



Mains Practice Question

Q. Give out the major sources of terror funding in India and the efforts being made to curtail these sources. In the light of this, also discuss the aim and objective of the No Money for Terror (NMFT)' Conference recently held at New Delhi in November 2022. (Answer in 250 words, UPSC Mains 2023)

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Approach

- Begin with an Introduction that sets a context for the question.
- Discuss major sources of terror financing and efforts made by India to cripple those sources.
- Discuss the aim and objective of the No Money for Terror (NMFT)' Conference held recently.
- Conclude with the statement that, despite facing challenges from its neighbors, India stands firm against terrorism.

Introduction

Ever since its independence in 1947, India has been a witness to various kinds of terrorist and insurgent activities. Over the years India has learned from its mistakes and evolved numerous ways to tackle terror funding and other related activities.

Body

Major sources of terror funding

- **State Sponsorship:** The use of terror to further diplomatic interests is a known practice. States sponsor crimes and support terrorist to be able to use them when needed for their purpose.
- **Counterfeit Currency:** It involves directly printing and circulating fake currency in the market. Alternatively, this is a tool used by neighbouring states to destabilize the Indian economy.
- **Organised Crime:** Criminal organizations generally work in nexus and are often connected to bigger terrorist groups. The flow of resources is two-ways between these two.
- **Extortion:** This remains the biggest source of funding of terrorism in India especially in the North-East.
- **Hawala System:** This is an illegal method of transferring money, generally through international borders that is used by criminal networks.

Efforts to curtail sources

- **National Investigation Agency (NIA):** It is the premier agency in India for combating terror across states without special permission from the states.
- **Unlawful Activities Prevention Act:** This anti-terror legislation seeks to designate an individual as a "terrorist".
- **National Intelligence Grid (NATGRID):** It is a centralised data library of terror and crime related information.
- **SAMADHAN Doctrine:** Developed specifically for the Left-Wing Extremism problems, it also aims to curb the access of terror organizations to funds.

Recently, the third No Money for Terror (NMFT) Ministerial Conference on Counter-Terrorism Financing was held in New Delhi, India. It sought to:

- Collaborate with countries around the world to curtail terror and extremist funding.
- To set up a secretariat regarding the same in the country, which won't be an investigative body but operate on the concept of collaboration and cooperation.
- To investigate new and emerging threats and methods of propagating terrorism.

Conclusion

Being surrounded by two hostile neighbours does not allow India any leeway for complacent behaviour on the question of internal security. Through several measures, India continues to fight the battle against terrorism.

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