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## Allow Gambling in Sports But Regulate It, Says Law Panel

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The Law Commission has submitted **Report No. 276, Legal Framework: Gambling and Sports Betting including in Cricket in India** to the government.

In the case of BCCI vs Cricket Association of Bihar and Ors (2016), the Supreme Court had asked the Commission to study the possibility of legalizing betting in India.

### Key points

- The commission has stated that since it is impossible to stop illegal gambling, the only viable option left is to **regulate gambling** in sports. The Parliament may enact a model law for states or alternatively may legislate in the exercise of its powers under **Articles 249 or 252 of the Constitution** which allows it to enact a law on a state subject in larger national interest.
- The commission, headed by former Supreme Court judge, Justice B.S. Chauhan, has recommended **cashless gambling in sports** as a means to increase revenue and deal a blow to unlawful gambling.
- Such activities, if properly regulated would **ensure transparency in the market**, as also strike at the underworld's control over the illegal and unregulated gambling industry.
- The money generated can be used for public welfare activities. For that, the revenue from gambling **should be taxable** under laws like the Income Tax Act, the Goods and Services Tax Act.
- Transactions between gamblers and operators should be **linked to their Aadhaar and PAN cards** so that the government could keep an eye on them.
- The Commission has specified a **minimum age of 18 years and above** to gamble.
- The commission recommended a **classification of 'proper gambling' and 'small gambling'**. Proper gambling would be for the rich who play for high stakes, while small gambling would be for the low-income groups.

- The panel wants the government to introduce **a cap on the number of gambling transactions** for each individual, that is, monthly, half-yearly and annual. Restrictions on amount should be prescribed while using electronic money facilities like credit cards, debit cards, and net-banking. Gambling websites should also not solicit pornography.
- The Commission has recommended **that match-fixing and sports fraud** should be specified as **criminal offences** with severe punishment.
- Gambling and betting, if any, should be offered **only by Indian licensed operators** from India possessing valid licences granted by the game licensing authority.
- Regulations **need to protect vulnerable groups, minors and those below the poverty line**, those who draw their sustenance from social welfare measures, government subsidies and Jan Dhan account holders from exploitation through gambling.
- According to the commission, Foreign Exchange Management and Foreign Direct Investment laws and policies should be amended to **encourage investment in the casino/online gaming** industry. This **would propel tourism and employment**.

## Concerns

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- One of the members expressed strong dissent in a separate note filed with the government which said the Law Commission **report was not comprehensive**. It stated that the legalized gambling in a country as poor as India would leave the poor poorer and only vested interests want legalisation of gambling.
- The commission has been criticized for **exceeding the brief given to it by the Supreme Court** in 2016. The court had merely asked the commission to look into the narrow question of legalising betting in cricket and not sports as a whole. The court's reference had come in its judgment in the BCCI case involving illegal betting in IPL cricket matches. The dissenting note said the recommendation may lead to an unhealthy and unwarranted discussion.