
INTERNATIONAL JOURNAL OF ADVANCED LEGAL RESEARCH

**THE LEGAL GAMBLE: ANALYSIS OF LAWS REGULATING
SPORTS BETTING IN INDIA**

- Karansinh M. Gohil¹

Abstract

This research paper provides a comprehensive analysis of the legal landscape surrounding sports betting in India, with a particular focus on its historical roots, legal frameworks, and the challenges posed by match-fixing and unregulated gambling. Sports betting in India has evolved from ancient practices, as seen in the Ramayana and Mahabharata, to a rapidly expanding modern industry enabled by technological advancement and growing sports popularity. However, the legal stance on betting remains fragmented, with differing regulations across Indian state. The paper delves into the dichotomy, exploring how this distinction influenced the legality of various betting activities. It discusses the outdated yet still relevant public gambling act of 1867 and highlights how states like Sikkim and goa have legalized specific forms of gambling, while others continue to enforce prohibitions.

The paper also explores the broader implications of sports betting, including its link to organized crime and match-fixing, which compromise the integrity of sports. Comparative analyses with international jurisdiction such as the United States, Europe, and the Middle East reveal how legal reforms, and regulatory frameworks have successfully integrated sports betting into mainstream economic systems. These international models demonstrate the potential benefits of legalization, including significant revenue generation, job creation, and crime reduction.

In conclusion, the paper argues for a more unified and progressive legal approach to sports betting in India. Legalization, accompanied by stringent regulations and transparency measures, could mitigate the adverse effects of illegal betting and match-fixing, foster integrity in sports, and contribute to economic developments. This study suggests that a well-regulated betting market, informed by global best practices and adapted to India's unique socio-legal context, offers a promising path forward.

¹ UG Student of Navrachna University.

INTRODUCTION

Sports betting is predicting sports results and placing a wager on the outcomes. It requires betting money on several possible outcomes in sports events, like which team will win the toss, and which team will win a match, on the final score, or any particular events within the games, like which player will hit the first boundary, or which player will score first. Bettors can place bets with friends, through bookmakers, or illegally through privately run enterprises known as bookies. Sports betting in many countries has evolved from simple bets between friends to a huge global industry. All these changes happen due to modern technology, new laws, and gambling being a normal activity. Sports betting can be played online and offline. With the help of technology and the increasing popularity of sports like cricket, football, kabaddi, etc., betting on sports has rapidly increased in India.

In 2017 Supreme Court decided to think about the legalization of gambling and betting, which are prohibited and punishable as per Indian laws. The reason behind this decision is that India loses money due to unregulated betting. It has been estimated that if betting were legal in India, then it would be helpful to India and it would generate revenue of around 12000 crores. If the government legalized betting in India, then corrupt activities like match-fixing and harmful betting would stop in India, and it would also provide credibility because nowadays the government would have more power and authority over sports.

Match-fixing and sports betting are interconnected for reasons like financial gain, easy targets, crime involvement, integrity of sports, global effort, involvement, and technology. People fix the matches to earn money from the betting, and they know what will happen in the ongoing match, which player will perform well. They know the result of the match and place money to win a big amount of money. Some kinds of bets, like in small sports events, are very easy to fix for the outcomes. Some organized crime groups frequently fix the match and place bets to earn money. Match fixing and sports betting damaged the trust in sports. Organizations and countries are working together to stop the match-fixing. In fixing the match fixers can't earn so much money because if they want to fix the match, they have to give money to players for not performing in a match, but if they want to earn a high amount of money, then they have to place bets on the fixed match. Match fixing is a situation where a player or players do not perform well in a match for personal benefit or money. Players perform in such a way that the selected result is achieved, which is totally against the ethics and sports spirit. Also, players try to lose the match, make opponents win, and undermine the trust of fans. Players also manipulate the results of games for financial gain. In match-fixing,

there is spot fixing, match outcome fixing, point shaving, over-fixing, etc. Spot-fixing is to manipulate specific movements in-game, and it is very difficult to detect. An example of spot-fixing is a bowler deliberately bowling a no-ball or wide ball in cricket, and similarly, in football, players receive red or yellow cards with the intention. In match outcome fixing, the final result of the game is predetermined, and players play accordingly. In this type of fixing, more than one player or even a whole team is involved in fixing. This type of fixing has a very low chance of fixing the match. In point-shaving, players manipulate the score margin in a match. This can be done in basketball, rugby, and football. For example, a player intentionally misses the shots to keep a score within a particular range. In over-fixing player gives several runs, which is predetermined. The bowler intentionally gave more runs in an over.

HISTORICAL BACKGROUND OF SPORTS BETTING IN INDIA

Sports betting is a debatable topic in India because it balances the potential sources of revenue and concerns over its social impact. Sports betting in India is complex and multifaceted, with judicial interpretation, various laws, and specific state regulations within the overall framework. In this chapter, I will examine and discuss the legal framework, legal provisions, landmark cases, and the Indian sports betting industry.

It is hard to identify a specific civilization or individual as the originator and developer of gambling because so many forms of gambling have been in societies all over history. In ancient China, Egypt, Greece, and Rome games of chance were played. The casting of lots, which involved drawing straws and throwing dice to predict the winner and loser was the earliest form of gambling. Games like pai gow and keno, a lottery-like game, were the popular forms of gambling. During the Middle Ages, card games like poker and baccarat came into view in Europe². Online casinos were developed in the United States and Europe in the 19th century. Games like slot machines, blackjack, and roulette were played in casinos and were popular at that time in casinos. In today's era, sports betting and gambling are a multi-billion-dollar industry, with online casinos, lotteries, gambling websites, and sports betting websites being played all around the world. Sports betting and gambling can be addictive for many people, and they can lead to financial problems.

² 'A Brief History of Gambling In India' (13 April 2023) <<https://localhistories.org/a-brief-history-of-gambling-in-india/>> accessed 27 March 2025

It is believed that the history of gambling has existed in India for a very long time. In Ramayana, gambling boards like chess and gambling with dice are described. Dice gambling was referred to as 'devana', while board gambling is 'aksa'. In 2500 BC, betting by spinning the dice was the first mention of betting. Mahabharata was India's second most famous and popular epic in Sanskrit, and in Mahabharata, the negative aspect is revealed. In Mahabharata, Shakuni organised a dice game with Yudhishtira and cheated him out of his kingdom and wealth. After losing all his things in the game of dice, he also gambled his brothers, himself, and his wife into servitude. The dice was handmade and it was made with terracotta stone, so I was playing with it³.

For many people, sports betting is a pastime activity, but other people use it to predict the game's outcome for thrill and money. Betting is legal in some of the states of India, but in some of the states still betting is still illegal, and some states give permits for horse racing and lotteries. The government of India is now welcoming sports betting in India because it will generate revenue for many people and in India's economic growth. In India, many people earn money from sports betting, but it is still a controversial topic in India because the government of India cannot classify it as a game of skill or a game of chance. Popular games like cricket, football, and hockey fall under the category of sports betting, but horse racing is different, and it does not fall under the same category⁴. India is a sports-loving country, though the increase of sports betting is also very popular in India. The gambling industry in India is expanding due to complex legislation and inappropriate state rules and regulations. The Public Gambling Act was passed before the current era.

Sports Betting in Ancient Literature:

1. The Ramayana

During this period, people had a lot of interest in games. Ayodhya, Kishkindha, and Lanka are three popular places that were considered as centres of many games. Horse riding was also very popular. Hunting was considered a Royal sport. Swimming was very popular, and it was believed that Ravana had a great Swimming pool in Ashok Vatika, which he used as a sport. Dice Gambling was also very famous. Chess was also believed to have been developed during this period. India is considered as homeland of Chess. Women used to play ball games.

³ Suhasini Reddy, 'The Indian History of Gambling where it all began...' The Hans India (Hydrabad, 17 May 2019)

⁴ 'Sports Betting in India – A Quick History Lesson' (Techstory, 8 February 2022) <https://techstory.in/sports-betting-in-india-a-quick-history-lesson/#google_vignette> Accessed 28 March 2025

2. The Mahabharata

During this period, gymnastics was very famous. Wrestling, jumping, arms contracting, and animal hunting were a few of the famous sports from this period. It was believed that Shree Krishna used to play ball games with maidens on the Yamuna river banks. Bhima used to play Gullidanda, which is very similar to modern-day cricket. Yudhistar had a great love for the game of Dicing, and it is very much known that he lost his kingdom, brothers, and wife in this game. Water sports were also popular. Bhima was considered a great swimmer, as was Duryodhana.

In the period of Rigveda, Ramayana, and Mahabharata, men used to love racing, swimming, archery, as well as hunting. Remains at Mohenjo-Daro confirm that during the Indus Valley civilisation, bows and arrows, the axe, and the mace were used in war during that period.

3. Buddhist and Jain Literature

Chess was found to be mentioned in the Jainism texts. It was also found on the campus of Nalanda. Gambling dice in Buddhist sites were also found in excavations. Swimming was also popular when the Viharas offered the pleasure of bathing in pools. Also, boxing was quite famous in this era. With Buddhism growing, Indian sports also peaked at that time. Gautama Buddha himself was believed to be a master of archery and chariots.

4. Jataka Stories

Archery was also popularised in the Jataka Stories. As per the Bhimsena Jataka, Bodhisattva learned to play Archery at Takshila. Jataka stories also mention the popularity of Wrestling. Garden games as well as water sports are also mentioned.

5. Hindu Period

Nalanda and Takshila evolved during this period. Nalanda was famous for swimming, yoga, and breathing exercises. While Takshila was known for Wrestling, archery, and military training. Gupta Dynasty's Harshavardhana was a great sportsman. The Pallava ruler, Narasimha Mamallah, was also a very good wrestler. During this period, Women used to play Archery a lot. The same can also be seen from the Ahicchatra images. Hunting, ram fighting, and elephant fights were also among the other popular sports of this period. In Manasollasa, weight lifting and walking were emphasized by Someshwara. Both these games are now played in the Olympics. Hieun Tsang and Fa Hien - the two famous Chinese travellers mentioned all the sporting events. Students of Nalanda and Takshila used to play running, wrestling, swimming, and sword-fighting as sports during that period.

6. Mughal

During the 16th Century, a Portuguese ambassador mentioned the different popular sports venues during that time. Krishnadevraya, the King in that period, was a very good horse rider and ace wrestler. The Mughal emperors were great hunters of wild animals and were very good at wrestling. The Red Fort, as well as the Agro Fort, were also popular venues for wrestling during the period of Shahjahan⁵.

RULES AND REGULATIONS REGARDING SPORTS BETTING AND GAMBLING IN INDIA

1. Game of Chance vs. Game of Skills:

Gambling and sports betting could be recognized in traditional and modern forms. The traditional forms of sports betting concentrate on bricks and physical spaces, while modern games involve the internet, computers, and mobile phones. Games of skill will be excluded by gaming legislation from the statutes of gambling. In legislation, games like Rummy and horse racing are considered a game of skill. A game of chance is a game where the final result is determined by a random number generator, in which the bettor may choose to bet money on that result. In the game of skill, a person places a bet on a result that comes out of the person's skill, the best example is betting on horse racing. Many times, Indian courts get confused about games like poker and Rummy, whether these games are games of skill or games of chance. In the Indian court, there is a lack of ambiguity about the game of poker. Presently, in India, with the increasing trend internationally considering poker as a game, not a game of chance. Poker is considered a game of chance in the states of Gujarat and Telangana, as per the case of Dominance Games Pvt. Ltd. V. State of Gujarat & Ors in 2017⁶. In this case, the Gujarat court held that conducting a poker activity and poker is a game of chance is illegal and prohibited under Gujarat gambling legislation, and also held that poker is not a game of skill⁷.

2. The Public Gambling Act 1867.

⁵ Punam, 'History of Games and Sports in India' [2015] 6

⁶ Dominance Games Pvt. Ltd. v. State of Gujarat & Ors. [2017] 3 SCC 727

⁷ Abhimanyu Chopra and Aman Chaudhary, 'A Game of Skill or Chance? Navigating the Indian Online Gaming Landscape' (Chambers and Partners 17 July 2023) <<https://chambers.com/legal-trends/landscape-of-online-gaming-laws-in-india>> accessed 29 March 2025

The main objective of the Public Gambling Act of 1867⁸ was to prohibit gambling in India because gambling is the primary cause of match-fixing. The Public Gambling Act, also known as the general law, governs campaign gambling in India. If there were no gambling, then there would be no match-fixing. This law makes operational gambling, visiting a gambling house, funding gambling, and having possession of a gambling device a criminal offence. It is a state legislature under the constitution of India. Every state has the power to make and regulate laws of sports betting within its state. The penalty under this act is up to two hundred rupees and imprisonment up to three months. This law has some exceptions that hamper its gambling applications. Section 12⁹ of the act states that in those games where mere skills are involved then this act does not apply. Gambling is legal where the games of ability are involved in the absence of other laws. The Supreme Court declared the definition of 'mere ability games' in judgment because the competition requires a substantial degree of ability. Racing and Rummy are games of ability. Lotteries are also legal in India under the Central Lotteries Regulation Act 1998, but there is a limit of 1 draw per week. This power has been given to some states of India, but the state misused this power, believing they would create their laws¹⁰. To date, many states have their laws for gambling, whereas in thirteen states, lottery has been legalized, and states like Goa and Sikkim have legalized different forms of gambling and sports betting. Diu and Daman have legalised casino gambling with electronic slot machines and table games in some five-star hotels under the Daman and Diu Public Gambling Act 1976. In Sikkim, the Control and Tax Rules 2000 offer the government of Sikkim the authority to grant licenses to people and businesses that engage in operative casinos. By the method of license, people create specific gambling houses in the city for sports betting and gambling. The following are the state-wise legislations.

3. Online Gambling Laws:

The internet has allowed a vast range of sports betting and gambling options. Nowadays, people can place a bet on high-level sports competitions and offer a wide range of variety in gambling and sports betting. Also, through the internet, bettors can easily place bets on any sport from any place, and it is easy for bettors to place bets from various locations worldwide. Organized crime makes use of sports betting and gambling opportunities and deficiencies in the sports movements to launder money. Nowadays, cyber criminals use worldwide pc

⁸ Public Gambling Act 1867

⁹ Public Gambling Act, s 12

¹⁰ Sanju George, Richard Velleman, Benedict Weobong, 'Should Gambling Be Legalized in India?' [2021] 163, 167

networks and base themselves on legal tax to avoid the detection of key shareholders of betting companies. Some cyber criminals place bets on European soccer clubs and the European Champions League on the web with Asian bookies¹¹.

LEGAL FRAMEWORK OF SPORTS BETTING IN OTHER JURISDICTIONS

Sports Betting Around the World:

The sports betting market will be worth nearly \$200 billion in 2019. The marketing of sports betting and promotion of sports betting were more in Australia and the United Kingdom. Other countries also do marketing and promoting sports betting, but it is more in these two countries. Gambling rates were greatly increased due to sports betting, with social and psychological difficulties similar across the country. Gambling and sports betting involve bets on competitions, races, card games, event outcomes, lotteries, etc. The definition of betting is to make, accept, or place bets on the outcomes of the events. The state-run lotteries are legal and permitted in China. Bettors who place a bet during the ongoing match or events are also permitted. Results are unpredictable in the world of sports betting and gambling, and because of this nature of sports betting, it creates a question in the human mind: who will win and who will lose? To answer this is very difficult before the event is out, but betting is a form of gambling only where bettors place their bets on their prediction of the outcomes of the games. Sports betting and gambling are happening in many countries, and bettors can also place bets online or offline. Betting can influence the players to predict the outcome of the games or events and win the wager amount, so the legality of sports betting is crucial. Because of sports betting and gambling, the question was raised on sports ethics and particularly on sports betting. The question is whether sports betting is legal or justifiable under the law.

1. Sports Betting in the United States of America:

The legal landscape of sports betting in the United States has significantly changed in recent years. The shift from federal prohibition to state-level regulation has created a diverse and evolving legal framework. The United States established the Professional and Amateur Sports Protection Act (PASPA) in 1992. This act prohibited sports betting in most states, except for those already legal like Nevada, Delaware, Oregon, and Montana, in the case of *Murphy v. NCAA*¹², 2018. PASPA also prohibited private entities from operating sports betting under

¹¹ Mayank Shekhar, 'The Legality of Sports Betting in India' [2024]

¹² *Murphy v. National Collegiate Athletic Association* [2018]

For general queries or to submit your research for publication, kindly email us at ijalr.editorial@gmail.com

<https://www.ijalr.in/>

state law. In 2011, New Jersey voters approved a referendum to legalize sports betting. In 2012, the state legislature passed the Sports Wagering Act, allowing sports betting in casinos and racetracks. The NCAA and major professional sports leagues like the NBA and MLB sued, arguing that the law violated PASPA. New Jersey responded by arguing that PASPA infringed on state rights under the Tenth Amendment. The court gave judgment in favour of the NCAA, upholding PASPA¹³ as constitutional. Then New Jersey appealed in the U.S. Supreme Court. The issue involved in this case was does PASPA violated the Tenth Amendment by commandeering state legislatures to enforce a federal prohibition on sports betting. After the Supreme Court struck down PASPA as unconstitutional. The court said that the Tenth Amendment prohibits the federal government from directing state legislatures to enact or enforce federal laws. PASPA effectively dictated what state laws could or could not permit. Since PASPA's repeal, over 30 states which including Washington, D.C., have legalized sports betting, either through online platforms, retail sportsbooks, or both. The Wire Act of 1961¹⁴ prohibits the use of wire communications to transmit betting information across state lines. The Enforcement Act of 2006 prevents financial institutions from processing payments related to unlawful online gambling but permits state-regulated sports betting platforms.

2. Sports Betting and Online Gambling Markets in the Middle East & Africa:

In the Middle East and Africa, sports betting and gambling have been growing at a nominal rate. In 2018 sports betting market was 1.85 billion dollars, and it has increased to 2.2 billion dollars in 2022. In 2018 casino market was 0.91 billion dollars, and by 2022, casinos reached 1.07 billion dollars. Also, people in the Middle East and Africa play poker very much. Poker increased from 0.2 to 0.22 billion dollars, and bingo increased from 0.3 to 0.35 billion dollars. Sports betting and gambling markets are expected to grow at 12.1% from 2021 to 2026. Increasing Developments are seen in the Middle East and African Gambling Market. The main reason for the same being said, one thing we can agree on is that post-Covid'19, there have been more online gaming accounts. With high returns in COVID-19 contingencies, many services have started offering Incentives, Discounts, and Cost Waivers in Dubai, United Arab Emirates. The rise of the gaming industry in the UAE has been inevitable as consumers from every stream expect this to also pay off in increased sales and investment returns from local production games. In this respect, it is a very diversified area in

¹³ *Professional Amateur Sports Protection Act 1992*

¹⁴ *Wire Act of 1961*

terms of spending. In short, the average gamer in a country is projected to spend USD 115 annually.

3. Sports Betting and Online Gambling Market in Europe:

Europe's online gambling and betting market has grown between 2018 and 2022. The region of the sports betting market that grew at a good pace was 'APAC ', and it had the largest share in 2017, which surged from \$9.62 billion to \$12.94 billion. It climbed to 6.32 billion from 4.75 billion in the year 2022, the casino is expected to be worth billions of dollars in market size, and the second-highest-growth sub-category within it. In the five years between 2018 and 2022, the Poker market grew by +0.26 billion & Bingo market grew at compound annual nominal growth rates (%) of 0.50 billion us dollars. The main factors fuelling growth in the European market are that consumers favour online platforms because they enhance trust and authenticity, removing fictitious operations. Looking ahead, the market is expected to expand at a CAGR of 7.6% during the forecast period starting from 2023 and ending in 2028, reaching US\$ 59.0 billion. Mobile solutions, blockchain technology, and VR became attractive for online players in Europe along with their expansion on the continent. Research Reflects Positive Economic Impact; Online Gaming Revenue Bump Crucial part and parcel of this move from card games at home to online gaming. Increasing hardware and software innovations coupled with the number of mobile application offerings on online platforms are set to foster the growth of the European Market over the upcoming years¹⁵.

CONCLUSION

Looking at overseas betting and gambling markets, they can move the need on numerous factors that influence them positively. This could lead to higher yearly profits for gambling companies and increased tax revenue for governments in all five regions of the world. The gambling industry also fuels other industries. It enhances tourism and overall growth with additional job opportunities and infrastructural development for the nation. Online sports betting and conventional online gambling services, such as lotteries and casinos, merge very well to provide huge benefits for entire national economies. Factors such as the disposable income of the people, consumer spending index, and inflation affect investments in agriculture and industry sectors over decades without destroying biological crops; online penetration collectively decides how much potential earning is available by legalizing betting in detail.

¹⁵Aman Apte, 'Impact of Betting Legalization in India' [2023] 5

For general queries or to submit your research for publication, kindly email us at ijalr.editorial@gmail.com
<https://www.ijalr.in/>