

Enforcement Directorate Summons Actor Ranbir Kapoor

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Why in News?

- The Enforcement Directorate summoned actor Ranbir Kapoor in connection with the Mahadev online betting case.
- He has been asked to appear before the ED for promoting illegal online betting and gaming platform.

Background:

- According to the Enforcement Directorate, Mahadev Online Book provides online platforms for illegal betting in different live games such as poker and other card games, chance games, cricket, badminton, tennis, football and others.
 - It even provides an avenue to bet on different elections in India.
- Its main promoters, originally from Chhattisgarh, are based out of Dubai, and may have amassed as much as Rs 5,000 crores through the platform.

Central Laws Related to Gambling/Betting in India:

- Under the **7th Schedule of the Constitution**, the state governments have the exclusive power to enact their own laws on Gambling/Betting for their own territory.
 - However, the **Public Gambling Act, 1867**, a colonial-era statute still in force, has been adopted by several states including Uttar Pradesh, Madhya Pradesh and Delhi.
- Other states have enacted their own pieces of legislation to regulate Gambling/Betting related activities within their territories.

Should Gambling/Betting Be Legalised Across India?

• Arguments in Favour of Legalisation -

- Legalising gambling will not only help in breaking off sources of black money but it will also **generate a good amount of revenue for the state exchequer**.
- The unaccounted money earned from gambling activities is managed by the criminal syndicates which are spent on nefarious activities like **terror financing**.
- Legalising gambling will not only put a halt on it but also the money generated from betting and gambling **can be used by the authorities for various constructive social schemes**.
- In a large country like India, a legal and effectively regulated gambling sector will **generate large-scale employment opportunities**.
- In sports events like cricket, people tend to bet on it and the majority of time players go for fixing the matches, even though betting on it is illegal in India.
- If betting gets a legal permit, then there will be more transparency in such activities and **it will also curb fixing of the matches** as it will create a sense of fear of getting caught among the players and bookies.

• Arguments Against Legalisation -

- Gambling is **morally wrong and is not ethically correct** in the Indian context.
- It is one of the reasons for bankruptcy, addiction, loss of livelihood, divorce, crime.
- Legalised gambling hurt and **destroys those who are poor and disadvantaged people of the society**.
- If gambling were illegal, then it would be difficult for the gambling industries to openly promote their casinos, lotteries, or any other gambling activities and exploit these people.

- Since gambling is portrayed as something clean and a way to earn money quickly, **it attracts young people, who eventually become gambling addicts.**

Way Ahead:

- The **276th report of the Law Commission of India** talked about the possibility of legalising gambling in the whole country with some rules and regulations.
- But the legalisation of gambling in a large country like India is not an easy task.
- The Government has to take certain measures before legalising Gambling in India:
 - **State list to Concurrent list-**
 - Firstly, there would be a need to make an amendment to the Constitution regarding gambling as it is under the purview of the state list.
 - So, it should firstly, be put under concurrent list so that the Parliament can legislate on the subject without facing any hindrances.
 - **Restrict the Number of Transactions -**
 - To protect the interest of people and to prevent any harm, the government should restrict the number of transactions that can be made in a specified period.
 - Also, there should be a check upon the stakes involved by linking the accounts with either PAN/AADHAAR card.
 - **FDI in Gambling-**
 - To prevent financial burdens on the states who wish to permit casinos and other gambling activities, the government should allow FDI in this sector.
 - So, that investments can be made in the respective states for the infrastructure etc.
 - Also, this will lead to growth in tourism and the states would be able to generate more employment and revenues.
 - **Effective Implementation of Rules & Regulations -**
 - Necessary infrastructure like police machinery and prosecutors or grievance redressal mechanisms should be set up at both state and national levels by the government to ensure that the rules and regulations are perfectly implemented and also to ensure that the perpetrators are punished.

Q1) What is Money Laundering in simple words?

Money laundering is the process of hiding the source of money obtained from illegal sources and converting it to a clean source, thereby avoiding prosecution, conviction, and confiscation of the criminal funds. It is an illegal exercise that converts black money into white money.

Q2) What is the objective of the Prevention of Money Laundering Act?

Prevention of Money Laundering Act, 2002 (PMLA) was enacted to fight against the criminal offence of legalizing the income/profits from an illegal source. The Prevention of Money Laundering Act, 2002 enables the Government or the public authority to confiscate the property earned from the illegally gained proceeds.

Source: [ED summons Ranbir Kapoor: What is the Mahadev online betting racket?](#)

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