found in **mountainous regions of Central Asia**, with its range covering **parts of China, India, Pakistan**, and **Tajikistan**. It thrives in:

- **Grassy slopes** with scattered bushes and tall weeds
- Terraced upland cultivation
- Alpine meadows and forest edges, usually between 2,400 to 3,600 meters in elevation

Its **camouflaged plumage** and preference for **dense vegetation** make sightings extremely rare, even within its known range.

Conservation Status: A Species on the Edge

• **IUCN Red List**: **Near Threatened** This classification reflects its **small and fragmented population**, as well as the **ongoing loss of suitable habitat** due to overgrazing, land conversion, and changing alpine ecosystems under the pressure of climate change.

The recent sighting in India provides hope, but also underscores the urgent need for **habitat protection** and **long-term monitoring**.

Why This Sighting Matters:

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- Rediscovery After Decades: The last confirmed record of the Long-Billed Bush Warbler in India dates back to 1979, making this a landmark rediscovery.
- **New Avenues for Research**: The documentation of the species in Suru Valley opens doors to **deeper ecological studies**, potentially updating range maps and conservation priorities.
- Boost for Bird Tourism and Citizen Science: Ladakh's growing appeal among birders and nature enthusiasts could lead to greater investment in conservation efforts and eco-tourism infrastructure.

Did You Know?

The **genus Locustella**, to which the Long-Billed Bush Warbler belongs, is named after the Latin word for "grasshopper" – a nod to the **insect-like calls** of many species in this group.

Conclusion: A Call to Protect the Silent Singers

The return of the **Long-Billed Bush Warbler** to Indian skies is not just a thrilling ornithological event—it's a powerful reminder of nature's resilience and the mysteries that still lie hidden in the **Himalayan highlands**. As conservationists celebrate this rediscovery, it becomes crucial to ensure these fragile habitats remain safe for the birds that call them home.



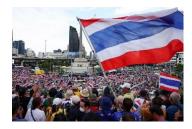


GS Paper 1 - Geography

5

Cambodia Back in Focus: Border Dispute Sparks Fresh Tensions with Thailand

Context: Tensions have flared once again between **Cambodia and Thailand** over long-standing **territorial disputes**, with recent developments along the shared border igniting diplomatic and military concern. The dispute centers on claims near culturally and strategically significant areas, adding to the region's geopolitical sensitivities.



Cambodia: A Key Nation in Mainland Southeast Asia

Situated in the heart of **Mainland Southeast Asia**, **Cambodia** holds a strategic position both politically and geographically.

- Capital: Phnom Penh
- Regional Affiliation: A prominent member of the Association of Southeast Asian Nations (ASEAN)
- Land Borders: Shares boundaries with **Thailand** to the west and northwest, **Laos** to the north, and **Vietnam** to the east and southeast.
- Maritime Border: Faces the Gulf of Thailand to the south, giving it access to vital sea routes and economic zones.

Geography of Cambodia: Rivers, Mountains, and More

Cambodia's diverse landscape blends river systems, mountain ranges, and lowland plains, playing a crucial role in its agriculture and biodiversity.

- Major Rivers:
 - The **Mekong River**, one of Asia's longest and most important rivers, flows through the country from north to south.
 - o The **Tonle Sap River** connects the Mekong to **Tonle Sap Lake**, Southeast Asia's largest freshwater lake and a vital ecosystem for fisheries and flood regulation.
- Mountain Ranges:
 - o **Dangrek Mountains** (forming the northern border with Thailand)
 - Krâvanh Mountains (also known as the Cardamom Mountains) in the southwest
 - o **Dâmrei Mountains** (also called the **Elephant Mountains**) in the south-central region

These highlands are home to **dense tropical forests** and rich wildlife, including endangered species like the **Indochinese tiger** and **Asian elephants**.

Strategic and Cultural Significance:

The Cambodia–Thailand border region includes **historically significant sites**, such as the **Preah Vihear Temple**, which has been at the center of past confrontations. The area holds both **cultural heritage** and **strategic value**, intensifying the stakes in any territorial disagreement.

A Brief Historical Perspective:

• The **Preah Vihear dispute** has seen periodic military and legal battles, with the **International Court of Justice (ICJ)** ruling in favor of Cambodia in 1962, and again reinforcing that decision in 2013.



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However, disputes over surrounding lands persist, occasionally leading to armed clashes, heightening regional tension.

Looking Ahead: Diplomacy and Regional Stability

While both Cambodia and Thailand are members of ASEAN, the grouping's non-interference policy often limits its role in **resolving bilateral conflicts**. There is increasing international interest in the dispute due to its potential to disrupt regional peace and cross-border trade.

Did You Know? Cambodia is home to **Angkor Wat**, the world's largest religious monument, and a UNESCO World Heritage Site. Its architectural brilliance reflects the country's deep cultural roots and ancient Khmer empire.

Conclusion: A Nation of Rich Heritage and Strategic Importance

As Cambodia navigates both **domestic development** and **border challenges**, its role as a bridge between Southeast Asian neighbors becomes even more critical. The recent dispute underscores the importance of dialogue, diplomacy, and regional cooperation in maintaining peace in one of Asia's most dynamic regions.





GS Paper 2 – International Relation

India-UK Free Trade Agreement 2025: A Defining Moment in Global Economic Diplomacy

Context: In a historic development, India and the United Kingdom signed a Comprehensive Economic Trade Agreement (CETA) on July 24, 2025, during Prime Minister Narendra Modi's official visit to the UK. Accompanying the trade deal, both nations also unveiled a forward-looking strategic roadmap titled the India-UK Vision 2035, replacing the earlier Roadmap 2030.



The Vision 2035 document lays out a robust framework for cooperation across trade, technology, climate action, defence, education, and innovation, aiming to foster deeper ties grounded in shared democratic **values** and mutual economic growth.

Key Highlights of the India-UK Free Trade Agreement:

The agreement is one of India's most comprehensive FTAs, delivering substantial benefits across goods, services, and labour mobility. Here's a sector-wise breakdown:

1. Market Access: A New Era of Duty-Free Trade:

- For India: 99% of Indian exports to the UK will now enjoy zero tariffs, greatly benefiting key labour-intensive sectors.
- For the UK: 90% of tariff lines will see cuts, with 85% reaching zero-duty status within a decade.
- Sectors Benefited: Textiles, marine products, chemicals, base metals, and processed foods.
- **Example:** Tariffs on processed foods slashed from 70% to 0%; Indian tea, spices, rubber, and plastics gain free access.

2. Agriculture: **Boosting** Rural Prosperity:

- Zero Duties on 95%+ agricultural lines including millets, fruits, pulses, vegetables, pickles, and organic herbs.
- Could raise India's agri-exports by 20% within 3 years, supporting its \$100 billion export target by 2030.
- Sensitive products like dairy and apples remain protected.

3. Marine Sector: Coastal Economies Set to Benefit:

- **Tariff elimination** on exports like **shrimp**, **tuna**, and **fishmeal**.
- India currently holds just 2.25% of the UK's marine imports, leaving significant room for growth.
- Potential to transform **coastal livelihoods** and enhance marine exports to **\$5.4 billion**.

4. Textiles & Apparel: Competitive Edge Reclaimed:

- Covers over **1,140 product categories**, all now **duty-free**.
- India poised to gain an additional 5% market share in UK textiles.

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Helps **level the field** with nations like **Bangladesh and Cambodia**, boosting **handicrafts**, **carpets**, and home textiles.

5. Engineering Goods: Aiming for Export Doubling:

- Presently, India exports \$4.28 billion worth of engineering goods to the UK.
- With tariffs up to 18% removed, exports are projected to hit \$7.5 billion by 2030.

6. Pharmaceuticals & Medical Devices: Gateway to New Markets

- Tariff-free access for generic drugs, surgical tools, and diagnostic devices like ECG and X-ray systems.
- India currently exports only \$1 billion in pharma to the UK, despite UK importing over \$30 billion globally.

7. Chemicals & Plastics: Strong Growth Forecast:

- Chemical exports projected to grow 30–40%, reaching \$750 million in FY26.
- **Plastics** (films, kitchenware, sheets) to see 15% export growth, aided by lower input costs and enhanced pricing power.

8. Niche Sectors: Toys, Jewellery & Leather Get a Boost

- **Toys and sports goods** gain export advantage over **China and Vietnam**.
- **Jewellery exports** could **double within 2-3 years**, tapping into the UK's \$3 billion jewellery market.
- Leather and footwear exports from MSME hubs like Kanpur, Agra, Kolhapur, Chennai set to exceed \$900 million, aided by removal of 16% duties.

9. Services & Skilled Mobility: Empowering Indian Professionals

- 36 UK service sectors opened without the Economic Needs Test.
- Indian professionals can now work in 35 sectors for up to 2 years.
- 75,000 Indian workers will be exempt from UK social security contributions for 3 years, thanks to a **Double Contribution Avoidance Agreement**.
- Annual quotas set for **1,800 chefs, yoga instructors, and artists**, enhancing **cultural exchange**.

Strategic Impact of the India-UK FTA:

Expanding Trade Volumes

- Bilateral trade expected to rise by **39%**, adding approximately **£25.5 billion annually**.
- UK's exports to India projected to surge by 60%, adding £15.7 billion by 2040.

Post-RCEP Pivot:

After India's **2019** exit from the RCEP, this agreement reflects a strategic pivot toward Western economies such as the UK and EU.





Aligns with India's larger agenda to build high-standard, rules-based trade partnerships with advanced economies.

Bilateral Gains:

- **India** strengthens key sectors while improving its **global market competitiveness**.
- UK gains deeper access to India's fast-growing consumer base and key export sectors like automobiles, alcohol, and technology.

Conclusion: A Turning Point in India's Trade Strategy

The India-UK Free Trade Agreement isn't just a bilateral trade deal — it's a blueprint for India's 21stcentury global economic engagement. It signals India's readiness to take on complex trade negotiations, while ensuring inclusive growth, job creation, and strategic depth in foreign partnerships. The agreement places both countries on a path of shared prosperity, built on democratic values, innovation, and mutual respect.

