

**“Gambling in India: A Study from the Perspective of Law and Economy”**

*Ankur Jain,  
Institute of Law, Nirma University,  
Ahmedabad (Gujarat)*

***Abstract:***

In recent years gambling becomes a very great market for entertainment as well as for earning high amount of money. India is a very big market for gamblers. In this paper, we focus on the major types of gambling practices in India and how they all impact of these gambling on the Indian economy. This paper discusses the three dimensions of the gambling i.e., Economic Dimensions, Legal Dimensions and political dimensions. It also includes the important case laws. It also discusses about the laws which govern gambling and under which law gambling is illegal in a particular state. It explains how gambling is the core reason for the increasing crime in India.

**Keywords:**

Gambling, Laws, Gambling Acts, Dimensions, Crime.

**INTRODUCTION:**

In India Gambling is experienced from many decades. It presents as a form of entertainment, but as society develops people using this as a mode of earning money. There is a very great opportunity of Gambling in Indian Market but most of the Gambling is Illegal in Indian State. Gambling includes Skill Games, Casino Gambling, Online Gambling and Sports betting and many more. There are some states in which gambling is practiced under government laws. Gambling has both pros and cons to the Indian economy.

On the positive side, gambling provides employment to poor and marginalized people. In the lottery, some five million are working on a part-time basis. Casino generates employment in many ways, such as preparing food, parking car, serving customer etc.<sup>1</sup>

On the negative side, we can say illegal Gambling is like a termite to the Indian economy which is degrading it slowly. Due to its crime rate is also increasing at a fast rate. Money generates from this illegal means is generally deployed to market, which sometimes discouraged honest businessman because it creates illicit competition for them. Gambling generally does the transfer of money from poor to rich people by giving them a false idea of making more money. Gambling generates illegal or black money which not show in accounts so it does nothing to make the economy better. Gambling is also affecting the moral values as well as social life and economic

---

<sup>1</sup> Gambling, N. (2019). *Social and Economic Effects*. [online] Ncbi.nlm.nih.gov. Available at: <https://www.ncbi.nlm.nih.gov/books/NBK230628/> [Accessed 4 Apr. 2019].

condition of the country. Gambling in India, being a subject of state matter gives the power to formulate laws to govern such activities.

The Public Gambling Act, 1867 is a central law which clearly declared all gambling betting acts illegal excepts games where skill is needed. The Supreme Court gave the definition of Skill games as, "*The competitions where success depends on a substantial degree of skill are not 'gambling' and despite there being an element of chance if a game is preponderantly a game of skill it would nevertheless be a game of mere skill.*"<sup>2</sup>

When we think about it, the first question come in our mind is "What is Gambling?" "Whenever money is put at stake and rest is left to luck, is gambling." Major Economist thinks Gambling is a Consumption Good, where one put a small sum of money in lottery or betting and expecting greater value. Gambling has a different impact on different dimensions such as Economic Dimension, Legal Dimensions and Political Dimension. What is the impact on Government state revenue after legalizing lottery under government laws? All of this will be discussed in this paper. The objective of our term paper is to analysis the present situation of gambling in India, Current laws made to prevent illegal gambling and how illegal gambling put impact on the socio-economic condition.

### **HISTORICAL GROWTH OF GAMBLING IN INDIA:**

Gambling in India has a very long history. The gambling activity has a long and well-recorded history in the country, appearing in many ancient texts. In ancient times they generally do not distinguish between what is game playing and what is gambling. The origin of gambling can be traced back from the epic story of Mahabharata. In which Yudhishtira along with his kingdom lost his four brothers and wife in the game of dice. This is a great example of reckless gambling. The role of gambling in generating revenue is not new, during the time of Kautilya's gambling was regulated by the state in which they charge a 5 percent tax on every winning.

By the 15<sup>th</sup> century, gambling is structured by the king in which he takes the profits of all legalized gambling houses. At that time people used to bet on bullfighting, cockfighting, goats fighting, etc. In some fights of animal, they tied knives on their head to harm each other during the fight. The fight does not end until one animal dies or defeated and then the bet amounts are honored.

Gambling is also more advanced during the emerging of new technologies, especially with the growth of the IT sector. Bets are placed on the lottery by mobile phone, fax and internet. Gambling hosts are linked to each other by networks and transfer of money easily possible through net banking. The stock market lottery has been practiced by television and radio. Gambling on cricket, hockey and football has been possible by satellite-based live telecasts. Many middle-class people watch Television and increase their enjoyment by placing bets over phone or fax. All participants think that their action is personal, private and not socially

---

<sup>2</sup> HelplineLaw.com. (2019). *Gambling in India*. [online] Available at: <http://www.helplineLaw.com/immigration-appeal-and-others/GAMLSI/gambling-in-india.html> [Accessed 4 Apr. 2019].

offensive. Now a day's gambler using a different technology from which they can do online betting from anywhere in the world and it is nearly impossible to trace them.<sup>3</sup>

**RESEARCH QUESTION:** In this term paper I am going to discuss the below mention the questions:

1. Analyses of Major types of gambling prevailing in India?
2. What are the a) the Economic Dimension. b) Legal Dimension with the recent judicial trend.  
c) Political Dimension.
3. What are the present laws which govern gambling in Indian state?
4. What is the impact of gambling in India?
5. How Crime and gambling are interrelated to each other?

**Analysis of the following main four types of gambling prevailing in India:**

### **1. UNDERGROUND LOTTERY:**

An underground lottery is very common in Indian household. They buy a lottery ticket on which there is some number is written when the result is declared if their number matched with that result number then that person announced as a winner of the lottery. Both urban and rural people is used to it. The lotteries are regulated by the government under the Lotteries (Regulation) Act, 1998. After legalizing the lottery the state is able to generate a very good amount of revenue every year. Even revenue data which shows to us is not reliable as half of the lottery is done in an illegal manner which not count in revenue turnover. The lotteries are very popular in the backward class of India. At present, approximately the online lottery markets are worth Rs 10 billion and the paper lottery market is worth Rs 500 billion.

A study of Reserve Bank of India, State finance Report of 2017-18 and 2018-19, show that there is a tremendous increase in states profits from lotteries. The aggregate losses in 2000-01 turned into whopping profits till 2018-19. The revenue generated from Meghalaya in the year 2018-19 is 145 million and in 2018-19 the revenue was 156.1 million. Mizoram revenue in the year 2017-2018 is 125.2 million and in 2018-19 revenue was 135 million. Kerala generates a very great amount of revenue from state lotteries, in the year 2017-18 revenue was 91,969 million and in the year 2018-19 revenue was 111,100 million. Haryana generates very low revenue, in the year 2017-18 and in 2018-19 the amount of revenue is the same 0.3 million. This revenue receipt is

---

<sup>3</sup> Palai, N. (2006). [online] Helsinki.fi. Available at: <http://www.helsinki.fi/iehc2006/papers1/Mishra24.pdf> [Accessed 4 Apr. 2019].

helping the state to increase its budget for public welfare. Legalizing lotteries proved a better decision in favor of state government.<sup>4</sup>

Legalizing gambling is open a set of choice for the consumer to maximize his utility function. Gambling is nothing but a consumer action with some entertainment value attached to it. The person who hosts gambling/lotteries wants to maximize their benefit. They also compete with other gambling/lotteries industries to get a large share of the consumer's disposable income. The consumer on the other side sees it as an action which satisfies his/her desires by making quick money (not earning).

The benefits of making easy money by gambling/lotteries bring with them many challenges for its consumers. The first problem with gambling is that it makes people addicted towards it and consumer not able to control over his/her losses which put them in heavy financial losses, that have a negative impact on his/her economic life. Most of the lotteries are conducted in a backward state, service provider influence them by giving false imagination of making more money, in reality, it makes the financial condition of people worse. The second problem attached to gambling puts a direct impact on Social repercussions. The gambling leads individual to committing crime as they stuck in heavy financial losses, to recover from that they use unlawful means to obtain money. Even sometimes they take a loan at the heavy interest rate and later they became inadequate to repay them, this directly puts a negative impact on the economy. It makes living standards of the poor and lower middle class worse.

## **2. HORSE RACING:**

Horse racing is very prominent in India. It is not illegal in India. Supreme Court held it to be legal in 1996. The first question comes to individual mind is that why horse racing is not prohibited in India rather other types of gambling are illegal to practice? The response to this question was given by the Supreme Court in a case of **Dr K.R. Lakshmanan vs. State of Tamil Nadu**; the Court held that horse racing does not come in the ambit of gambling as it is not defined as gambling under the State legislation. In this leading case law, the court ruled that horse racing is a game which is based on skill and cannot be considered to be a game of pure chance and it is not illegal to bet on horse racing. The Winning of a horse does not completely depend upon chance, but is determined by several other factors such as – adequate training received by the horse as well as his rider (a jockey), pedigree given to the horse, nature of the race, the health of the horse etc. Based on these multiple factors, the horse gets a chance of winning the said race.<sup>5</sup>

The horse racing is regulated by the individual state government under the state regulation act. Some state regulations Act is Andhra Pradesh (Andhra Pradesh Gaming Act, 1974), Maharashtra (Bombay Prevention of Gambling Act, 1867), and Kerala (Kerala Gaming Act, 1960).

---

<sup>4</sup> Rbi.org.in. (n.d.). *Reserve Bank of India - State Finances: A Study of Budgets*. [online] Available at: <https://rbi.org.in/Scripts/AnnualPublications.aspx?head=State%20Finances%20:%20A%20Study%20of%20Budgets> [Accessed 5 Apr. 2019].

<sup>5</sup> Pandey, A. (2017). *Why is betting on horse racing legal in India?* - *iPleaders*. [online] iPleaders. Available at: <https://blog.ipleaders.in/betting-horse-racing-legal-india/> [Accessed 5 Apr. 2019].

In India, the core authority who conduct horse racing is Turf Authority of India. This authority is consist of five main race clubs which are<sup>6</sup>:

1. Royal Calcutta Turf Club at Kolkata.
2. Royal Western India Turf Club, Ltd. racing at Mumbai and Pune.
3. Madras Race Club racing at Chennai and the hill station of Ootacamund.
4. Bangalore Turf Club Ltd at Bangalore.
5. Hyderabad Race Club at Hyderabad

Horse racing also helps the state government to earn a huge amount of revenue annually. Each state has a different tax rate according to their state laws. This revenue helps the government to increase its aggregate revenue. The money obtains from this will be used in the development of different sectors such as Health Sector, Education Sector, Agriculture Sector etc.

For instance, in Karnataka, the rate is 8 per cent and the Bangalore Turf Club, on a turnover of ₹1,926 crore, paid the State government ₹154.10 crore in 2016-17. Similarly, in Telangana, the rate is 7.32 per cent and, on a turnover of ₹1,271 crore, the State got ₹93.10 crore. On the other hand, Tamil Nadu at a high tax rate of 21 per cent, got just ₹7.4 crore on a turnover of ₹35.68 crore.<sup>7</sup>

### **3. SPORTS GAMBLING:**

Sports Gambling became very widespread in India. The people of India saw sports gambling as lucrative to earn handsome amount of money. Cricket betting is very common in an urban area. Cricket gambling has risen from the recent past as the advent of new technology such as the internet, laptop, cell phone etc. provides easy access to do betting. The punter (Customer) would call the bookie to put a bet on a certain team or on a certain player, after results they exchanged the money and later bookie destroy the notebook in which he maintains loose accounts. The IPL matches considered as the best source of earning money in a short period of time. Each IPL match generates approximately 5000 crore rupees of black money. Betting being illegal in India, most of the bookies are using their cars to hide, as in moving cars it is difficult to trace mobile signals so they can easily evade the police.

Match-fixing is also an unlawful activity for which the player is banned from playing the sports for his whole life. As we saw a few years back one incidence of match-fixing in which players like Ajay Jadeja, Azharuddin, and Manoj Prabhakar were all charged with match-fixing. They all have been banned for life. Betting on hockey, basketball, football, badminton matches is very common in India.

---

<sup>6</sup> Ibid.

<sup>7</sup> Somasekhar, M. (2018). *Turf clubs worried over GST 'hurdle'*. [online] @businessline. Available at: <https://www.thehindubusinessline.com/news/sports/turf-clubs-worried-over-gst-hurdle/article9709967.ece> [Accessed 5 Apr. 2019].

Match-fixing is against social norms. People with their family go to watch the match for their entertainment, but when they get to know that match is already fixed, it creates a bad image of sports in their eyes. It also wastes money and time of the spectators. There are many people who are against legalizing sports betting. "People's emotion and their expectation are being traded on. The sport in the game is dead. Rather, it affects the productivity of the people across the country." (Swamynathan, 2010)

#### **4. CASINO GAMBLING:**

The casino is defined as a public room or building in which gambling games are played. In India, the **Public Gambling Act, 1867** prohibits running or being in charge of a public gaming house or a 'Casino'. The penalty for breaking this law is a fine of Rs.200 or imprisonment of up to 3 months.<sup>8</sup> This law empowers the state to make specific laws to allow a casino in their state territory. At present two states and one Union Territory allow for gambling.

Goa was the first state to allow casino gaming. Goa has 10 casinos out of which 6 are land-based and 4 are floating casinos. The government of Goa charges 10 percent tax on these casinos. In December 2015, the Home Ministry Department of India prepares a couple of laws that put a restriction on the local citizen to visit casinos and it also includes the provision regarding the rising of age to 21 for playing casino games. The largest casino of India is in Daman & Diu.<sup>9</sup> According to the Goa, Daman and Diu Public Gambling Act, 1976, casinos can be set up only at five-star hotels or offshore vessels with the prior permission of the government.

Sikkim was the second state to allow a casino. Sikkim has two casinos. The Goa state government charges the fees to casinos to operate in their state. In the same way Daman & Diu and Sikkim charge fees in their respective annual budget.

<sup>10</sup>The fees charged by Goa consist of:

##### 1. Fees of Renewal of License:

- a) Onshore / land-based casinos: 30 lakhs
- b) Off-shore Casinos: 30 lakhs

##### 2. Annual Recurring fees for Casinos :

- a) Onshore / Land-based casino

Area	Fees
Up to 100 sq. m.	4.00 crores
Above 100 sq. m. up to 300 sq. m.	5.00 crores

<sup>8</sup> Aggarwal, N. (2017). *Are Casinos Legal in India*. [online] iPleaders. Available at: <https://blog.ipleaders.in/casinos-laws-india/> [Accessed 6 Apr. 2019].

<sup>9</sup> *Supra* note 2.

<sup>10</sup> Goa.gov.in. (2017). *Annual Budget*. [online] Available at: <https://www.goa.gov.in/wp-content/uploads/2017/03/Budget-Speech-2017.pdf> [Accessed 6 Apr. 2019].

Above 300 sq. m. up to 500 sq. m.	5.50 crores
Above 500 sq. m.	7.00 crores

## b) Offshore casino

Passenger capacity of a vessel	Fees
Up to 200	10.00 crores
Above 200 up to 400	11.00 crores
Above 400	12.00 crores

**ECONOMIC DIMENSION:**

Gambling Industry has an important Economic Dimension. It serves two purposes, first it provides entertainment to people and it also provides them the other way to invest money in the market, which can provide them a greater return in short span of time. Second, it provides an opportunity to state government to raise their revenue by legalizing gambling under their regulation. It also provides employment to many people in casinos and lottery centre, employment generate income for them, which indirectly decrease the crime rate as people will stop using unlawful means to generate income. Employees will spend their income in the local market, causing more business and more income for grocery stores, clothing stores, and this will lead to the formation of the business cycle. Earning a good income also raise the standard of living, this directly puts a positive impact on the economy.

Calculations from an RBI report, 'State Finances -A study of Budget 2018-19, show that there is a tremendous increase in states' profits from lotteries and casinos. The revenue generated from legalizing gambling such as lotteries and casinos is used in the welfare of the public sector, such as Education Sector, Health Sector and Agriculture Sector. Gambling is an entertainment product for the consumer. It has an entertainment value. The entrepreneurs want to maximize their gains and compete with other gambling industries to get a share of the consumer's disposable income. The consumer on the other side views it as an activity yielding utility.

There are problems which affect the economy due to gambling. One main problem is related to financial loss to the gambler which often resorts him to the crime in order to pay debts, appease bookies, and garner more money to gamble. Several descriptive studies have reported widely ranging estimates of the proportion of pathological gamblers who commit offenses and serve prison terms for such offenses as fraud, stealing, embezzlement, forgery, robbery, and blackmail. Gamblers take a large sum of money from the bank for gambling, later they not able to repay

loans money, which causes a negative impact on the economy, due to which money supply decrease in the economy which cause a recession in the economic trend.<sup>11</sup>

### **LEGAL DIMENSION:**

There are many laws which are governing lottery and other gambling activities in India. There is one common Act in India, which is **the Public Gambling Act, 1867** it gives legal validity to certain types of gambling. In India enforcement of the law is the main challenge of controlling illegal gambling. As this Public Gambling Act is old, it doesn't include the laws related to online gambling and international gambling. Under Entry 34 of the State list of Constitution of India, it gives power to each State to legislate any laws related to gambling activities. The literal interpretation of this Act gives enough power to the police officer to harass people and to conduct raids at an illegal gambling place. Certain times police officer raids gambling places only to extort money.

Many prominent people of India are involved in gambling and they are strictly against making it completely illegal. The laws which currently in enforcement to curbing illegal gambling are mostly neutralized by these prominent people by doing corruption. Gambling activities day-to-day becoming more widespread in society. At present gambling is done by rural, urban, rich and poor. Laws are improbable to succeed in controlling the widespread of these illegal gambling.<sup>12</sup>In 2008 the payment and settlement Act, 2007 was enforced which gives authority to the Reserve Bank of India (RBI) to regulate all forms of electronic payment.

The state has two major arguments in outlawing these gambling activities, a) the state has a duty towards each individual to protect him from doing self-damage. b) These gambling activities put indirect effects on poverty and crime. On this second argument, there are fewer consensuses on making gambling criminalized. A large number of people participate in it which shows social great acceptance by people. One approach is to make it illegal and suppress it effectively. The Owner and players should be penalized by fines or jail terms. The other approach is to admit that suppression is too difficult because the costs Outweigh the gains.

### **Recent Judicial Trend:**

1. "<sup>13</sup>In case of **Shri Varun Gumber vs. UT of Chandigarh & Ors, 2017** the High Court of Punjab and Haryana became the first and only Indian court to rule fantasy sport to be predominantly skill-based. The plaintiff in this matter was registered as a player with the

---

<sup>11</sup>"The Economic and Social Effects of Casinos." *Gambling: What's at Stake?*. Retrieved March 13, 2019 from Encyclopedia.com: <https://www.encyclopedia.com/reference/social-sciences-magazines/economic-and-social-effects-casinos>

<sup>12</sup> Ssrana.in. (n.d.). *Gambling Laws in India*. [online] Available at: <https://www.ssrana.in/Intellectual%20Property/Gambling-laws/Gambling-laws-in-India.aspx> [Accessed 6 Apr. 2019].

<sup>13</sup> Desai, N. (2018). *The Curious Case of the Indian Gaming Laws*. [online] Nishithdesai.com. Available at: [http://www.nishithdesai.com/fileadmin/user\\_upload/pdfs/Research%20Papers/The\\_Curious\\_Case\\_of\\_the\\_Indian\\_Gaming\\_Laws.pdf](http://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research%20Papers/The_Curious_Case_of_the_Indian_Gaming_Laws.pdf) [Accessed 7 Apr. 2019].

respondent company, Dream 11 Fantasy Private Limited (“Dream 11”). He lost his bet of INR 50,000 while playing fantasy sports tournaments offered by Dream 11. The plaintiff moved Court alleging that fantasy sports were not based on skill and that Dream 11 was carrying on business covered within the definition of ‘Gambling’ under the Gambling Legislation applicable to the state of Punjab.

The Court relied on the Supreme Court’s decision in *K.R. Lakshmanan v State of Tamil Nadu*, which had held that betting on horse races was a game of skill. The Punjab and Haryana Court construed that the SC had held that competitions in which success depended upon a substantial degree of skill were not gambling, and despite there being some element of chance if a game was preponderant of skill, it would be a game of ‘mere skill’.

The Court reasoned that playing fantasy sports required the same level of considerable skill, judgment and discretion. Hence, it was held that the element of skill predominated the outcome of the fantasy game and fantasy games were of “mere skill” and could not amount to gambling. Pertinently, the Punjab and Haryana Court also held that since fantasy sports did not amount to gambling, Dream 11 was conducting a business activity protected under Article 19(1)(g)7 of the Constitution.”

2. <sup>14</sup>In the case of **Bimalendu De vs. Union of India & Ors.**, the legality of the popular show *Kaun Banega Crorepati* (“KBC”) was an issue. A Public Interest Litigation was filed before the Calcutta High Court requesting that the game show KBC (a game show based on the format of popular British show ‘Who wants to be a Millionaire’) and *Jackpot Jeeto* be prohibited from being telecast on television on the grounds that the same amounted to gambling, and were hence prohibited under the laws. The court reviewed the provisions of the West Bengal Gambling and Prize Competition Act, 1957 (which has an analogous provision to the Prize Competitions Act) and held that game show did not fit within the definition of a ‘prize competition.’”

### **POLITICAL DIMENSION:**

Gambling in India has an ambiguous political dimension. It is integrated with the power of politician, police and bureaucrats. In Country like India, there is no quick answer to any social issue. On every social issue, citizens have divided opinion. On the issue of legalizing gambling, some firmly argue that these kinds of activities must be criminalized, on the basis of ethics and morality while others argue to decriminalize these activities on practical ground. Particularly casino gambling is made legal in Goa, Sikkim and Daman and Diu to reduce corruption, as the earlier police officer was blackmailed them and obtain a heavy amount of extortion money. Now, these casinos generate a large amount of revenue receipt for state government.

The main point is that many people appreciate that branding an activity as a criminal, but then failing to suppress it effectively creates a high profit in terms of black money. The profits have a

---

<sup>14</sup>Desai, N. (2018). *The Curious Case of the Indian Gaming Laws*. [online] Nishithdesai.com. Available at: [http://www.nishithdesai.com/fileadmin/user\\_upload/pdfs/Research%20Papers/The\\_Curious\\_Case\\_of\\_the\\_Indian\\_Gaming\\_Laws.pdf](http://www.nishithdesai.com/fileadmin/user_upload/pdfs/Research%20Papers/The_Curious_Case_of_the_Indian_Gaming_Laws.pdf) [Accessed 7 Apr. 2019].

distorting impact on law enforcement and on politics. This will be creating doubt of distrust towards police and politician. It is impossible to suppress or control the illegal economy as long as its income flows are so important source for some police officers and for the funding of politics. It is also difficult to raise public support for legalization as long as police and politicians are viewed with public distrust. The starting point must be reformed, which reduce the scope of money politics which totally improve the police. The pressure of such reforms must come from below, from the people, as it is unlikely to come from the above.

### **CRIME AND GAMBLING:**

Crime and illegal gambling are very much related to each other. They both have one common characteristic which is that; they both are committed against the law. The problem of gambling not directly lead to crime, it first turns into financial losses, then into depression, in that depression to repay that financial loss person commits the crime. (As shown in below figure).

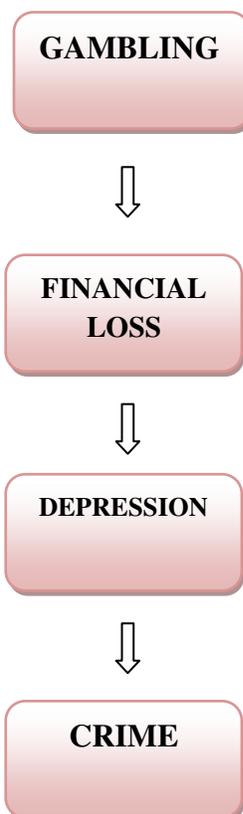


Figure: Relationship of Gambling to financial troubles, depression and crime.

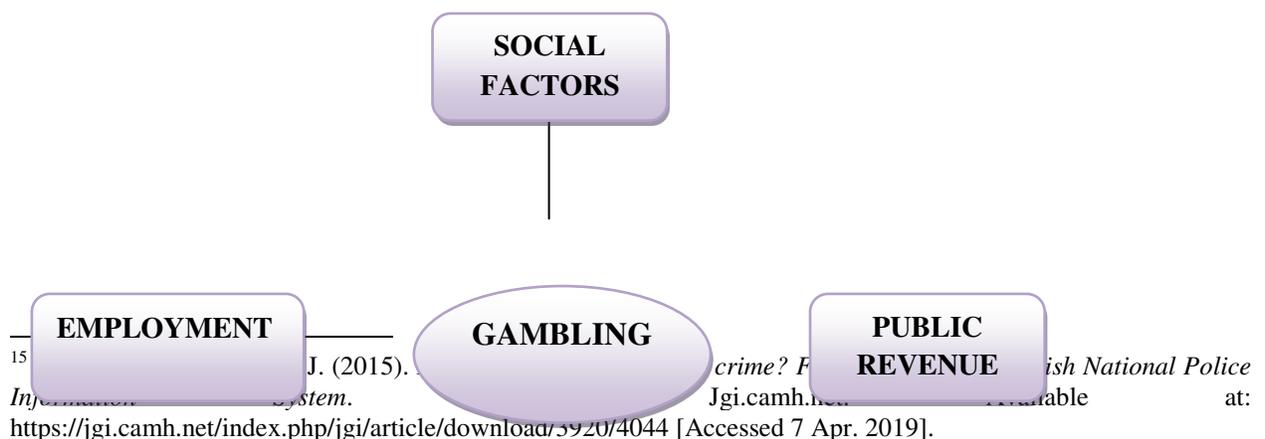
The gambler needs money not only for gambling but also for his basic necessities for living. However, the money gained through criminal activity only accelerated gambling. In most of the property crimes, the majority of the stolen money was consumed by gambling. The money, therefore, did not to serve either to solve the financial trouble or to maintain a certain desired means of life. This cycle continued as long as the opportunity for the crime remained, and or person was not caught.<sup>15</sup>

**CONCLUSION:**

There is a huge market of gambling in India, but most of the fall in an illegal domain. This term Paper starts with five research question, which all are answered. Our main aim of the study is to gain more knowledge about the different types of gambling, how they practised in India and what are the positive and negative impact of it on the economy. This term paper also includes the deep study of economic, political and legal dimension with recent case laws and briefly it also discussed the relationship between the gambling and crime. This term paper also comprises of laws under which the gambling is conducting. Every state has the power to make laws and Acts to control gambling in their territory.

From the economics perspective, our main aim of this study is to decide all the economic factors that are important to be considered when studying the effect of gambling in the country. The three main factors which directly get impacted due to gambling are Social factor, Employment and Public revenue.

1. Social Factors: The availability of casinos and lotteries increase the suicidal thoughts in the mind of gamblers when he/she is in depression this further increase the mortality rate, on other hand casinos and lotteries generate employment and income, which increase the economic well being of person, this lead to decrease in the mortality rate.



- 
2. Employment: After legalizing the lotteries, casinos and horse racing by the government, it generates great employment opportunity for tribal population. Providing employment can keep them away from other unlawful activities which they commit to fulfilling their basic needs and it further helps to decrease the crime rate in the country.
  3. Public Revenue: Casino and lotteries businesses are subject to taxation and therefore have a direct impact on public revenue. Insofar as casinos generate additional business income as casino owner annually has to pay a certain amount of money for usage of land and they also have to pay renewal fees for their licensee annually, this directly increases the state revenue. Casinos might indirectly affect public revenue as well.

The government can make gambling more effective by enforcement of proper laws to legally regulate it and Complaint filed by citizen related to gambling fraud must be treated like other frauds. Private agencies should publish data about gambling activities which make people aware of the frauds. The persons should do gambling only after acquiring the proper information about the casinos in which he/she going to invest.

At last, a major issue common across all forms of legalized gambling is the efficiency costs associated with the established market structure. Any explicit limitation on entry into a market imposes a deadweight economic loss on society. Future research should investigate the consequences of this market structure for consumers. Many important economic issues remain to be studied and additional rigorous research is needed. The issue of substitutability across gambling types has been widely addressed in the literature but is still not entirely cover.<sup>16</sup>

---

<sup>16</sup> Tanksali, A. and Dubey, A. (2013). *Legalized Gambling: Socio-Economic Impacts*. [online] Ijsr.net. Available at: <https://www.ijsr.net/archive/v5i8/ART20161130.pdf> [Accessed 7 Apr. 2019].

