

# Cricket betting or sports betting should be included as a game of skill, says AIGF in white paper

In an exclusive interaction with indianexpress.com, AIGF CEO Roland Landers talks about legalising cricket, and sports, betting in India and their white paper.

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Betting is not legal in India at the moment.

Legalising betting in cricket has been the subject of debate in India for many years now. After the IPL 2013 spot-fixing controversy, Lodha panel, appointed by the Supreme Court to suggest reforms for the BCCI, took a realistic stand on the matter. In their January 2016 report, the panel said lawmakers in the country should enact laws to legalise betting. However, players, match officials and cricket administrators should not be allowed to indulge in the same.

Based on the recommendations of the SC-appointed panel, the Law Commission sought public feedback on the matter and, it is reliably learnt, are already done with the process. On Monday, the All India Gaming Federation (AIGF) along with an advisory panel including Lakshmikumaran & Sridharan, Nishith Desai Associates, Krida Legal, Khaitan & Co. and Glaws have presented a white paper to Law Commissioner Justice B.S. Chauhan. The panel, which has been working on the topic for the past six months, has submitted international case studies suggesting best practices India could imbibe. In an exclusive interaction with indianexpress.com, AIGF CEO Roland Landers talks about the matter and their white paper. Excerpts:



### **What is the basic recommendation you gave to the Law Commission to legalise betting in India?**

The AIGF recommended a central legislation for online skill gaming. Cricket betting or sports betting should be included as a game of skill. For eg. horse racing is a game of skill and betting on horses also requires skill as determined by the Supreme Court. So we are proposing the same for cricket. We proposed that a National Gaming Commission be formed which could determine what sports would fall under the purview of games of skill. States interpret this differently and so a central legislation is required. Rummy, online rummy, horse racing, chess have been approved by the Supreme Court but some states have questioned that, especially Telangana.

So how do we deal with that? We will have to have some central legislation listing out each and every game of skill and defining it, which the states would have to abide by. We are also proposing an introduction of an Online Skill Gaming Act to regulate the process within which game of skill would require performance, training, stamina among many other things.

### **Will this include only cricket?**

Because we are so predominantly cricket, yes, we are focussing on cricket. But this would entail all sports. Also, because the Lodha Panel recommendation is pushing for cricket and Law Commission is also working independently on this. They have been told by the Supreme Court to put together the recommendations. So parallelly they are working on the Lodha committee recommendation and our recommendation. They are having a difficult time handling all the recommendations. However, they have said that we should stick to cricket to stop match fixing. This will be heard on July 14. Apart from the Lodha recommendation, there are other petitions that have come forward in Supreme Court requesting legalisation of betting.

In England, there are laws, but still cricket games are fixed. So legal betting is no guarantee to keep the sport clean.

### **How would legalising betting in India be any different? Who is to say that cricket corruption would be curbed?**

To a large extent if you see what happens in the developed countries, you'll get the idea. If there is a irregular pattern of betting then immediately the bookmakers will balances in place. If you take the developed markets, they have been successfully doing that. To a large extent it is curtailed and taken care off. Right now there's no process to curb it.

### **How would betting on sports work legally?**

Hypothetically let's assume that it's allowed to bet legally, any of the bookmakers who run the business (the operators), they would set the odds on the day's match. Like in a stock market you have the debt schemes and equity schemes, equity is a little more adventurous. You may go either way. But in debt you're sure you'll get 600 per cent. Similarly, if we know it's a tougher team and you put your money on this team, then you know your odds will be less. For instance, if you put Rs 100 on a tough team, you know you'll get Rs 125 back.

However, if you put your bet on the weaker team and that team wins and you had bet Rs 90 on the weaker team, you'll get Rs 190 back. So your risks are more there. The operators set those standards and then people go on to the website and place their bets. When it is legalised, a lot of agencies would be involved because the guy who loses the maximum money is the operator, the bookmaker.

If there is an extraordinary situation and you see a huge bet is placed on the weaker team and entire odds are set on this team, then we'll know this isn't normal. If you place a bet on the tougher team, you at least know you'll get some return, but in such an extraordinary case there will be checks and balances to prompt the audience that something is wrong. And the activity will immediately be stopped.

**Mobile phones and internet has now penetrated the interior of India. So will it be responsible to provide gambling options to someone who doesn't really understand the repercussions of online gambling?**

In our white paper, we first addressed the moral issues that were raised by the Law Commissioner, second we spoke about the central legislation and lastly we showed the best practices adopted by the world like UK, parts of Europe, Singapore.

Along with my law partners in GLI, they set the industrial standard. We are also working with the EY (Ernst and Young). They check all the equipments and operators to create a seal. If it is a sealed operator, like AIGF or a bank, we know that they're standards are authenticated, audited year by year and no malpractices are involved, even in the standards of the technology or the missionary involved.

There would be checks and balances on the age limit. A person under a certain age cannot participate and they'll have to link their KYC, one can also link it to the income and limit how much they can bet, like not more than 10 per cent of their income. The system will stop you if you are underage or going beyond your means or if you are spending an extraordinary time then after a few hours you'll be stopped. These are some ways developed countries function under responsible gaming and all of this would be implied here.

Under the Public Gambling Act, 1867, betting has been illegal in our country. But it is nevertheless a huge market.

**What is your estimation of the underground economics of this market and of the future estimate post-legalisation? Has there been a difference in the market post demonetisation?**

It's difficult to predict, but as per FICCI estimates all of this would in the range of Rs 3,00,000 crore and this is just cricket betting. Let's say if this is the figure for a starting point and if we imply GST at 18 per cent, since we are calling it a skill game, then just that is over Rs 1600 crore. Plus there is TDS and if licensing is legalised money would come through these modes too. We are working towards a unified licensing regime for skill games. Based on the potential, a licensing fee would be charged.

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