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AIGF says gambling can be a game-changer for tourism. A scene from the James Bond film 'Casino Royale'.

LACE UP YOUR BETS

India's gaming federation wants to legalise casinos. Their biggest risk is political

By Shashank Shekhar

JUST ahead of Diwali, this year, two men in SUV parked their vehicle outside the entrance of Sakinik Farms and surreptitiously kept a tab on the movement of luxury vehicles entering the posh South Delhi locality, home to dozens of bungalows and farmhouses. After tracking the movement till midnight, the men made a tip-off call to the police. Within minutes, a posse of police personnel swooped down on the locality and raided the farmhouse which the men had been watching. What they discovered shocked the team. The farm house was the venue of an illegal casino, with players making a maximum bet of ₹5 lakh per table. Each chip was worth ₹1 lakh. Organisers had made professional arrangements, importing casino tables and professional hosts from Goa and Nepal, hoping to make several crores in a single night. Soon after the arrest, another tip-off led the police team to a 3,000-yard Vasant Kunj bungalow from where eight players were arrested. According to the police, during Diwali alone, over ₹1,000 crore was pumped into various 'illegal casinos' in and around Delhi, NCR. Except Goa and Sikkim, casinos are illegal in India. As these illegal games involve cash, it also attracts a lot of unaccounted money holders.

Macau in China is now the biggest gambling city in the world.

Illegal games attract a lot of black money

endorsed by a 2013 report of the Federation of Indian Chambers of Commerce and Industry (FICCI) as well as by the recent report of the Special Investigation Team on black money.

But these figures are just the proverbial tip of the iceberg, as underground gambling and betting market in the country is a billion-dollar business. A 2010 KP&MG report estimates the total size of Indian gambling industry (both regulated and underground) to be a whopping \$60 billion (approximately ₹3 lakh crore, as per prevailing exchange rates). This estimate was

FICCI further speculated that the government could earn ₹12,000 crore to ₹19,000 crore annually if it chooses to legalise sports betting in the country.

The All India Gaming Federation (AIGF) has appealed to Prime Minister Narendra Modi to legalise sports betting in the country. "The gaming industry has tremendous potential for bringing revenues for the exchequer provided it is regulated fairly and taxed at a reasonable rate. If betting is legalised, it will be possible to monitor the betting patterns in a given sport. Therefore the menace of fixing in sport can be curbed. It will also allow



government. The number of tourists also went up from 5 lakh to 12 lakh once the casinos came up. Landers cited the example of Sikkim, which is now getting noticed on the tourist map for casinos, online gaming and virtual horse racing. Sikkim has the ~~most~~ **most** liberal gaming laws in the country. The state government allows casinos in five-star hotels (two are operational), online and paper lotteries, and now even online gaming and betting. "The Sikkim government has pieced together its gaming laws from other gaming and betting-friendly countries. It has also framed laws to prevent money-laundering activities, imposed KYC (Know-Your-Customer) norms for high-value bets, set up communication and data sharing channels with the union



In Goa, casinos pay over ₹50 crore in taxes to the government.

finance ministry's financial intelligence unit, banned minors from playing high stakes and limited betting amounts," Landers said. Goa allows electronic games in five-star hotels and live dealer as well as electronic games in offshore vessels, while Sikkim permits gambling in five-star hotels. Daman and Meghalaya are two other regions that may allow casinos soon. Online gambling is currently a grey area and under the Information Technology Rules, access to gambling websites could be blocked.

ated for the legalisation of sports betting and gaming as these has massive revenue generation potential and were popular with the people. "The business of sport betting and gaming exists, despite the ban. There is a stigma attached to it, but it is not very high on the government radar. The government should legalise it. With good regulation and responsible gaming, we can make it happen. Like it exists in Sikkim and helps increase revenue and employment in the state," Sinha said. He, however, also emphasised proper regulation and what he called "responsible gaming". "This (gaming/betting) industry has huge revenue generation potential, which can be seen in Sikkim and Goa. There are definitely adverse effects also, but proper regulation and an enforcement body can take care of that part. We have to also look into its moral aspect and take public opinion into consideration," he said. Goa, which is popular for its casinos, is now caught in a political tussle with the Amr Amdm Party (AAP) making it a central theme of its campaign for the Goa assembly elections due in early 2017, promising to shut down the casinos if elected. Goa currently has five offshore casinos parked in the Mandovi river of Panaji and nine onshore casinos housed in various five-star resorts along the coastline.