



'Dawood using funds from film piracy to fund terror'

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US THINK-TANK REPORT

Mumbai: The leading US think-tank, the Rand Corporation, has confirmed what Indian intelligence agencies have been always maintaining: that Dawood Ibrahim has graduated to terrorism big-time and is siphoning off millions of dollars earned from film piracy, drug-running and other crimes to finance his operations.

Sources in the film industry and police said the moment a film is released in Mumbai, the D-Company makes camera prints and sends them to Karachi or Kuala Lumpur where DVDs are made and marketed extensively throughout the world.

After the Mumbai-based Valuable Group introduced satellite transmission of films directly to cinema halls, it has become difficult for the gang to make camera prints since each cinema hall has a secret identity number encrypted into the movie. This makes it easy to find out from which

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cinema hall the camera print was taken. To avoid this, members of D-Company have established links with small-time theatres in Gujarat where camera prints are taken at the first show of any new film.

The gang also receives advance prints of films financed by it through front companies. "Contrary to general impression, the D-Company is still active in Bollywood," a film producer said. "Dawood runs cri-

minal gangs from Bangkok to Dubai," the Rand report says.

It adds that film piracy can be more paying than drug trafficking. The report said a pirated DVD made in Malaysia for 70 cents was marked up more than 1,000% and sold in London. "The profit margin was more than three times higher than the markup for Iranian heroin and higher than the profit for Colombian cocaine," the report said.

Identifying Al-Mansoor and Sadaf brands as belonging to Dawood, the report said he acquired market power in the distribution of pirated films throughout the region.

It said D-Company gained control of the Sadaf Trading Company based in Karachi, which allowed the gang to acquire the infrastructure to manufacture pirate VHS tapes and VCDs for sale across the world. What is worrying security agencies here is the growing ties between a section of the Taliban and D-Company.