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Narco-Terrorism:
A New Dimension
to Pakistan's
Proxy War Strategy



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Abstract

Narco-terrorism has emerged as a potent and covert instrument in Pakistan's proxy war strategy against India, particularly since the late 1980s. This article critically examines how Pakistan's state and non-state actors have exploited illicit drug smuggling to finance terrorism, destabilise the Indian society, and erode internal security especially in strategically sensitive regions like Jammu & Kashmir (J&K) and Punjab. The study investigates the security challenges of India and role of Narco-terrorism as a weapon to fuel unrest, fund terrorism, and undermine India's socio-political fabric. It further explores the strategic intent behind Pakistan's facilitation of drug smuggling through its territory and its implications for regional security. Despite efforts of the Indian Security Forces, Narcotics Control Bureau (NCB), Intelligence and Law Enforcement Agencies, the drug menace is far from being neutralised. Various challenges encountered by these agencies have also been brought out in the article. The article concludes by proposing a multipronged policy framework, combining stricter enforcement, intelligence coordination, and regional cooperation to effectively counter the Narco-terrorism threat within the broader context of Pakistan's proxy war strategy.

Keywords: Narco-terrorism, Terrorism, Illicit Drug Trafficking, Proxy War, Non-Traditional Security

Introduction

The global security landscape has increasingly been shaped by non-traditional threats that transcend borders, ideologies, and criminal enterprises. One such threat is Narco-terrorism, which is an 'unholy alliance of illicit drug trafficking and terrorist organisations, wherein illegal drug trade is used to fund and support terror activities'. In the last four decades, Narco-terrorism has emerged as a potent and complex threat to National and International security. The threat becomes more pronounced and complex when a belligerent nation uses the diabolic nexus in its asymmetric warfare strategy against another nation-state. For an economically straddled country like Pakistan, sponsoring a proxy war against India for the last four decades is an expensive business that cannot be sustained through legitimate funding. Therefore, one of the most insidious methods Pakistan

has been using to further its proxy war strategy against India is through Narco-terrorism. The modus operandi adopted by Pakistan intertwines illegal drug trade with terror activities, creating a multi-layered threat to India's national security, social fabric, and economic stability. Pakistan has always had first-hand experience and expertise in using illegal drugs to fund terror activities in Punjab and J&K since the Soviet-Afghan War (1979-1989).

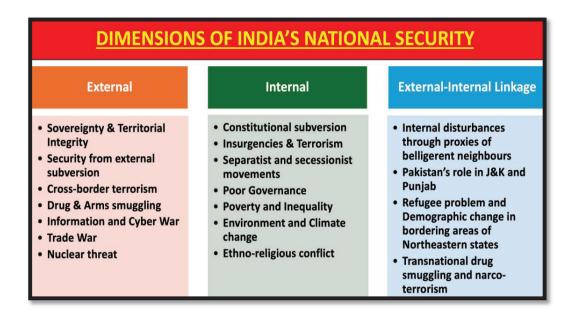
Pakistani drug syndicates, in collaboration with the Taliban, have been running a parallel economy profiting politicians, military, ISI, and terror organisations since then. Above all, India's geographic location at the crossroads of the 'Golden Crecent' (confluence of Pakistan, Afghanistan and Iran) and 'Golden Triangle' (convergence of Myanmar, Laos and Thailand) coupled with high demand and consumption of Heroin and other drugs makes it vulnerable to illegal drug trafficking. The ever-changing modus operandi of Pakistan and its terror handlers inside India pose a complex challenge for intelligence, security, and anti-narcotics agencies for the apprehension and prosecution of perpetrators. Therefore, it is imperative for India to have a cohesive, coordinated, and multi-pronged approach to the nefarious design of Pakistan and its proxies.

India's Security Challenges

After 76 years of independence, India is the only country in the world facing complex and layered security threats from both, external agencies and domestic elements at the same time. In the current geopolitical context, India's comprehensive national security has three dimensions viz. external, internal and external-internal dimensions. The external security environment around India is influenced by several factors, such as ongoing geo-politics, economic interest and bilateral and multilateral relations among nations; therefore, it is dynamic in nature, and India has no control over the same.

The roots of India's security challenges can be traced to the partition of the country and subsequent failures on the diplomatic front in the settling of land borders with China, Pakistan and Nepal (MEA, 2024). In addition, the issue of insurgency in J&K, the Northeastern States, Central India and Punjab is the outcome of poor governance, unemployment and lack of socio-economic development since independence.

Figure 1: Dimensions of India's National Security

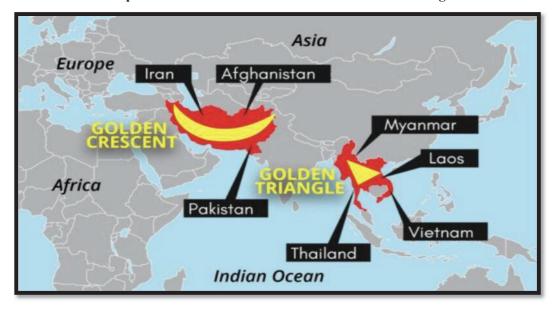


Source: Annotated by the Author

Today, India's biggest military threat comes from China because of its economy, military might, and hegemonic aspirations in South Asia. However, a direct and conventional military confrontation with China is least likely, as it would never want to be seen as an aggressor. Therefore, China's military strategy would be to keep the pressure points active through skirmishes. The Pakistan Army remains a challenge as well as an irritant because it knows its limitations in the conventional domain against India. In addition, its strategy of 'bleeding India with thousand cuts' through its proxies is working fine as a low-cost option with plausible deniability. India, because of its geographic location, belligerent neighbours, size and diverse population, is more prone to external-internal security threats. In addition, these threats have the potential to manifest into major security challenges due to the involvement of 'deep states' (in this case Pakistan) and their proxies active within the country. Recent incidents in Bangladesh and Sri Lanka are examples of the same. Therefore, in current scenario, the biggest security threat to India is non-military in nature, which includes cross-border terrorism, socio-economic instability, ethnoreligious unrest, cyber-attacks, environmental vulnerabilities, money laundering, drug trafficking, and narco-terrorism.

Drug Trafficking and India

In Asia, the 'Golden Triangle' and the 'Golden Crescent' are two most important and significant territories infamous for illegal production, supply and trafficking of drugs, primarily Opium. The 'Golden Triangle' is a territory of approximately 3,50,000 square kilometres which covers the hilly region of Thailand, Myanmar and Laos. The 'Golden Crescent' is located at the junction of West, Central and South Asia expanding up to mountainous region of Eastern Iran, Afghanistan and Pakistan. Proximity of India to both has made it vulnerable to illicit drug trafficking and consumption. Recently, its bordering states like Punjab, Rajasthan and J&K have emerged as crucial areas for both transit and consumption (CSS,2021).



Map 1: Location of Golden Crescent and Golden Triangle

Source: United Nation Office on Drugs and Crime, World Fact Book

It has also been confirmed by the United Nations Office of Drugs and Crime (UNODC) that more than half of the illegal Heroin used worldwide are smuggled from the Golden Triangle and the Golden Crescent(CSS, 2021). Recent reports of Narcotics Control Bureau (NCB) indicates that illegal drugs are brought to major Indian cities through land, air and sea routes before they are smuggled to the USA and other European countries (Chauhan, 2022).



Map 2: Major Drug Trafficking Routes into India

Source: ijreportika.com (2022), The Unearthing of the Global Drug Trafficking Networks

The 2022 World Drug Report by the UNODC highlights that India ranks among the largest opiate markets globally in terms of users and is susceptible to an increased supply from Afghanistan (UNODC, 2022). Punjab and Himachal Pradesh are at the forefront of India's opioid crisis, whereas Gujarat has become the third most affected state regarding drug overdose deaths (UNODC, 2024). According to a survey report by the Ministry of Social Justice and Empowerment published in 2019, drug consumption in India has increased compared to the 2004 survey report (Ministry of Social Justice and Empowerment, 2019).

Why has India become a hotspot of drug trafficking?

Various reasons for India to become a hotspot for drug trafficking and abuse are as under:

- India's geographic location at the crossroads of the Golden Crescent and the Golden Triangle.
- India's vast and porous borders along Pakistan, PoK, Nepal, Myanmar and Bangladesh.
- Increased domestic demand of opiates, Heroin in particular.
- Margin of profit in smuggling of drugs.
- Surge in Opium production in Afghanistan particularly since the resurgence of Taliban.
- Weak coordination among security and law enforcement agencies.

Major Seizures of Narcotics Substance

According to Mr.Shiv Kumar Menon, former Director General of NCB, seizures by various anti- drug trafficking agencies are merely 4% to 5% of narcotics smuggled into India via the sea, air, and land routes by Pakistan. Mr Menon also claims that, even today, India is sitting over stockpiles of more than 5000 kg of Heroin smuggled from Pakistan. The undermentioned table shows seizures of major narcotic drugs and controlled substance from to 2018-2023 (in kilograms).

Table 1: Seizure of Major Narcotics Drugs and Controlled Substance from 2018-2023

Years	2018	2019	2020	2021	2022	2023
Heroin	1,258	3,231	3,838	7,197	5,410	2,986
Opium	4,307	44,88	5,212	5,161	3,805	8,533
Morphine	20	125	11	131	129	210
Cannabis	3,91,275	3,42,045	5,81,644	8,12,545	7,18,376	6,28,612
Hashish	3,911	3,572	6,643	4,197	3,495	3,320
Cocaine	35	66	19	364	218	292
Ephedrine	337	686	841	325		969
Acetic Anhydride	9,717	214	121	2,42,65	1,001	40
ATS	431	1,774	1,357	387	333	3,406

Source: Narcotics Control Bureau of India Annual Report 2023-24

Opium and Heroin, emanating from Afghanistan and Myanmar, remains among the highest smuggled drugs during the years 2018-2023. The NCB, in its Annual Report 2023, has confirmed that major trafficking routes of Opium have been from the states of J&K, West Bengal, Manipur, Rajasthan, Uttar Pradesh, Madhya Pradesh, Gujarat, Bihar and Jharkhand. Moreover, there has been a notable increase in maritime traffic. Over the past decade, there has been an increase in drug seizures at sea and ports, indicating that maritime routes are utilised for the trafficking of narcotic drugs and psychotropic substances. An examination of previous reports from the NCB and other maritime security agencies reveals that traffickers have adapted their methods in response to changing environments and circumstances. While the primary mode of drug trafficking along the Western and Southern maritime boundaries traditionally involves small boats or fishing vessels, there has been a recent shift towards the illegal shipment of drugs via shipping containers.

This development has significantly complicated the efforts of law enforcement and security agencies.

China Afghanistan Iran Pakistan Nepal Bhutan United Arab Banglade India Myanmar (Burma) Hyderabad Laos Thailand Chennai ngaluru சென்னை Vietnan เพมหานค ಬೆಂಗು ಕೂರು 0 Cambodia Sri Lanka Malaysia

Map 3: Southern Maritime Drug Trafficking Routes off the Indian Coast

Source: Captain Das, Himadri (31 December 2021), Drug Trafficking in India: Maritime Dimension, National Maritime Foundation

Genesis of Narco-Terrorism

Narco-terrorism refers to the convergence of drug trafficking and terrorism wherein profits from the drug trade are utilised to fund and support terrorist activities. This nexus allows terrorist organisations to operate with financial autonomy, making them more resilient and challenging to counter. According to Rachel Ehrenfeld "Narco-terrorism is the use of drug trafficking to advance the objectives of certain governments and terrorist organisations" (Sawant, S. 1999). The term 'Narco-terrorism' was first coined in 1983 by Peruvian President Fernando Beluande Terry to describe the violent actions of drug lords and criminals against law enforcement and anti-drug agencies in Peru (Miller and Damask, 1996). During this period in Latin America, drug cartels and criminal organisations employed political assassinations to manipulate governance and politics by instilling fear and terror. Subsequently, various terrorist groups and non-state actors began engaging in illicit drug trade to finance terrorist operations.

The Concept of Narco-Terrorism

Narco-terrorism poses a global threat by disregarding defined territorial limits. Colombia and Afghanistan are often referred to as leading players in the narcotics industry, with Colombia being responsible for two-thirds of the world's Cocaine production and Afghanistan accounting for seventy-five percent of the global opiate supply. The concept of Narco-terrorism can be described as 'exchange of drugs for weapons, where terrorists use the profits from drug trafficking to fund their various operations'. Recently, Narco-terrorism has emerged as a significant threat to global peace and security. Its impact transcends borders and affects many nations worldwide. Initially identified as a threat in Latin America, it has now spread across almost every continent.

The countries most affected were those located near major narcotic production areas. This issue poses a substantial risk to nations, as it combines the dangers of drugs and terrorism. Any region involved in the production, transit, distribution, or consumption of illegal drugs is vulnerable to narco-terrorism. Globally, insurgent, revolutionary, ideological, or religious groups, that resort to violence to further their objectives, often use drug profits to fund unlawful activities to support their ideologies.

True danger of Narco-terrorism began to materialise in the 1980s, during the period of Cold War (1947-1991) {Mujiyati, Sunarjo and Kuswono, 2016}. Christopher Smith, a senior research fellow at the Centre for Defence Studies at Kings College, London, noted that in 1983, approximately 10,000 tons of military supplies and weapons were delivered to Afghan fighters via Pakistan. This figure increased to 65,000 tons in 1987 (Mujiyati, Sunarjo and Kuswono, 2016). Additionally, it has also been reported that US National Security and the CIA spent \$9 billion to equip Mujahideens (Mujiyati, Sunarjo and Kuswono, 2016).

These arms were routed through the ISI to the Afghan fighters. During the same time, large amounts of arms and weaponry were pilfered by the ISI and Pakistan Military, which they used to fuel the Kashmir unrest during the late eighties and the early nineties. The balance of US-supplied arms and weapons ended up in the illegal arms markets of Northwest Frontier Province (NWFP) {UN, 1995}. The role of illegal drug trade in funding conflicts has been well documented during the Soviet -Afghan War, with the known involvement of CIA, ISI, and Afghan drug lords.

This illicit trade not only fuelled the conflict but also had far-reaching consequences for the region and beyond. Opium production in Afghanistan skyrocketed during this period, leading to a global increase in the Heroin supply and addiction rates. The intricate web of drug trafficking networks established during this time continued to operate long after the war, contributing to ongoing instability and corruption in the region. The aftermath of this drug-fuelled conflict extended beyond Afghanistan's borders, affecting neighbouring countries and international relations. Pakistan has experienced a surge in drug addiction and related crimes as it has become a major transit route for Afghan opiates. The entrenched drug economy also hindered post-war reconstruction efforts in Afghanistan, as powerful warlords and corrupt officials continued to profit from illicit trade.

Narco-Terrorism and India

Narco-terrorism in India has evolved from isolated drug smuggling incidents into a sophisticated form of hybrid warfare, utilised by both state and non-state actors, particularly from Pakistan, to destabilise Indian society. While the term originated in Latin America, in India, it has taken on a distinct South Asian character within the context of cross-border terrorism from Pakistan. Increasing evidence of links between narcotics networks and terrorist groups such as Lashkar-e-Taiba (LeT), Jaish-e-Mohammed (JeM), and Khalistani separatist factions underscores its strategic importance.

Narco-terrorism in India is not just a law enforcement issue but a facet of asymmetric warfare, used to finance militancy, spread addictionand undermine social stability. The issue first surfaced during the height of Punjab insurgency in the 1980s, when Khalistani militants used drug money from Heroin trafficking routes to fund separatist violence. Simultaneously, in J&K, Pakistan-based groups began infiltrating drugs along with arms to local militants. During this period, India's proximity to the Golden Crescent (Afghanistan-Pakistan-Iran) made it a prime target for Heroin smuggling. Drug routes and terror modules became increasingly intertwined. Terrorist groups began using drug revenue to finance recruitment, logistics, and propaganda, particularly in border states. The ISI reportedly started using drug proceeds to fund proxy war operations. Narcoterrorism became more sophisticated, involving the use of drones for cross-border heroin drops, trade-based money laundering, especially through legal trade routes like the Attari-Wagah border, and maritime routes from Karachi to Indian ports such as Mundra and Kandla.

Narco-terrorism has had a disproportionately severe impact on India's bordering states of J&K and Punjab as both facilitated the entry of trafficked drugs through land, tunnelsand drones. Besides, these regions are not only geographically vulnerable but also strategically targeted because of their political sensitivities, history of insurgency and terrorism, and porous borders. The most immediate impact is an alarming rise in drug abuse, public health, economic sabotage, internal security and socio-political stability. Reports indicate that Heroin abuse in the Kashmir Valley has increased by 2,000% in recent years (Welle, 2024). Youth, particularly those in conflict zones, is turning to narcotics as a coping mechanism to deal with the trauma and stress resulting from prolonged exposure to violence and instability. This not only hampers their personal development but also contributes to a sense of alienation and disenchantment, making them more susceptible to radicalisation.

Role of Pakistan in Narco-Terrorism against India

International efforts to combat drug trafficking and terrorism have been significantly shaped by the legacy of the Soviet Union and the Afghan War. Pakistan's significance in South Asian conflict cannot be disregarded because of its strategic geographic position. Pakistan has long been a crucial player in the illegal drug trade, using it to support its proxies against India and maintain its underground economy. The country's involvement in narcotics trafficking has not only fuelled regional instability but also led to its internal security challenges. Pakistan's intelligence agencies, particularly Inter-Services Intelligence (ISI), have been accused of using drug money to fund covert operations and support militant groups. This complex web of illicit activities further complicates efforts to establish peace and stability in the region, making it increasingly difficult for international actors to address the root causes of conflict in South Asia. During an interaction with Washington Post in 1994, former PM of Pakistan, Nawaz Sharif, accepted that in 1991, then Pakistan's Army Chief, General Aslam Beg, and the ISI head, Asad Durrani, had proposed to him the idea of supporting illegal drug trafficking to fund foreign covert operations, which at that time meant mainly Kashmir (Khan and Anderson, 1994). The allegations later were denied by both General Beg and Asad Durrani. But Sharif's allegations were corroborated by a CIA report in 1992, wherein it was analysed and confirmed that drug corruption in Pakistan was rampant in every walks of society and governance. The drug mafia had 'hand in gloves' with top-ranking people in major institutions of power which included the President as well as military agencies (Khan and Anderson, 1994).

In its hybrid warfare strategy against India, Pakistan has effectively utilised Narco-terrorism, by blending drug trafficking with terrorist activities to support insurgencies, destabilise Indian states, and jeopardise India's national security. This approach has played a vital role in the ongoing proxy war between the two nations, particularly since the emergence of insurgency in J&K in 1989. The exploitation of narcotics to fund militant groups, disrupt internal stability, and undermine adversary's economy is a widespread tactic in asymmetric warfare. Pakistan's proxy war against India has leveraged Narco-terrorism to recruit, arm and sustain anti-India terrorist organisations while simultaneously weakening Indian youth through extensive drug addiction.

As per Mr Ayaz Wani, a Research Fellow at Observer Research Foundation (ORF), Kashmir valley has more than 67,000 drug abusers, of which 90% are Heroin addicts, using more than 33,000 syringes daily (Wani, 2023). The only way Heroin could reach Kashmir valley is through Pakistan and Iran from Afghanistan, which is one of the largest producers of Opium in the world. Pakistan's superficial and inadequate efforts to combat terror financing and money laundering has resulted in its placement on the Financial Action Task Force (FATF) grey list during 2008-2010, 2012-2015 and 2018-2022 (Rahman and Rehman, 2023). To evade FATF measures, Pakistan has consistently relied on narcotics to maintain terror proxies in J&K without direct attribution.

For decades, allegations have been made against Pakistan's Inter-Services Intelligence (ISI) and its associated terrorist networks for using drug trafficking to fund their activities in J&K and other Indian regions. The revenue generated from smuggling narcotics, mainly Heroin originating in Afghanistan and transported through Pakistan, has played a crucial role in financing organisations like Lashkar-e-Taiba (LeT), Jaish-e-Mohammed (JeM), and Hizbul Mujahideen. The intertwining of organised crime, terrorism, and state-backed subversion over the last 30 years has resulted in a multifaceted set of strategic challenges that continue to test India's national security infrastructure. The intricate connection between Pakistan's intelligence services, terrorist groups, and drug syndicates present an evolving threat that demands a comprehensive strategic approach. A timeline of major Narco-terror incidents linked to Pakistan is as under:

Table 2: Major Narco-terror Incidences having Direct Link with Pakistan

Year	Incident	Nexus	Terror Link
1993	Mumbai Serial Blast (The	Dawood Ibrahim's	ISI's use of narcotics to fund
	European Review, 2021)	D-Company and ISI	urban terror established by
			Investigating Agencies

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2004-2012	Continuous Heroin	ISI and Khalistan Liberation	Funds used by Khalistani and
	Seizures from Punjab and	Front and Babbar Khalsa	Islamist terror groups to fund
	Jammu region (SATP,	International	terror activities
	2025)		
June 2013	Seizure of 130 kg Heroin	eizure of 130 kg Heroin ISI-backed Pakistan smugglers	
	of worth Rs 650 crore in	having links with LeT	channelled to LeT operatives
	Ferozepur by BSF	operatives in J&K	for terror funding in J&K
	(NDTV, 2013)		
July 2017	NIA cracks Handwara	ISI backed Pakistan handlers	Funds planned to be
	Narco-terror case at	in PoK and OGWs of LeT	channelled to LeT operatives
	Kupwara, J&K (NIA,		for terror funding in J&K
	2017)		
July 2019	Seizure of 532 kg of	Pakistani exporter linked to	Trade-based money laundering
	Heroin at Attari	Narco-financing networks tied	and terror funding established
	Integrated Check post	to ISI	
	(Vasudeva, 2019)		
September	Mundra Port Heroin	Pakistan and Afghan cartels	Financing of radical networks
2021	Seizure (PTI, 2025) 3,000	with suspected ISI protection	in India, alleged use of Narco-
	kg heroin worth Rs		money to fund Pahalgam
	21,000 crore seized		attack
May-	Multiple Drone Drops in	Pakistan-based handlers with	Funds used by Khalistani and
December	Punjab (IANS, 2020)	Khalistani and ISI links	Islamist terror groups
2021			
September	Narco-terror Module	Pakistan-based LeT handlers	NIA confirmed use Narco-
2022	busted in Handwara	using LoC routes to smuggle	money to fund terror activities
	(Kaur Sandhu, 2021)	drugs	in J&K
July 2023	D-company Narco-	Dawood's network with ISI	ED and NIA confirmed
	module busted in Mumbai		connection to Dubai-Pakistan
	(DRI, 2022)		smuggling hub
2024	Narco-drones over	ISI supported JeM handlers	Narco-IEDs suspected in terror
	Jammu (PTI, 2024)		planning in J&K
L			

Source: Annotated by the Author

Recently, a direct link of Pakistan, terror organisations and drug smugglers was revealed by National Investigation Agency (NIA) to the Supreme Court of India on 24 April 2025, wherein the agency informed the honourable court that seizure of 3,000 kg of Heroin having market value

of Rs 21,000 crore from Mundra Port was part of LeT's strategy to fuel terror activities in J&K and Pahalgam terror attack was one of the many operations of JeM and LeT (PTI, 2025).

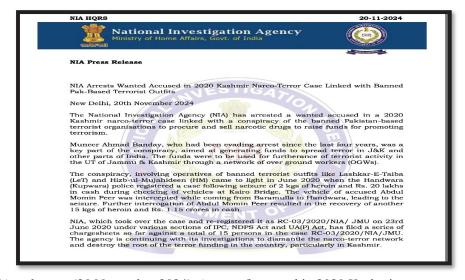
Figure 2: NIA Finds Rs. 21,000 crore link between Gujarat and Pahalgam terror attack



Source: Economics Times (26 April 2025), accessed on 15 May 25

The NIA, in one of its press releases in November 2024, confirmed the direct linkage of Pakistan, terror organisations, and their over-ground workers (OGWs) in Narco-terrorism. These are some of the cases that came into notice by security agencies; otherwise, many such cases remain unnoticed.

Figure 3: Press Release of National Investigation Agency



Source: NIA web page (20 November 2024), Arrest of accused in 2020 Kashmir narco-terror case linked with Pakistan based terror organisation

Despite clear linkages of Pakistan's involvement in Narco-terrorism, India has not been able to corner Pakistan globally, and every time it manages to come out of the Financial Action Task Force (FATF) grey list without considerable ramifications. Since 2008, Pakistan has been placed in the FATF grey list three times (2008, 2012-2015 and 2018-2022). The removal of Pakistan from the grey list is attributable to geopolitical interests, diplomatic lobbying, and its alignment with superpowers. The FATF is a technical body with no judicial authority, hence it only monitors and does not punish. For India and other stakeholders, it reveals the political limitations of technical bodies such as the FATF and underlines the need for regional monitoring, independent audits, and pressure through forums such as the United Nations Organisation (UNO), International Police (Interpol), and bilateral sanctions regimes.

Countermeasures and India's Response

India has implemented several countermeasures in response to the escalating threat of narco-terrorism. Enhanced border security, including the deployment of advanced surveillance technologies and establishment of counter-drone systems, aims to detect and intercept illicit shipments. Additionally, intelligence-sharing mechanisms with international partners have been strengthened to dismantle transnational drug-trafficking networks. On the domestic front, India has ramped up efforts to rehabilitate drug addicts and provide support to the affected communities. Public awareness campaigns, coupled with stricter enforcement of drug laws, seeks to reduce demand and curb the spread of narcotics. Furthermore, diplomatic channels have been utilised to pressure Pakistan to cease its support for terrorist activities and hold accountable those responsible for Narco-terrorism. International forums and bilateral discussions continue to play crucial roles in addressing this multifaceted threat. India's response mechanisms and countermeasures against Narco-terrorism have been in terms of law enforcement and intelligence measures, border security enhancements, legal and institutional frameworks, strategic and policy initiatives, and global and regional measures.

Law Enforcement and Intelligence Measures

• The Narcotics Control Bureau (NCB) is a dedicated Anti-Narcotics Unit, which is the apex drug enforcement agency under the Ministry of Home Affairs (MHA) responsible for combating drug trafficking and coordinating with other agencies. Apart from the same, Special Task Forces in the states of Punjab, J&K, and other border states have dedicated anti-drug and anti-terror task units to crack down on Narco-terrorism networks.

• As an Intelligence Integration mechanism, the Multi-Agency Centre (MAC) and National Intelligence Grid (NATGRID) have been formed to have seamless coordination among the NCB, RAW, IB, BSF, DRI, and state police forces. In addition, the deployment of electronic surveillance, informants and interrogation of captured smugglers to map Narco-terrorism networks are steps to integrate signal and human intelligence.

Border Security Enhancements

The Border Security Force (BSF) and the Indian Army uses night-vision devices, UAVs, ground sensors, and smart fencing (CIBMS) to monitor cross-border drug and arms smuggling. Anti-tunnelling technologies have been used to detect underground smuggling routes in Pakistan. Anti-drone systems along the India-Pakistan border are also on the task of countering the increasing use of drones to drop narcotics and arms.

Legal and Institutional Framework

The Narcotic Drugs and Psychotropic Substance Act, 1985 (NDPS Act, 1985) has been enacted to render harsh punishments to the perpetrators of drug crimes and empowers the principal organisations with the authority to investigate drug offences. The Act was amended three times to make it more inclusive and comprehensive. Apart from the same, provisions of Unlawful Activities Prevention Act (UAPA), 1967 have been linked to deal with cases of Narco-terrorism which empowers NIA to investigate Narco-terror cases under UAPA.

Strategic and Policy-Level Initiatives

The National Policy on Narcotic Drugs and Psychotropic Substances (2012) recognises the connection between drug trafficking and terrorism and advocates a coordinated national response. In 2016, the Narco-Coordination Centre (NCORD), a multitiered institutional mechanism, was established by the Government of India to enhance coordination among drug law enforcement agencies. The aim of the organisation is to combat drug trafficking and abuse through a structured approach and four-tiered system:

- National Level Chaired by the Union Secretary.
- State Level Led by Chief Secretary of respective states.
- District Level Headed by District Magistrate.
- Field Level Local Law Enforcement and Community Stakeholders.

Regional and Global Cooperation

India's global and regional cooperation to counter Narco-terrorism is an integral part of its broader national security and anti-terrorism strategies. Recognising that narcotics trafficking is a transnational challenge often linked with terrorism and insurgency, especially in its bordering states like J&K and Punjab. India has been leveraging bilateral, regional and multilateral mechanism to combat the menace. India has always advocated stronger global norms, real-time intelligence sharing, and capacity building for frontline enforcement agencies.

Challenges

Despite all out efforts of intelligence agencies, NCB and law enforcement departments, Pakistan has been successful in aiding and abetting terror activities through drug smuggling. The Indian Government has been facing real challenge of the menace which has the potential to destabilise India economically, socially and politically while funding terrorist activities. Some of the challenges which own agencies are coming across in combating narco-terrorism are as under:

- Nexus between drug cartels and terror organisations like Lashkar-e-Taiba (LeT) and Jaish-e-Mohammed (JeM) makes it difficult to distinguish between organised crime and terrorism. Narcotics smuggling routes are also used for infiltration, arms trafficking and money laundering.
- International borders, especially with Pakistan (Punjab, Rajasthan, Gujarat, J&K), are vulnerable to cross-border smuggling. Use of drones and tunnels to smuggle drugs and weapons has made border surveillance more complex.
- Increased use of small drones by Pakistani handlers to drop drug consignments in Punjab
 and Jammu region, poses a major surveillance challenge which is difficult to be tracked
 and intercepted in real-time due to technological limitations in low-altitude drone
 detection.
- Infiltration of drug syndicates into law enforcement, customs, and political systems create systemic vulnerabilities. Besides, local-level complicity also hinders effective interdiction and prosecution.
- Widespread drug addiction, especially in Punjab and Kashmir, is not only a health crisis but also weakens society and makes youth vulnerable to radical ideologies. Drugs proceeds are funding terrorist organisations, radical and separatists' groups to radicalise youth and recruit them into terror outfits.

- There is a lack of real-time coordination among multiple agencies such as NIA, NCB, IB, RAW, DRI, BSF, Local police, and State governments. Real-time intelligence sharing and operational coordination between central and state agencies is often weak. Besides, delays in judicial processes and lack of specialised courts or fast-track mechanisms hinder deterrence.
- One of the biggest challenges for India is to prove the direct complicity of Pakistan in Narco-terrorism. Cross-border collaboration between ISI, drug traffickers in Afghanistan and Iran, and global crime networks complicates the enforcement. Pakistan has been using its linkages with international smuggling syndicates to smuggle drugs into India and beyond, thus creating geopolitical challenges.

Recommendations

To effectively counter and neutralise the threat of Narco-terrorism perpetrated by Pakistan, India must adopt a multi-dimensional and proactive strategy that integrates intelligence, enforcement, diplomacy, legal reforms, and socio-economic interventions. Recommended Steps for India to counter and stop the Narco-terrorism threat are as under:

Strengthen Intelligence and Inter-Agency Coordination

- Establish a dedicated Narco-terror Intelligence Unit within RAW, NIA, or under a joint task force combining IB, NCB, BSF and state police.
- Operationalise real-time data sharing through NATGRID and integrate databases of drug traffickers, terror suspects and cross-border operatives.
- Expand reach of the Multi-Agency Centre (MAC) to state and district levels with particular focus on Punjab, J&K and border regions.

Modernise Border Surveillance Infrastructure

- Deploy AI-enabled surveillance technologies, smart fencing (CIBMS), ground-based sensors, and satellite imagery to detect cross-border infiltration and smuggling.
- Expand and upgrade anti-drone systems across Punjab and J&K borders to neutralise drone-based drug and arms drops.
- Intensify BSF counter-infiltration operations with regular patrols, tunnel detection systems, and coordination with the Indian Army.

Enhance Legal and Financial Crackdown Mechanisms

- Amend the NDPS Act to allow quicker asset seizure and enhanced penalties for narcoterror financing.
- Ensure complete realisation of Financial Action Task Force (FATF) recommendations, including effective monitoring of hawala networks, cryptocurrency use, and shell companies.
- Empower Enforcement Directorate (ED) and Financial Intelligence Unit (FIU) to pursue the financial trails of drug-terror networks aggressively.

Bolster NIA and NCB Capabilities

- Grant NIA exclusive jurisdiction over all narco-terrorism cases involving cross-border links.
- Enhance NCB's operational strength, forensic labs, and presence in border districts.
- Launch joint NIA-NCB-BSF operations targeting sleeper cells, couriers, and drug traffickers linked with Pakistan-backed terror groups like LeT and Hizbul Mujahideen.

Deepen International Cooperation

- Formalise intelligence-sharing agreements with the US (DEA), UK (NCA), UAE and Southeast Asian countries to track transnational Narco-routes and terror finance.
- Press for UN sanctions on Pakistani actors involved in Narco-terror through sustained diplomatic lobbying with proof and case files.
- Utilise forums like UNODC, INTERPOL, and BRICS Anti-Drug Working Group to expose Pakistan's complicity and enhance regional cooperation.

Implement Community-Based and Demand Reduction Strategies

- Launch targeted anti-drug awareness and de-radicalisation programs in Punjab, Kashmir, and Northeast India.
- Strengthen rehabilitation and reintegration schemes for drug addicts to prevent youth recruitment into terror networks.
- Empower local panchayats, NGOs, and religious leaders to build community resilience against drugs and extremism.

Introduce Strategic Policy and Institutional Reforms

- Appoint a National Narco-terrorism Coordinator to oversee and harmonise efforts across ministries and agencies.
- Draft a National Narco-terrorism Strategy Document, combining elements of counterterrorism, counterinsurgency, and anti-narcotics policies.
- Develop an integrated Narco-Terrorism Threat Assessment Model updated annually with risk ratings for vulnerable districts and networks.

Counter Pakistan's Strategy on the Global Stage

- Launch a strategic information warfare campaign to expose Pakistan's use of Narco-terror as a proxy war tool—through white papers, media briefings, and international forums.
- Use intelligence dossiers to internationalise Pakistan's role in drug-terror financing, influencing FATF's grey/blacklisting decisions.
- Push for extradition of key operatives and international trials for major narcotics smugglers with ISI links.

Conclusion

Narco-terrorism represents a significant and evolving challenge in Pakistan's proxy war against India. By intertwining the drug trade with terrorism, Pakistan has created a complex threat that targets India's security, economy, and social fabric. The use of modern technologies like drones to smuggle drugs and weapons into Indian territory underscores the adaptability and persistence of this strategy. India's response, encompassing enhanced security measures, international cooperation, and domestic rehabilitation efforts, is a step in the right direction. However, the success of these initiatives hinges on sustained vigilance, comprehensive policy implementation, and international collaboration to dismantle the networks that perpetuate Narco-terrorism. As the situation continues to evolve, it is imperative for India to remain proactive and adaptive in its approach, ensuring that the scourge of Narco-terrorism does not undermine the Nation's peace, stability, and progress.

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