WHITE-COLLAR TERRORISM: A CRITICAL ANALYSIS OF INDIAN LAWS AND REGULATIONS

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ABSTRACT

White-collar terrorism is the new and sophisticated form of contemporary terrorism because its participants are people holding professional, financial, or influential status and make terrorist actions possible through non-violent and indirect means. In contrast to traditional terrorism, which is described as physical violence and militant activities, white-collar terrorism is done using financial manipulation, technological and institutional support, and logistical coordination. Corporate executives, financial intermediaries, engineers and technology experts can be a part of extremist circle by facilitating money laundering, illegal transfer of funds, misappropriation of charitable organizations, cyber-fund raising and shell corporations. These activities are also hard to spot since they usually operate within legitimate financial and organizational statistics. The beginning of the rapid growth of financial systems, digital technologies and transnational networks in the Indian context have enhanced the susceptibility to such covert types of terrorist facilitation. Though India has a number of legal tools that can be used to fight terrorism and financial crimes namely the "Unlawful Activities (Prevention) Act, 1967", "Prevention of Money Laundering Act, 2002" and "Foreign Contribution (Regulation) Act, 2010", the laws tend to target terrorism and financial crimes individually. This paper assesses the appropriateness of the prevailing legal system in dealing with the cross-over of professional economic crime and terrorism and a reform of the legal and regulatory response with a view to making them more robust whilst safeguarding the rights of the constitution.

Keywords: White Collar Terrorism, Cyber Crime, National Security Threat, Cross-Border Crimes, Financial Fraud, Corporate Crimes, Money Laundering, Corruption.

CHAPTER 1

INTRODUCTION

1.1.The Basic Concept

Terrorism is a conventional term that is linked with violent actions of radicalized people or militant groups. Nevertheless, terrorism in the current international security environment has taken new forms and has become more advanced forms that tend to take indirect and covert means. An example of such an emerging trend is white-collar terrorism in which persons in professional, influential, or economically privileged positions leverage their knowledge and resources and institutional connections to promote or facilitate terrorist acts. In contrast to traditional terrorism, in which the use of physical violence is the main method, white-collar terrorism can oftentimes be conducted through the financial manipulation, logistical assistance, facilitation through technology, and strategic coordination.

White-collar terrorism represents a fusion between white-collar crime and traditional terrorism in which professional members of an extremist network, including corporate leaders or executives, financial intermediaries, engineers, physicians, or technology experts, might play a part. These actors do not necessarily engage in acts of violence but contribute greatly towards facilitation of terrorism by carrying out acts of money laundering, transfer of illegal finances, misappropriation of charitable groups, cyber-fundraising and formation of shell corporations. These mechanisms are very hard to detect because they are based on a legitimate institutional and financial framework.

The danger of white-collar terrorism has become more and more a relevant issue in the Indian context owing to the increasing complexity of financial systems, the rapid growth of the technological environment, and the development of the global terror networks. A number of cases have shown how professionals with education taught how to enable the movements of extremists using digital communication, financial routes, and organizational networks. Although this threat is evolving, the Indian legal framework in its entirety substantially deals with terrorism and financial crimes on individual grounds, by referencing to statutes like "Unlawful Activities (Prevention) Act, 1967 (UAPA)", the "Prevention of Money Laundering Act, 2002 (PMLA)", the "Foreign Contribution (Regulation) Act, 2010 (FCRA)".

This research examines whether the current legal and regulatory environment in India is well placed to deal with the new nexus that is emerging between professional economic crime and terrorism. Through a case study of the statutory, judicial and recent case law, the paper aims at reviewing the effectiveness of existing laws, and giving recommendations on how to enhance the legal framework against white-collar terrorism in India, without violating constitutional protection.

1.2. Research Questions

1. How is the concept of white-collar terrorism defined in the Indian legal system, and does the lack of a statutory definition create a lack of prosecution?

2. How well are the current Indian laws including UAPA, PMLA, FCRA, and BNS sufficient to control any acts of economic and corporate practices that threaten national security law and order?

3. What has Indian court done in recognizing, interpreting, and enlargement the definition of the white-collar terrorism by judicial decision?

4. What hurdles does the Indian legal system face in investigation, prosecution, and punishment of white-collar terrorism when the offenders are powerful government employees and corporate individuals?

5. What institutional and legal amendments can be incorporated in the Indian legal system to strengthen India's response to white-collar terrorism while upholding the Constitutional safeguards and the principles of natural justice?

1.3. Research Objectives

1. To observe the perception and the scope of white-collar terrorism in India and explore its significances to national security, financial stability, and people's trust.

2. To critically examine how well and how sufficient the current Indian Laws and regulatory frameworks are to combat white-collar terrorism.

3. To examine how the Indian judiciary has interpreted and addressed the issue of white-collar terrorism by establishing landmarks and judicial trends.

4. To determine the legal, institutional, and enforcement issues of investigative and regulatory bodies in curbing the white-collar terrorism in India.

5. To recommend appropriate legal and policy changes in order to empower the current regulatory framework of India to combat white collar terrorism whilst safeguarding the constitution and civil liberties.

1.4. Hypothesis

The lack of legal acknowledgement of white-collar terrorism in Indian law has led to a fractured application and judicial inconsistency.

1. The current Indian legal provisions such as the "Unlawful Activities (Prevention) Act, Prevention of Money Laundering Act, Companies Act and Bharatiya Nyaya Sanhiyta" are far too inadequate in addressing the new development of white-collar terrorism holistically.

2. In a compensatory manner, judicial interpretation has been used in India to combat white-collar terrorism, although overreliance on case law can cause unwarranted uncertainty and spots of legal standards.

3. India has structural, political as well as procedural limitations of regulatory and investigative agencies which nullify the effectiveness with which white-collar terrorism is prosecuted in the country.

1.5. Research Methodology

The methodology using in this paper is doctrinal research, focuses on the systematical study of the legal principles, judicial-decisions, legal statutes and regulatory frameworks. The study is a library-based investigation that is based on an in-depth review of the legal sources including the UAPA, FCRA, PMLA, and other relevant sections of the BNS. Besides the statutory materials, the study uses secondary sources such as academic literature, reports published by the international organizations like FATF and UNODC, and publicly available case records of agencies, such as the NIA.

The qualitative content analysis is adopted to point out the legal loopholes and limitation in addressing white-collar facilitation of terrorism. The comparatives analysis with the

international standards assists in assessing the compliance of India and laying out reform-based suggestions. The case study analysis is also based on the analysis of both the past and recent cases in order to understand the judicial interpretation and changing legal responses in the research.

1.6. Literature Review

The theoretical framework of this paper is White Collar Crime (1949) by Edwin H. Sutherland[1]. By proving the idea that crimes committed by high social status individuals cause greater harm due to their scale, Sutherland broke the traditional views on crime and crime by showing that the committed crime is more harmful in its large magnitude and secrecy, as well as through its institutional protection. Even through his work does not concern itself with the issue of terrorism, the framework is essential to formulate the concept of white-collar terrorism through the abuse of occupational positions to fund, organize, or aid extremist violence through indirect means. This paper builds upon the thesis of Sutherland to discuss the case of offences against national security in which terrorism today is commonly done through white-collar means and not necessarily by use of overt violence.

The Criminal Law and Criminology by K.D. Gaur[2] place the white-collar crime in the Indian socio-legal environment. Guar points out that economic crimes thrive on the poor enforcement, process delays and impunity by the elites. These observations apply directly to the phenomenon of white-collar terrorism because in the same way systemic failure, these professionals who performed their functions in financing or aiding a terror could not be detected promptly, are educated people. The work of Gaur helps to justify the thesis that the current criminal law mechanisms are insufficient to fit in the hybrid crimes of combining financial criminality with the intent of terrorism.

Mark S. Hamm in the Spectacular Few (2013)[3] investigates the changing face of terrorism and proves that nowadays the terrorist networks rely more and more on educated and technically competent people. The analysis by Hamm is important to this study because it eliminates the stereotype importance of professional expertise, demonstrating white-collar terrorism as a

[1] EDWIN H. SUTHERLAND, *WHITE COLLAR CRIME* (Dryden Press 1949).
[2] K.D. Gaur, *Criminal Law and Criminology* (6th ed., Universal Law Publishing 2015).
[3] Mark S. Hamm, *The Spectacular Few: Prisoner Radicalization and the Evolving Terrorist Threat* (New York Univ. Press 2013).

change in the ways the terrorist operations work and not an exception.

Indian security literature acknowledges this transformation, B. Raman's Terrorism: Yesterday, Today and Tomorrow (2008)[4], highlights that the terrorist groups operating in South Asia use the services of financial intermediaries, front organizations and educated militants to keep their operations active over a long period of time and thus the inclusion of laws on counter terrorism like Prevention of Money Laundering Act (PMLA) 2002 and Foreign Contribution (Regulation) Act (FCRA) 2010 in the counter terrorism discussion is justified.

This is reinforced by international scholarship, the study of terrorism financing conducted by Dorn, Levi and King (2005[5]) demonstrates the use of legitimate financial system, shell companies, charities and professional service with extremist ends, which is empirically supported by the fact that the terrorism financing as an activity is inherently a white-collar operation, and that it demands a high-order response in the form of regulations and legal mechanisms, rather than purely coercive policing.

Global regulatory perspective is presented in the Financial Action Task (FATF) reports on terrorist financing[6]. FATF consistently identifies lawyers, accountants, doctors, NGOs, and business organizations as weak points in terror financing systems. These reports are specifically so because they acknowledge white-collar facilitation as one of the key risk factors and hence legitimize the necessity of the integrated legal framework that considers both economic offences and terrorism.

The analysis of criminal procedure by R.V. Kelkar[7] brings to the fore limitations of the traditional investigation instruments on intricate economic crimes that are acute in white-collar terrorism cases involving financial, digital and transnational evidence which further marks the need to reform the procedure.

The gap in the doctrines is seen in judicial interpretations, "National Investigation Agency v. Ahmad Shah Watali (2019)"[8], the Supreme Court of India rules that indirect assistance

[4] B. Raman, *Terrorism: Yesterday, Today and Tomorrow* (Vijitha Yapa Publications 2008).
[5] Nicholas Dorn, Michael Levi & Leslie King*, Terrorist Finance, Money Laundering and the Rise and Rise of Mutual Evaluation: A New Paradigm for Crime Control?* 45 BRIT. J. CRIMINOLOGY 289 (2005).
[6] FIN. ACTION TASK FORCE (FATF*), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation.*
[7] R.V. Kelkar, *Criminal Procedure* (7th ed., Eastern Book Company 2018).
[8] *National Investigation Agency v. Ahmad Shah Watali*, (2019) 5 SCC 1 (India).

including financial and logistical support is a terrorist offence under the UAPA. This judgement is important because it indirectly accepts the importance of white-collar actors in perpetuation of terrorism, although the term is not explicitly used.

The United Nations Office on Drugs and Crime (UNODC) handbooks[9] and comparatives studies focus on the best practices in countering terrorist financing using regulatory compliance, financial intelligence, and inter-agency coordination. These are the international standards that guide the normative frameworks of this study and bring out the importance of India aligned its domestic legislations with those of global counter-terror financing requirements.

CHAPTER 2

EVOLUTION OF WHITE-COLLAR TERRORISM AND COUNTER-TERRORISM FRAMEWORKS IN INDIA

2.1 Introduction

White-collar terrorism is not about bombs exploding in crowded markets. It is something quieter, smarter, and often hidden in plain sight. It occurs when skilled and educated professionals like doctors, engineers, accountants, police officers or business persons apply their skills, jobs and social status to assist terrorist organizations without ever picking up gun in their own hands. They provide funds through hidden channels, spread propaganda on the internet, set up safe houses or even give technical expertise on how to attack.

This paper narrates the history of how this dangerous form of terrorism expanded in India, which used to be rooted in simple traditional attacks during the initial years into its current high-tech and elite-funded networks. We will also examine how the policies and laws in India changed over time to combat it.

You will see the transition of the old-style militancy into the category of the so-called “hybrids threats”, of which money, technology, and professional contacts are mixed with extremism. We shall analyze the loopholes in various sectors, the significant changes in policies that occurred in the process, and lastly, why the old system, nevertheless, had enormous loopholes.

[9] UNITED NATIONS OFFICE ON DRUGS AND CRIME (UNODC), *Handbook on Countering the Financing of Terrorism* (UN 2018).

The idea is very straightforward: learn about the past in order to correct the present. The real incidents and court cases will make everything clear and easy to follow.

2.2 Historical Foundations: From Traditional Terrorism to Elite Facilitation

The India terrorism did not start with professionals in suits. During the early years of the post-Independence era, it was primarily related to the presence of direct violence militants who crossed the borders, carrying guns and carrying out shootings or blasts. The groups such as the one in Punjab in the 1980s or early Kashmir insurgency were based on foot soldiers and local support.[10]

Things however started to change in the 1990s. Terrorist groups realized that they required money, technology and intelligent individuals to be able to live longer and strike harder. They began hiring or employing "elite facilitators" individuals employed in good jobs and could work out of cities without suspicion.[11]

The turning point came with the 1993 serial blasts in Mumbai.[12] The dons of the underworld, Dawood Ibrahim and his network used hawala (illegal money transfer) channels, forging documents and business fronts helping in smuggle explosives and finances to carry out the attacks that killed more than 250 people.[13] This was the first big example of white-collar assistance, as educated businessmen and financiers working behind the scenes instead of fighters on the ground.

In the 2000s, the Indian Mujahideen (IM) took this to the next level[14]. IM modules employed software engineers and IT professionals between 2005 and 2013. Mansoor Peerbhoy, a senior Yahoo engineer, was one of the well-known names, who was in charge of encrypted communications, online propaganda, and even technical assistance on how to make bombs. These were not the poor and uneducated young people they were middle-class, well-paid professionals who were utilizing their laptops and expertise to finance terrorism.

The international connections were evident in the 2008 Mumbai attacks (26/11)[15]. Logistics,

[10] Sumit Ganguly, The Crisis in Kashmir: Portents of War, Hopes of Peace 23-45 (Cambridge Univ. Press 1997);
[11] Bruce Hoffman, Inside Terrorism 282-84 (2d ed. 2006).
[12] *1993 Bombay Bombings*, Encyclopaedia Britannica.
[13] S. Hussain Zaidi, Black Friday: The True Story of the Bombay Bomb Blasts (Penguin Books 2002).
[14] B. Raman, *The Indian Mujahideen*, South Asia Analysis Group Paper No. 2611 (2008).
[15] Report of the Pradhan Committee on the Mubai Terrorist Attacks (Gov't of Maharashtra 2009).

counterfeit identities, and money laundering were planned by educated operatives overseas. Then came the 2010 Pune German Bakery blast, where experts just helped with the funding and technical expertise[16].

By the 2010s, the pattern became clearer. In 2020, when Jammu & Kashmir police officer, DSP Davinder Singh was arrested after transporting Hizbul Mujahideen militants in his car[17]. He is said to have gone ahead and used his official status, uniform, and inside knowledge to assist terrorists a perfect example of a government servant becoming and acting as a facilitator.

In Kerala and other states, the ISIS modules used to recruit medical students and IT engineers who used WhatsApp groups, encrypted apps, and foreign funding to radicalize others and transfer money[18]. These instances proved that terrorism had moved from villages and border areas into urban offices, hospitals, and universities.

2.3 Pre-UAPA Legal Landscape and Early Financial Crime Regimes

Before the 2000s, there were no strong and committed laws in India to deal with terrorism mixed with money and professionals. "Unlawful Activities (Prevention) Act (UAPA) was enacted in 1967"[19] and then it only addressed the issue of "unlawful association" which was primarily groups that were threatening the unity of India. It did not have a particular chapter related to terrorism or financing.

In the real-life cases of terror, the nation relied on the temporary laws:

- **Terrorist and Disruptive Activities (Prevention) Act, (TADA) 1987[20]** – Introduced after Punjab militancy. It was very strict but it was severely criticized for misuse and was allowed to lapse in 1995.

- **Prevention of Terrorism Act (POTA), 2002[21]** – Introduced after the 2001 attack on the parliament. It was authorized to seize property and punish those who assisted terrorists, yet

[16] National Investigation Agency, *Change Sheet in the German Bakery Blast Case* (2010).
[17] *DSP Davinder Singh Arrested with Hizbul Militants*, The Hindu, Jan. 13, 2020.
[18] Rajesh Ahuja, *Radicalization in Kerala and ISIS Recruitment*, Inst. For Defence Stud. & Analyses Issue Brief (2018).
[19] Unlawful Activities (Prevention) Act, No. 37 of 1967, (India).
[20] Terrorist and Disruptive Activities (Prevention) Act, No. 28 of 1987, (India).
[21] Prevention of Terrorism Act, No. 15 of 2002, (India).

it was overturned in 2004 after being accused of mistreating minorities.

On the monetary front, first legislations were feeble as well:

- The **Foreign Exchange Regulation Act (FERA), 1973**[22] regulated foreign money but was more about economical offences than terrorism.
- Hawala networks (as in 1993 Mumbai bomb blasts) were not easily trackable due to lack of powerful money-laundering regulations.
- NGOs and charities could receive foreign funds with very little checking.

The result? Shell companies, professional networks, and fake charities were easily used by terrorist groups. The general criminal laws that police and agencies had to use were slow and not designed for threats to national security. This made it possible for white-collar terrorist to operate safely.

2.4 Emergence of Hybrid Threats: Integration of Economic Offences with Extremism

India realized a new dawn after the 2008 Mumbai attacks: economic crimes and terrorism had merged to become hybrid threats.

Terror organizations began to utilize the appearance of the legitimate business, NGOs, and online platforms to raise and transfer money. Radicalisation shifted into mosques towards university hostels and WhatsApp groups. Professionals began playing dual roles that the respectable doctors or engineers were during the day and terror adherents at night.

The Indian Mujahideen modules are a clear example of this in which engineers created bomb circuits and websites that spread propaganda. Kerala later on saw the ISIS-inspired groups utilize medical students to make ricin (a lethal castor-bean poison) and IT experts to facilitate secure communication.

The most recent wake-up call was in November of 2025. A car bomb that occurred on 10 November 2025 in the Red Fort, Delhi, killed 15 people. The driver was a medical professor by the name Dr. Umar Un Nabi. Research showed that there was an entire white-collar gang

[22] Foreign Exchange Regulation Act, No. 46 of 1973, (India).

of doctors associated with Jaish-e-Mohammed (JeM). They had stored explosives weighing 2,900 kg in one of the universities, they had planned to attack coffee shops, and they also used their positions to radicalise the students. Foreign handlers financed the module and drones and encryption systems were employed.

Only a few days after, the Anti-Terrorism Squad of Gujarat arrested Dr. Ahmed Mohiyuddin Saiyed and other people who had planned to carry out a bio-terror attack using ricin. Guns and ammonia were seized. During the same time, a 22-professional (Doctors and engineers) Delhi-NCR cell was busted on its plans to support similar attacks linked to Jais-e-Mohammed. Educated facilitators also used cross-border networks in the April 2025 Pahalgam attack (26 civilians killed).

These cases demonstrated the new face of terrorism: no poor foot soldiers, but privileged experts with their knowledge and employment into their weapons.

2.5 Sectoral Vulnerabilities in Finance, Technology, and Professional Networks

Three sectors are used in white-collar terrorism:

Finance: Hawala transfers, shell companies and NGOs abuse. The "Foreign Contribution (Regulation) Act"[23] (FCRA) was intended to regulate the flow of foreign funds, but due to weak monitoring system enabled funds to flow into the hands of terror groups. Later on, "Prevention of Money Laundering Act (PMLA) (2002)"[24] focused on money laundering yet it was still difficult to trace digital and hawala trails.

Technology: IT professionals and engineers developed encrypted applications, online radicalisation materials, and even drone planning software. University Wi-Fi and social media turned into radicalisation factories.

Professional Networks: Doctors in Kerala and elsewhere attended ISIS modules. Police officers such as Davinder Singh provided inside information. Academics and business executives provided logistics and cover

These areas are interconnected like a doctor might use hospital chemicals for bombs, an

[23] Foreign Contribution (Regulation) Act, No. 42 of 2010, (India).
[24] Prevention of Money Laundering Act, No. 15 of 2003, (India).

engineer may utilize computer fundraising and a business man may operate a front company. This is hard to detect due to the urban and educated setting.

2.6 Policy Milestones Leading to Modern Reforms

India slowly strengthened its laws:

2004: Following the repeal of POTA, UAPA was modified to include a comprehensive chapter on terrorism.

2008: (post-26/11 Mumbai attacks): UAPA received more stronger provisions for property seizure and financing of terrorism. For national investigations, the National Investigation Agency (NIA)[25] was established.

2010: the FCRA was revised to more strictly regulate foreign funding to non-governmental organization.

2019: UAPA was amended again, allowing the government to declare even individuals as terrorists (not just organizations). This was a significant move in the fight against white-collar masterminds.

2022-2023: The PMLA underwent to several amendments to improve coordination with the Enforcement Directorate (ED) and expedite the attachment of property. The old IPC was replaced by the new "Bharatiya Nyaya Sanhita (BNS), 2023"[26], which included revised sections on terrorism and organized sections on terrorism and organized crime.

FATF (Financial Action Task Force) pressure pushed India to conform to international norms regarding the financing of terrorism.

These modifications shifted the focus only catching the bomber to also catching the financier, the propagandist, and the professional enabler.

2.7 Socio-Legal Critique of the Pre-Reform Era

Even following the reforms, the old system that existed before 2019 had major issues.

[25] National Investigation Agency Act, No. 34 of 2008, (India).
[26] Bharatiya Nyaya Sanhita, No. 45 of 2023, (India).

Terrorism and financial crimes were treated differently by the law and this means that an individual who financed terror using shell company and got away lightly in court. The investigation was slow digital evidence collection was hard, low inter-agency coordination (NIA, ED, local police) and powerful people used delays and influence to get bail.

In "National Investigation Agency v. Ahmad Shah Watali (2019)"[27], the Supreme Court produced a landmark judgment. According to the Court, when determining bail under UAPA, they have to accept the evidence provided by the prosecution as true in the prima facie sense. This made it harder for accused to get bail easily a big help against white-collar terrorists who used money and lawyers to stay out of jail. But critics worried it could be misused against innocent people.

The old system was also ignored how elite impunity worked: professionals covered themselves with decent employment and the law did not specify the issue of indirect assistance such as supplying university laboratories or medical knowledge for attacks. Before, the major reform, India was using 20th century tools to fight against hybrid terrorism in the 21st century. White-collar terrorism is real, expanding, and dangerous.

CHAPTER 3

DOCTRINAL ANALYSIS OF KEY INDIAN LEGISLATION ON WHITE-COLLAR TERRORISM

3.1 Introduction

White-collar terrorism is an advanced hybrid form of terrorism where highly educated professionals such as doctors, engineers, accountants, academicians, and even law-enforcement officers exploit their legitimate positions, technical skills, and access to institutions to give indirect and fatal assistance to terrorist groups. In contrast with the traditional terrorism, which utilizes the use of guns and bombs, this one operates through funding shell companies, encrypted digital platforms, university hostels and NGOs. This chapter analyzes the statutory framework that India has constructed to combat terrorism and financial crimes in a systematic doctrinal analysis. It assesses the conceptual procedural, and judicial readiness of "Unlawful Activities (Prevention) Act, 1967 (UAPA), Prevention of

[27] *National Investigation Agency v. Zahoor Ahmad Shah Watali*, (2019) 5 SCC 1 (India).

Money Laundering Act, 2002 (PMLA), Foreign Contribution (Regulation) Act, 2010 (FCRA), Bharatiya Nyaya Sanhita, 2023 (BNS), and related corporate law" to dismantle such nexuses.

He brings together the law and judicial cases and real-life examples of events such as the 1993 serial bombings of Mumbai and the 2025 Red Fort car-bomb attack and the Gujarat ricin plot to create an intertwined together compilation of statutory law, judicial precedents, and real-life examples. This chapter exposes the strong points as well as the blaring gaps of the doctrines. The analysis remains India-centric and has international standards (FATF standards[28]) in perspective, setting the stage for the reform proposals that follow in upcoming chapters in this paper.

3.2 Structure and Provisions of the Unlawful Activities (Prevention) Act, 1967

The UAPA (which previously was called the Prevention of unlawful associations and activities bill 2010) was initially enacted in order to prevent illegal unions and activities that could harm the sovereignty of India; it has been modified six times (2004, 2008, 2012, 2019, 2022 and 2023) since its inception. It is based on three pillars, namely: (i) declaration of association as unlawful (Section 3[29]), (ii) definition of "terrorist act" and "terrorist gang/organisation" (Sections 15-20) and (iii) strict procedural protection of investigation and trial.

In section 15[30], a "terroristic act" is defined in a broad manner that does not necessarily include any violent acts but any action that strikes terror to the people or is aimed to compel the government. Most importantly, Section 17[31] criminalises "raising funds to do a terrorist act", and Section 18[32] of punishes conspiracy, and Section 20[33] of being a member of a terrorist organisation. The 2019 amendment[34] added a new section – Section 35[35] that gave the Centre the power to determine individuals as terrorists without prior declaration of an organisation to be unlawful without specifically targeting lone-wolf facilitators or white-collar agents.

As a matter of fact, these provisions have been used against professionals. Software engineer

[28] Financial Action Task Force*, International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation* (2023).
[29] Unlawful Activities (Prevention) Act § 3 (India).
[30] Id. § 15.
[31] Id. § 17.
[32] Id. § 18.
[33] Id. § 20.
[34] Unlawful Activities (Prevention) Amendment Act, No. 28 of 2019 (India).
[35] Id. § 35.

Mansoor Peerbhoy of Yahoo, a senior executive, was found guilty of Section 17, 18 and 20, and found guilty of creating encrypted propaganda content and laundering money in the Indian Mujahideen (IM) cases (2005-2013) with the court expressly stating that technical expertise when used in the service of terrorism is itself a terrorist act. On the same note, the charges of UAPA were charged along the case of DSP Davinder Singh (J&K Police), in the year 2020, which framed charges based on leaking operations information and supplying logistics to Hizbul Mujahideen militants, to show how even the state officials could turn into white-collar nodes.

The historic decision of the Supreme Court in "National Investigation Agency v. Ahmad Shah Watali (2019)", clarify that in the bail stage, the court only had to determine a prima facie case; it is not necessary to have deep appreciation of evidence in court. This ruling has made it possible to prosecute indirect facilitators, but has been criticised as weakening the presumption of innocence when applied to the professional whose business transactions in the day-to-day conduct of business can be misinterpreted as funding terror.

3.3 Scope and Application of the Prevention of Money Laundering Act, 2002

PMLA[36] was created to be the financial arm of counter-terrorism. Section 3[37] defines "money laundering" as any act that provides the effects of crime as legitimate property. Offences committed under UAPA are listed in the Schedule to the Act as the one to be considered as scheduled offences, thus, implicitly invoking PMLA whenever there is any terror financing alleged.

The significant authorities are; attachment of property (Section 5[38]), survey and search (Section 13[39]), and summons for documents (Section 50[40]). The Enforcement Directorate (ED) has an ability to arrest without warrant as long as it has reasons to suspect that a crime has been committed. The two conditions of bail listed in the Section 45[41] (i) the court must be convinced that the accused is not prima facie guilty and (ii) the accused is not likely to commit any crime during the time of bail make release very hard.

[36] Prevention of Money Laundering Act, No. 15 of 2003 (India).
[37] Id. § 3.
[38] Id. § 5.
[39] Id. § 13.
[40] Id. § 50.
[41] Id. § 45.

The classic example is the 1993 Mumbai blasts: hawala networks and front companies run by Dawood Ibrahim were employed to transfer the money in the range of Rs.10-15 crore; the attachments (under PMLA) later on destroyed a few levels of the syndicate. In the Red Fort car-bomb blast case of 2025, NIA and ED, together, seized assets over Rs. 42 crores of Dr. Umar Un Nabi, a medical-professor protagonist, and his Dubai hawala operator money launderer network, tracing the money laundered through Al-Falah University shell accounts. The Gujarat ricin bio-terror plot (November 2025) was an ED action brought against Dr. Ahmed Mohiyuddin Saiyed on PMLA charges of using the bona fide medical grants to create ricin precursors proving that scientific knowledge and financial layering is white-collar terrorism.

3.4 Role of the Foreign Contribution (Regulation) Act, 2010 in Curbing illegal Funding

The "Foreign Contribution (Regulation) Act, 2010"[42] (which substitutes the 1976 law) governs the inflow of foreign funds to the NGOs, trusts, and associations. Section 3[43] prohibits acceptance of foreign contribution by some categories of people (electoral candidate, journalists, judges etc.). Section 11[44] requires registration or advance authorisation, Section 12[45] establishes conditions of eligibility and Section 14[46] entrusts the cancellation of registration in cases of abuse. The 2020 amendments[47] added compulsory Aadhaar connection, public disclosure of foreign donors and ban on sub-granting directly aimed at preventing funds from reaching their path to radicalisation networks.

The ISIS modules (2016-2022) at Kerala repeatedly misused FCRA -registered madrasas and charitable trusts by taking in Gulf donations which were subsequently diverted to encrypted apps to recruit medical students and IT engineers. Two NGOs registered by FCRA under the 2025 Delhi-NCR white-collar cell that was busted by NIA were caught transferring the money to the university hostels, where they were drone-assembly workshops. The advantage of the Act is that it has been proactively cancelled (more than 6,000 registrations cancelled as of 2020), but enforcement has remained uneven as many white-collar professionals have their

[42] Foreign Contribution (Regulation) Act, No. 42 of 2010 (India).
[43] Id. § 3.
[44] Id. § 11.
[45] Id. § 12.
[46] Id. § 14.
[47] Foreign Contribution (Regulation) Amendment Act, 2020, No. 33 of 2020 (India).

operations complexity-white-collar structured to avoid FCRA scrutiny.

3.5 Integration with the Bharatiya Nyaya Sanhita, 2023 and Corporate Laws

The "Bharatiya Nyaya Sanhita, 2023"[48] replaced the Indian Penal Code, which added the new Section 152[49] (acts prejudicial to the sovereignty, unity and integrity) and the Section 113[50] (organised crime). Although UAPA remains the primary statute for terrorism, BNS provides the necessary criminal provision to terrorism especially for conspiracy, abetment, and forgery with so many cases of a white-collar facilitation.

In addition to this the "Companies Act, 2013"[51], complements this. Section 447[52] (fraud) and 448[53] (false statements) have been read together with Section 7[54] (incorporation) and Section 248[55] (removal of companies) to enable the Ministry of Corporate Affairs and Registrar of Companies to strike off shell companies that are used in layering terror funds. Additional provisions that facilitate attachment of benami properties are the "Benami Transactions (Prohibition) Act, 1988" (amended in 2016)[56] and the Insolvency and Bankruptcy Code. During the 2008 Mumbai attacks trial, a number of various front companies were liquidated following these provisions; the same procedure was followed in the 2025 Pahalgam attack funding trail where 14 shell firms associated with cross-border handlers were wound up.

3.6 Enforcement Mechanisms: NIA, ED, and Inter-Agency Coordination

The National Investigation Agency (NIA), which was established under the "NIA Act, 2008"[57], has national jurisdiction over any scheduled crime such as terrorism and terror funding. The financial trail is done through the ED, which is under the Department of Revenue. In 2019, the NIA Act was amended[58] to widen its jurisdiction to investigate crimes committed outside India as far as they impact on Indian citizens or interests.

[48] Bharatiya Nyaya Sanhita, No. 45 of 2023, (India).
[49] Id. § 152.
[50] Id. § 113.
[51] Companies Act, No. 18 of 2013 (India).
[52] Id. § 447
[53] Id. § 448.
[54] Id. § 7.
[55] Id. § 248.
[56] Benami Transactions (Prohibition) Amendment Act, No. 43 of 2016 (India).
[57] National Investigation Agency Act, No. 34 of 2008 (India).
[58] National Investigation Agency (Amendment) Act, No. 16 of 2019 (India).

This coordination is done via Multi-Agency Centre (MAC) and Terror Financing and Fake Currency Cell. However, there seems to be continuing doctrinal friction: NIA is intent and conspiracy oriented and ED concentrates on proceeds of crime. In the Red Fort 2025 situation, there were inordinate delays of 11 days in the attachment of assets within the company due to the fact that the university accounts had been registered under the Companies Act and therefore they had to be parallel to obtain MCA. The Davinder Singh case revealed intra-agency competition state police did not pass intelligence to NIA in time enabling the officer to destroy the digital evidence.

3.7 Penalties, Extradition, and FATF Compliance

UAPA implies life imprisonment or death (Section 16); PMLA provides rigorous imprisonment up to 7-10 years or fine (Section 4); FCRA violations attract up to 5-year imprisonment and fines up to five times of the foreign contribution obtained (Section 33). The Extradition act, 1962[59] with bilateral treaties facilitates extradition; Dawood Ibrahim remains on India's most wanted list with the "Interpol Red Corner Notices"[60].

The "FATF (2024) Mutual Evaluation Report[61] of India" found the country considerably compliant with the assessment of terrorist financing but moderate in examining complicated professional networks and digital laundering. The 2025 incidents have seen India pressurize to have the white-collar gateways of FATF Recommendation 22 enhanced by exercising risk-based oversight to lawyers, accountants, and universities.

3.8 Doctrinal Gaps and Interpretive Challenges

Despite strong statutes, four doctrinal deficiencies stand out:

1. **Absence of a legal definition of white-collar terrorism** – Courts must stitch together provisions from UAPA, PMLA and FCRA, which results in an inconsistent application.

2. **Intent vs. legitimate business defence** – Professionals routinely argue that transactions of

[59] Extradition Act, No. 34 of 1962 (India).
[60] INTERPOL, *Red Notice Database* (2024).
[61] Financial Action Task Force, *Mutual Evaluation Report: India* (2024).

money or technical services was ordinary business. The *Watali* prima-facie test is used at the stage of bail but not to overcome the high burden of evidence during the trial.

3. **Digital and transnational evidence challenges** – Encrypted applications (Signal, Telegram) and shell companies that are offshore are faster than existing procedural protection under the Code of Criminal Procedure (now BNSS 2023).

4. **Elite impunity and inter-agency silos** – When the attackers are on the police (Davinder Singh), professors at a university (Red Fort case), or even medical doctors (Gujarat ricin plot), political and institutional lassitude slows down the investigation.

The judiciary have also broadened definitions by purposive interpretation, but yet over-reliance case-law creates uncertainty. Constitutional protections under "Article 14, 19 and 21"[62] require that any growth of the state power should be followed by strong protections.

Therefore, although the current system has managed to disintegrate some of the modules, the doctrinal formulation would remain behind the adaptive sophistication of white-collar terrorism in 2026 India.

CHAPTER 4

JUDICIAL INTERPRETATION AND ENFORCEMENT CHALLENGES IN PROSECUTING WHITE-COLLAR TERRORISM

4.1 Introduction

In terms of Indian security, white-collar terrorism occupies a vicious and distinct position. Their professional knowledge, social position, and access to institutions to supply what might be known as the invisible scaffolding of terrorism funding, logistics, propaganda, radicalisation, and technical assistance are weaponised by these perpetrators, unlike the street-level militants who only use guns and explosives.

The judiciary have slowly realised that it is a hybrid threat but the enforcement agencies are still facing formidable challenges. This chapter examines the interpretations made by the Indian courts in applying the following key statutes in dealing with elite facilitators: "Unlawful

[62] INDIA CONST. arts. 14, 19, 21.

Activities (Prevention) Act (UAPA), 1967, Prevention of Money Laundering Act (PMLA), 2002 and Foreign Contribution (Regulation) Act (FCRA), 2010". It goes ahead to analyze the practical, procedural, and constitutional blocks that ensure a quick and efficient prosecution cannot be undertaken. The discussion uses landmark rulings, recent case studies and real-world enforcement situations to show why, even though the legal system is evolving it does not appear to be as advanced as white-collar terror networks.

4.2 Landmark Judicial Decisions and Evolving Definitions

The jurisprudence of the Supreme Court gradually broadened the definition of the term "terrorist act" and "support" to include non-violent but critical support, that is the identical feature of the white-collar terrorism.

The watershed ruling came in "National Investigation Agency v. Zahoor Ahmad Shah Watali (2019)"[63]. Zahoor Watali is a Kashmiri businessman who was alleged to be a hawala conduit who had controlled the money of Pakistan-based terrorist groups to the leaders of Hindustani extremists as well as stone-pelters in funding secessionist violence. The Supreme Court established a clear test to be followed in Section 43 D (5)[64] of the UAPA: during the bail level, the court shall merely be inquiring about whether the allegations given in the charge-sheet or case diary are prima facie valid. It is unable to hold a mini-trial, balance evidence, and examine defence evidence. This decision gave a clear acceptance of the fact that indirect financial and logistical assistance is a terrorist offence as stipulated in Sections 13, 16, 17, 18, 20, 38, 39, and 40 of the UAPA[65]. This was the first instance when the Court accorded legal status to the concept that white-collar crimes such as money transfers across lawful-appearing channels are deadly like placing a bomb.

Constitutional protection lightened the strict Watali approach in "Union of India v. K.A. Najeeb (2021)"[66]. The Court decided that the Section 43 D (5) does not take the constitutional court authority in Article 21[67] to issue bail in instances where trials have been wrongly postponed and lengthy imprisonment goes against the right to a quick trial. Later decisions (2024-2025) have selectively applied this balance: some long-standing UAPA cases of peripheral facilitators

[63] Nat'l Investigation Agency v. Zahoor Ahmad Shah Watali, (2019) 5 SCC 1 (India).
[64] Unlawful Activities (Prevention) Act, No. 37 of 1967, § 43 D (5) (India)
[65] Unlawful Activities (Prevention) Act, No. 37 of 1967, §§ 13, 16-18, 20, 38-40 (India).
[66] Union of India v. K.A. Najeeb, (2021) 3 SCC 713 (India).
[67] INDIA CONST. arts. 12.

have been released on bail, but masterminds and active funders remain behind bars.

The trend has been supported by other judgments. Courts have started to draw a line between masterminds and facilitators in Thwaha Fasal (2021)[68] and more recent 2024-2025 decisions, refusing to consider all professionals who provide technical assistance as equal to the major conspirator. All these decisions have led to the transformation of the definition of terrorism into less obvious violence, a wider crime-terror nexus, which explicitly encompasses shell companies, encrypted communications with engineers, and scientific expertise to misuse by doctors, the very means of white-collar terrorism.

4.3 Investigative Hurdles: Evidence Collection in Elite Networks

Investigating white-collar terrorists is equal to chasing shadows in a crowded boardroom. These offenders are usually physicians, engineers, professors or serving officers who are embedded in respectable institutions. They do it in their networks, which are not street corners but residential halls in universities, hospital corridors, corporate offices, and encrypted WhatsApp/Telegram groups.

Key challenges include:

1. **Elite influence and witness intimidation** – Co-workers and subordinates are afraid of their careers or social ostracism in case they testify against a senior professor or police officer.

2. **Failure to resist digital evidence** – Terror modules operate on end-to-end encrypted programs, self-destructing messages and VPN. Specialised tools are still necessary to recover admissible forensic data which most local police stations do not have.

3. **Hawala and shell-company opaqueness** – Funds are transferred through overlayed transactions with legitimate businesses and NGOs registered under FCRA. It requires international collaboration to track the ultimate beneficiary across the border which is usually slow or rejected.

4. **Insider threats** – When the accused is a serving police officer (as it happened in the Davinder Singh case of 2019-2020), internal leaks and destroyed records become routine.

[68] Thwaha Fasal v. Union of India, (2021) 7 SCC 1 (India).

Such barriers justify the reason why most of the white-collar modules are not identified before an attack but rather after the attack.

4.4 Prosecutorial Strategies and Conviction Rates

The two approaches that prosecutors are utilizing are mostly: (i) freezing accounts and attaching properties under PMLA to incapacitate financing pipelines, and (ii) invoking harsh UAPA provisions so that the guilty cannot be granted bail and coerced into confessions.

In the year 2025, the National Investigation Agency (NIA) reported a very high conviction rate of 92%, a remarkable improvement from earlier years. Further examination however shows that a significant portion of convictions stem from guilty pleas by undertrials exhausted by years of imprisonment rather than full trials on merit. The overall rates of UAPA conviction are traditionally 2-6% with a number of thousands of cases outstanding after more than three years.

The strategy works against overt terrorists but it fails when dealing with white collar offenders who can afford best available legal advice and take advantage of the delay in the process. In situations where there are more statutes (UAPA + PMLA + FCRA), interagency coordination is massive, allowing more advanced accused to seek interim relief and delay trials.

4.5 Role of Forensic Accounting and Digital Forensics

There are two specialised tools that are fundamental to the modern prosecution of white-collar terrorism.

The financial architecture, which hides the money trail of shell companies, the misuse of FCRA grants and the hawala trails, is revealed by forensic accounting. Experts recreate “paper trails” that connecting one of the hospital salary accounts of a doctor to a Jaish-e-Mohammed handler in Pakistan.

Digital forensics reconstructs deleted chats, check drone footage, decryption of bomb-manufacturing instructions exchanged by engineers, and traces radicalisation videos uploaded by medical students. In the Red Fort incident in 2025, the forensic analysis of the devices of Dr. Umar Un Nabi found the encrypted messages and a self-filmed video that justified the “martyrdom operations”. On a similar note, in the Gujarat ricin plot, digital literature on the

topic “How to Stay Anonymous” as well as CCTV reconnaissance video were pivoted.

Both tools have their flaws, though, capacity gaps exist in both: only a handful of NIA and state ATS laboratories that are equipped to analyze large volume analysis, and the court delays to accept digital evidence under the Indian Evidence Act frequently makes them ineffective.

4.6Case Studies of Recent Incidents

A number of cases describe the development of judicial practice and the existing gaps in enforcement.

The template was established in 1993, during the Mumbai serial blasts: the hawala networks and the forged documents were funded by Dawood Ibrahim - typical white-collar facilitation. In the year 2005-2013 the Indian Mujahideen (2005-2013) took the model to the next level as software engineer Mansoor Peerbhoy used his Yahoo expertise for propagate messages and communicate over an encrypted platform.

In 2019-2020, the arrest of Jammu & Kashmir Police officer Davinder Singh revealed how even the insiders of the law-enforcement can provide intelligence and logistics to Hizbul Mujahideen.

The 2025 attack mark a dangerous escalation. On 10 November 2025, Dr. Umar Un Nabi, an assistant professor of medicine at Al-Falah University, crashed the car into a bomb to kill 15 people right outside the Red Fort. Inquiry found a white-collar group of physicians and engineers associated with Jaish-e-Mohammed that had transported 2,900 kg of explosives through university hostels and intended to attack more international targets. The radicalisation video and financial trails of Nabi were recovered with the use of forensic methods, showing how the professional access was weaponised.

Days ago, Gujarat ATS arrested Dr. Ahmed Mohiyuddin Saiyed (a China-trained physician) and his accomplices at Adalaj toll plaza with ricin precursors, firearms and surveillance video of busy markets in Delhi and Ahmedabad. The story was focused on bio-terror with the use of scientific knowledge - a chilling instance of white-collar hybrid warfare.

The pattern of educated professionals merging ideology with technical and financial knowledge is further supported by the April 2025 Pahalgam attack (26 civilians killed) and busting of a 22

members Delhi-NCR cell of doctors and engineers.

4.7 Constitutional Safeguards and Due Process Concerns

Any growth of anti-terror authorities has to navigate through the Constitution. Article 21 assures the right to life and personal liberty, speedy trial and other protections against arbitrary arrest. Opponents have a valid point when stating that reverse burden and high-bail requirements of UAPA will make preventive detention a form of incarceration instead of a trial.

The Supreme Court has tried concession. It has reiterated that in the case of Najeeb (2021) and later cases, Article 21 is not capable of being suspended even in the case of terror. Indeed, the right to presumption of innocence and fair trial is jeopardized when incarcerated without trial. Meanwhile, the Court has denied its tools to weaken the true test of prima facie by credible evidence of funding or facilitation.

The difficulty is getting the balance between stopping the misuse against dissenters and making sure that white-collar terrorists do not use the constitutional protection to avoid justice, as they are more dangerous to the system overall. The reforms should therefore enshrine judicial control, time sensitive trials and appropriate use of UAPA/PMLA.

4.8 Constraints in Cross-Border and Urban Enforcement

White-collar terrorism is inherently transnational and urban. The money is raised either in Pakistan or Gulf charities; it is transmitted either through hawala or FCRA registered NGOs and deposited in Indian metros. Extradition of handlers (as in the jihadist pace of 26/11 accused Tahawwur Rana) is a glacial one. Mutual Legal Assistance Treaties are not fully exploited because of the political sensitivities.

The professionals work in universities, hospitals, and IT companies in urban centers, such as Delhi-NCR, Hyderabad, Bengaluru, and Kochi. It is logistically hard to spy on someone without notifying them, warrants to search an elite organization are easily charged with harassment, and local police are often neither well trained on how to go about challenging an influential person, nor brave to do so.

Operation Sindoor (Indian response to the Pahalgam attack) showed that India was decisive in

its military response, yet the enforcement is still lagging. In the absence of special fast-track courts, inter-agency fusion centers, and real-time financial intelligence exchange with partners that comply with the FATF, white-collar nexuses will keep on multiplying at a faster rate than they are destroyed.

Overall, judicial interpretation has come of age to identify white-collar terrorism as a unique menace, but enforcement framework is in a disunited state and is underserved and slow in procedure.

CHAPTER 5

COMPARATIVE EVALUATION, KEY FINDINGS, AND REFORM RECOMMENDATIONS

5.1 Introduction

White-collar terrorism is a hybrid form of terrorism that is a combination of professional skills, financial sophistication, and political radicalism. The previous counter-terrorism laws tend to separate violence and financing as two different problems, which is bridged in this chapter. It contrasts the Indian legal framework with best practice in the world in certain aspects, summarizes both theorical and empirical lessons of the past and recent cases, reformulates the hypotheses made above, presents specific reform recommendations and emphasises the need to protect civil liberties. At the conclusion, the readers will understand why India demands a comprehensive, progressive model - the one that will be taking the doctor who delivers ricin just as seriously as the engineer who encrypts jihadist messages, while still preserving the democratic values that define the nation.

5.2 Comparative Overview: Indian Framework vs. Global Counter-Terror Models

The main laws in India include “Unlawful Activities (Prevention) Act (UAPA) 1967 (as amended), Prevention of Money Laundering Act (PMLA) 2002, Foreign Contribution (Regulation) Act (FCRA) 2010 and Bharatiya Nyaya Sanhita (BNS) 2023” which tackle terrorism and economic crime separately. The UAPA criminalizes terrorist acts, financing; it does not provide a clear statutory definition of indirect and non-violent facilitation through professionals. PMLA focuses on laundering but fails at hawala funds and shell companies by white-collar players. FCRA governs foreign contributions to non-governmental organizations

and universities but they are not effectively enforced. This leads to partial prosecution and judicial inconsistency.

This is to be compared with the "USA PATRIOT Act (2001)[69]. Title III expands "material support" offenses under 18 U.S.C. SSSS 2339A[70] and 2339B"[71], strengthens anti-money-laundering regulations to prevent terrorist financing, and makes it illegal to provide "expert advice or assistance," funds, or logistical support to designated terrorist organizations even in the absence of direct violence. Punishments were raised to 15 years (or life if death results). The Act also provides authority to "roving wiretaps", business-record subpoenas through Foreign Intelligence Surveillance Court and delayed-notice warrants whereby investigators can track upstream sophisticated financiers and across the frontiers without alerting them. These devices directly focus on the white-collar layer accountants, lawyers and professionals who transact money by legitimate means.

The "Terrorism Act 2000[72] of the United Kingdom (amended by the 2006[73] and 2019[74] Acts)" pursues a different, yet equally effective route. It gives a widespread definition of terrorism and gives the Home Secretary the ability to proscribe organisations. Inviting support (s.12), inviting support in a reckless way (s.12(1A)) or simply being a member (s.11) is criminal once proscribed[75]. In sections 15-18[76], standalone terrorist-financing offences are established in respect of fundraising, possession and use of money or property, which are to be performed with the purpose of terrorism no evidence of a particular act of violence will be necessary. In 2006, the Act further added the preparations of terrorist acts (s.5)[77], which captures terrorists' planners well before they carry out their attacks. The UK courts have convicted (with comparative speed) professionals (bankers) or academics on these provisions.

The India's framework, although compliant with FATF on paper, does not work in practice. In 2013, the "FATF Mutual Evaluation"[78] noted areas of shortcomings in criminalizing terrorist

[69] USA PATRIOT Act, Pub. L. No. 107-56, 115 Stat. 272 (2001).
[70] 18 U.S.C. § 2339A (2024).
[71] 18 U.S.C. § 2339B (2024)
[72] Terrorism Act 2000, c. 11 (U.K).
[73] Terrorism Act 2006, c. 11 (U.K.).
[74] Counter-Terrorism and Border Security Act 2019, c. 3 (U.K).
[75] Terrorism Act 2000, c. 11, §§ 11-12 (U.K.).
[76] Id. §§ 15-18.
[77] Terrorism Act 2006, c. 11, § 5 (U.K.).
[78] Fin. Action Task Force, Anti-Money Launderig and Counter-Terrorist Financing Measures-India Follow-up Report (2013).

financing, beneficial-ownership disclosure, and inter-agency coordination all persist in 2025. The success of the PATRIOT Act and the UK model is in the fact that they assume that facilitation by elites is an act of terrorism and not a preceptive act of money laundering. India can take an example of both explicit language of material support in the US and general proscription/support offences in the UK.

5.3 Normative Reforms: Legislative, Institutional, and Procedural Enhancements

Legislative –

1. Add a Chapter in UAPA that define "white-collar terrorism" and a "material support" offence (following SSSS 2339A/B of the US) to expressly cover expert advice, university resources, medical knowledge, and facilitation with the computer.

2. Amend PMLA to treat terrorist funding a separate predicate offence subject to reverse burden in white-collar cases.

3. Enforce FCRA by having an annual audit of educational trusts and beneficial-ownership disclosure of all foreign-funded organizations.

4. Bring in under the Companies Act and the UGC regulations the concept of "Professional Due Diligence" that mandates the background checks and disclosure of the doctors, engineers and academics in sensitive areas.

Institutional –

1. Establish a permanent National White-Collar Terrorism Task Force under NIA incorporating ED, FIU-IND and cyber experts.

2. Create special emphasis on digital forensics and financial intelligence with specialised "Terror Finance Courts".

3. Require interagency data-sharing procedures and a privacy-law-compliant central encrypted app monitoring dashboard.

Procedural –

1. White-collar module fast track trials (180-day limit).

2. Explicit admissibility guidelines with chain-of-custody protections for digital evidence (such as drone logs and WhatsApp chats).

3. Reward whistle-blowers immunity and financial incentives from within professions.

5.4 Future Directions

Although this doctrine research has outlined the contours of white-collar terrorism and offer some urgent legislative, institutional and procedural changes, the true test of any legal system is its flexibility to a continuously changing threat environment. The events of 2025 the Red Fort car-bomb by the medical cell of Dr. Umar Un Nabi, the Gujarat ricin plot led by Dr. Ahmed Mohiyuddin Saiyed, and the Jaish-e-Mohammed module of bahu-bahus which ran its activities out of university hostels have demonstrated that white-collar terrorism is not a fixed phenomenon. It will transform with each new technology, each change in geopolitical resentment (Gaza, Kashmir, global polarisation), every new invention in financial disguise. Hence, the future of the road should decisively activate the path beyond the library-based critique and the dynamic and evidence-driven scholarship and policy experimentation.

First, there should be empirical and interdisciplinary studies instead of the existing vacuum of doctrine. The extensive longitudinal research is required to trace the radicalisation patterns within the leading medical, engineering and management universities in India. The questionnaires, anonymised interviews with professionals who have crossed over to become terror facilitators (built on the insights of the General Strain Theory) and psychological profiling of reformed radicals will answer this question, how come a doctor will pick ricin instead of healing or an IT engineer will pick encryption instead of business. Parallel sociological studies should examine how this change is being accelerated by digital echo chambers, foreign funding, and elite social networks.

Second, technology should be adopted as the new frontline. India needs to spend on AI-based financial-intelligence tools that cross-verify bank statements, hawala patterns, cryptocurrency wallets, university procurement databases, and encrypted metadata of the messages in real-time. Comparative effectiveness studies evaluate the performance of such AI systems in the US since the adoption of the PATRIOT Act, in the UK since the amendments of the Terrorism Act, and in Singapore where a complex system has been implemented will enable India to prevent both over-surveillance and under-detection.

Third, institutional innovations need to be evaluated strictly. Pilot implementation of Specialised "Terror Finance Courts" and recommended Professional Due Diligence clauses should take place in high-risk states (Delhi-NCR, Maharashtra, Gujarat, Kerala, Jammu & Kashmir) and be independently assessed in terms of conviction rate, trial time, wrongful-prosecution claims, and Civil-liberties index. India can only improve the balance between security and constitutional protections through such data-driven feedback loops.

Fourth, there should be a greater international and regional collaboration. Collaboration with UNODC and the Global Counter-Terrorism Forum on the new threats (drone funding, abuse of synthetic biology, metaverse radicalisation) will also ensure that Indian law stays ahead of curve.

Lastly, it is necessary to have a regular statutory review mechanism. Parliament should institute a White-Collar Terrorism Review Commission, which is a standing body of sitting judges, NIA/ED officers, independent academics, and civil-society representatives to review the functionality of the new material support provisions, UAPA amendments and task-force protocols. This will make sure that the reforms do not ossify and change with the threat.

The war against white-collar terrorism is thus not an act of a single legislative solution but a national project. India can turn the tragedy of 2025 into a turning point by dedicating itself to empirical depth, technological agility, institutional experimentation, regional leadership, and periodic self-correction.

CHAPTER 6

CONCLUSION

White-collar terrorism has become one of the most heinous threats to the national security of India. It uses the mainstream occupations, such as medicine, engineering, academia, and law enforcement, which society places its trust in, as its weaponry in contrast to conventional militancy. Since the 1993 Mumbai blasts that were planned with the help of the hawala networks of the Dawood Ibrahim, the model has not changed: now, educated elites fund, provide logistics, technical know-how, and institutional protection that keep the terrorist modules alive.

This study of the doctrine proves every hypothesis. Lack of a legal definition of white-collar

terrorism has created broken prosecution and court variations. The current laws, UAPA, PMLA, FCRA and BNS are siloed and incapable of predicting hybrid threats. Although the courts by ruling landmark cases like NIA v. Watali (2019) has gone too far by including indirect facilitation in the definition but creating uncertainty through inappropriate over-reliance on case law. There are still structural, political and procedural obstacles that protect the mighty offenders.

The comparative analysis of the USA PATRIOT Act and UK Terrorism Act shows obvious ways to move. India can seal these doctrinal loopholes without being FATF-non-compliant by codifying a material support offence, creating a specific National White-Collar Terrorism Task Force, establishing fast-track Terror Finance Courts and ensuring that major corporations carry out professional due diligence.

More importantly, constitutional protection should never be overshadowed by security. The judicial oversight, sunsets, and human-rights impact assessment should become reforms that would guard the civil liberties.

The tragedies of 2025 are not one-off incidences but a wake-up call. India has no option other than reacting to fragmentation, but has to move forward with active integration. It is only then that the professions that are to be healing, constructive, and enlightening can be reused as the pillars of a safe, democratic republic instead of being turned to the obscure destructive ones. It is time to stop the half-measures; the future of counter-terrorism in India can only be assured by a complete overhaul, which is evidence based.