निलेश ज्ञानदेव लंके

लोकसभा सदस्य

३७ अहमदनगर (अहिल्यानगर) दक्षिण

महाराष्ट्र

सत्यमेव जयते

दिल्ली पत्ता :
नविन महाराष्ट्र सदन, के.जी.मार्ग,
नवी दिल्ली-११०००१
अ.नगर (अहिल्यानगर) पत्ता :
शासकीय तंत्र निकेतन महाविद्यालया शेजारी
बुरुडगांव रोड, भवानी नगर, अहमदनगर
(महाराष्ट्र) पिन -४१४००१

जा.क्र. 11935/2026 | दिनांक : 01/04/2026

To,
The Director Geneal of Police,
Maharashtra State Police Headquarters,
Old Council Hall, Shahid Bhagat Singh Road,
Colaba, Mumbai – 400005.

NILESH D. LANKE · सत्यमेव जयते · MEMBER OF PARLIAMENT, AHMEDNAGAR

Sub: Investigation into the misconduct of running of other states lotteries by M/s Future Gaming & Hotel Services (P) Ltd. in Maharashtra leading to violations of provisions of Lotteries Regulation Act 1998 and Lotteries Regulation Rules 2010 and cheating and fraud with people of Maharashtra

Request to register case under section 7,8,9 of the Lotteries Regulation Act and relevant section of BNS 2023 against the directors of the Future Gaming & Hotel Services (P) Ltd.

Dear Sir,

With due regards, I wish to inform you that lotteries in our countries are governed under the provision of the Lotteries Regulation Act 1998(LRA 1998) and Lotteries Regulation Rules 2010 (LRR 2010) formulated by the Ministry of Home Affairs (MHA). As per section 4 of the LRA 1998, only state governments are authorized to organize lotteries. They can market their lotteries either through themselves or through distributor. Responsibility has been cast upon the host states where the lottery tickets of organizing states are being sold to report the violations of provisions of LRA 1998 and LRR 2010 if any to the concern organizing state as well as to the MHA for taking strong action against the erring state. During the last three years it had been witnessed that the name of Mr. S. Martin of M/s Future Gaming & Hotel Services (P) Ltd. having office in Maharashtra as well at 303, 3rd Floor, 349 Business Point, Western Express Highway, Andheri East, Mumbai – 400069 has been in limelight due to various mal-practices of tax evasion and money laundering and all the major central agencies like ED, Income Tax, GST had raided their offices all over India and recovered huge amount of tax evasion. In Maharashtra their lottery operation by the brand name Dear Lotteries is managed by his son Mr. Jose Charles Martin. They have more than 95% market share. As per market information the Enforcement Directorate had sent letter to Police Commissioners of the lottery promoting states including Maharashtra where Mr. Martin is selling their lottery tickets sharing information under Section 66(2) of PMLA 2002 in the matter of Mr. S.Martin & others related to cheating and fraud to public in sale of lottery tickets which is the subject matter of investigation by the Police department as the Maharashtra State Lotteries failed to perform their responsibility to inform the violations in the provisions of LRA 1998 and LRR 2010 to the Ministry of Home Affairs in spite of being informed to them by various complainants and Member of Parliament. Likewise, Registrar of Companies had also sent letter to different organizing states asking information regarding Mr. Martin entities as per information. As it is the matter of public welfare of the people of Maharashtra, I wish to bring to your notice certain facts which need proper investigation and action on your part on the distributors.

1. **Violation of Rule 3(3) of LRR 2010 by M/s Future Gaming & Hotel Services (P) Ltd. in selling lottery tickets of State Govt. of Nagaland, Punjab and Sikkim**

संपर्क कार्यालय व पत्र व्यवहाराचा पत्ता : न्यु आर्टस् कॉलेज शेजारी, पारनेर, ता.पारनेर, जि.अ.नगर (अहिल्यानगर) पिन-४१४३०२
फोन : (०२४८८)२९५३३३ मोबाईल : ९४९९१००२६८ / ९४९९२००२६८ Email Id : mpnileshlanke3333@gmail.com

As per Rule 3(3) of the LRR 2010 The Organizing State shall announce in advance, by way of a notification in the Official Gazette. the following information about every lottery, namely: -

(a) **the name of the lottery or lottery scheme;**

(b) **prices of the lottery ticket;**

(c) **total number of tickets printed in case of paper lottery;**

(d) **gross value of the tickets printed;**

(e) **name or names of the distributors or selling agents with their addresses and contact information;**

(f) **prize structure;**

(g) **the amount offered as prize money;**

(h) **periodicity of the draw;**

(1) **the place where the draw shall be conducted; and**

U) **the procedure for drawing the prize-winning tickets or prize-winners.**

It is the responsibility of each organizing states to strictly follow the provisions of Rule 3(3). Most of the Organizing states are following this provision in totality except Sikkim, Punjab and Nagaland **which may result in illegal sale and cheating and fraud to general public due to the following reasons:**

In every lottery scheme Rule 3(3)(c) plays a very important role as it provides that how many lottery tickets in case of paper lottery are printed and offer for sale in the market. The Organizing States notify the lottery schemes in their gazette on the request of the distributor. They are supposed to share this information in their website for the information of General Public for complete transparency so that customer shall not feel cheated. All these information's were properly uploaded in the website by Sikkim, Punjab and Nagaland earlier as no one had complained about the mal-practices. The moment the mal-practices came to the knowledge of the general public, various complaints were sent to Ministry of Home Affairs and respective states due to which these states due to suspected collusion with the distributor withheld the basic information to favor the distributor which may result in illegal sale and cheating and fraud to general public. Even though the State Government of Sikkim and Punjab are uploading their lottery schemes on their website for complete transparency but they are not following the provision of Rule 3(3)(c) of LRR 2010 which mandates that total number of tickets printed in case of paper lottery shall be given but they purposefully held this basic information and given only total number of tickets in lottery schemes **while the State Government of Nagaland which altogether removed their lottery schemes from their website so that no one can know the truth.** It was claimed by them that all information is printed on the back of lottery tickets which is far from reality. Moreover, it is nothing but mal-practices forcing the customer to first purchase the tickets to know the terms and conditions which is unethical. Hiding the crucial information of printed tickets may leads to following situations:

(a) **Promoting Illegal Sale:** In the absence of detail of total tickets printed and their numbers, the possibility of illegal sale by the distributor themselves or by other illegal operators cannot be ruled down. As this information put a complete check on legal sale, the hiding of such information put a question mark on the creditability of the State Lotteries officials who are supposed to stop such illegal sale if any if they are really concern with their state lottery. As the distributor name appeared in various mal-practices of tax evasion, money laundering illegal sale as per media reports, the involvement of the distributor in the illegal sale cannot be ruled down. Moreover, it helps the illegal operators to take advantage of the position and sell duplicate tickets in the market. As per the information these states formulated the larger lottery schemes but not printing all tickets the information of which may be available with the distributor only and there is possibility that distributor can easily print these not printed numbers by State Government themselves and sell them illegally to generate cash, save tax etc. as the printers on the panel of Government are recommended by the distributor and they are taking instructions from the distributor. The illegal lottery operators may have the information as well which they shall use to sell illegal lottery tickets. That's why the Income Tax department raided the printing presses as well on 12th October 2023 when the offices of the distributor all over India were raided on 12th October 2023. The GST department also mandates each state to write the word "For Sale in the state of .... (Name of State) on each lottery tickets to stop illegal sale but this practice was discontinued by Sikkim, Punjab and Nagaland to encourage illegal sale of lottery tickets as this circular is not withdrawn till date (Circular attached as **Annexure 1**)

(b) **Cheating and fraud with general public:** As stated above, the larger lottery schemes are framed but all lottery tickets as per schemes are not printed but the draw is held from the whole lottery schemes including not printed tickets which is clearly a cheating with the general public. Lottery means a right to public to participate in the draw to win prizes. If all lottery tickets are printed and offer to public, then one can say that it is genuine to draw prizes from the entire schemes as the customer has the right to exercise his right to choose any number from the printed tickets but when all tickets are not printed and offer to public and the customer has limited right to select from the available number then drawing prizes from entire schemes is cheating and fraud with general public. The schemes are specially designed of larger size so that most of the major prizes are in unsold tickets.

I am enclosing lottery schemes of Sikkim and Punjab showing that information as per Rule 3(3)(c) is not disclosed as **Annexure 2** and old Nagaland State Lottery scheme **(Annexure 3)** showing that earlier they were disclosing the number of tickets in the scheme and number of tickets printed and (**Annexure 4** showing that they removed the same information under some hidden agenda. The Nagaland State Lotteries schemes are neither uploaded in their website nor available with agents in market.

As the matter of money laundering and evasion of GST and TDS is continuously raised against the distributor M.s Future Gaming and Hotel Services (P) Ltd., all the investigating agencies like ED, GST and Income Tax department raided their offices and recovered huge amount. Some of the clippings of recovery of tax amount is enclosed as **Annexure 5** for your kind information.

2. **Evasion of TDS liability under section 194B.**
The lottery tickets of Nagaland and Sikkim States are packed in the bundle of 5,10,20,50,100,200 and sold to the customer. The prizes below Rs 10,000/-shall be disbursed by the distributor and their agents and prizes above Rs 10,000/- shall be disbursed by the Nagaland and Sikkim State Governments after deducting tax. When the tickets are sold in the bundle of 5,10,20,50,100 and 200 tickets to the customer in the market, it is understood that the same are claimed as prize winning tickets in bundle also which is subject to TDS under section 194B. But unfortunately, a huge scam is running in the market where no TDS is deducted on winning tickets claiming that each ticket is claimed as single ticket which is far from the reality as the winner cannot go to 100 counters to claim their prize winning if he won the second prize of Rs 9000 per ticket on the bundle of 100 tickets. The prize amount ranging from Rs 10,000 – Rs 18

lakhs are paid by agents in cash without deduction of TDS on the pretext that each ticket is claimed separately. As per my calculation and on the basis of daily sale of Nagaland and Sikkim State lotteries in the country, TDS of around Rs 1500 – 2000 crore per year is evaded every year by the distributor thanks to Nagaland and Sikkim State Lottery officials who failed to understand the distributor game plan. It also raises a question of money laundering as agents without the support of stockists/distributor are not in a position to pay such a huge amount in cash on daily basis.

The sale of lottery tickets in bundles is nothing but gambling forcing poor people to compulsory buy the whole bundles in place of one ticket which is against the objective of LRA 1998 which was formulated to save poor people from gambling. **Even the Ministry of Home Affairs circulated model agreement to each states according to which lottery tickets shall be printed in serial number as per clause 4.3 (COPY ENCLOSED)** but these states are not following the provisions and printed tickets of same number in each series as bundle to promote gambling.

As per information this issue was raised by one of the complainants with the Ministry of Home Affairs which admitted that sale of lottery tickets in bundles leads to tax evasion and money laundering and issued letter no. F.No.IV/11034/19/2023-CSR-I dated 13.06.23 **(copy enclosed as Annexure 6)** to all organizing states to give suggestion for payment of all prizes through banking channels to curb the mal-practices of tax evasion and money laundering. As the matter relates to huge tax evasion, it was also forwarded to Income Tax Investigation Cell, Kolkata who in close association with the complainant raided the offices of the said distributor all over India on 12th October 2023 and huge tax evasion was detected. As per market information, the demand of more than Rs. 6000 was raised to the distributor but the matter is sub-judice in Supreme Court as the distributor after being defeated in Madras High Court challenged the change of jurisdiction of his five companies where indiscriminating documents were found from Tamil Nadu to Kolkata in the Supreme Court. The same racket of tax evasion is still going on in all lottery promoting states including Maharashtra as well which needs to be stopped.

3. **Violation of Section 2(a) of Lotteries Regulation Act 1998**

Section 2(a) of Lotteries Regulation Act 1998 defines "bumper draw of a lottery" means a special draw of lottery conducted on or during any festival or other special occasion wherein the prize money offered is greater than the prize money offered in the case of other ordinary draw of lotteries;

The major issue involves in distinguishing bumper lottery from weekly lottery is the offering of prize money means bumper lottery schemes have more prize payout ratio than weekly lotteries. There will be clear difference in the prize payout ratio of bumper and weekly lotteries. But at present this clause is misused by the distributor of Nagaland, Punjab and Sikkim who run bumper lottery scheme under the pretext of weekly lottery scheme. In order to lure and force the poor people to indulge in gambling, the first prize offered in the weekly lottery scheme is Rs. 1 crore which is usually offered in bumper lottery. This is clear violation of Section 2(a) of LRA 1998 and moreover the tickets are packed in the packing of 10.20.50.100 etc. to induce customer to gambling to get huge prize while the fact is that schemes are made of larger size to reduce the probability of first prize going in sold tickets. If one can check the prize payout ratio of weekly lottery and bumper lottery, they will find that prize payout ratio is more in weekly lottery than bumper lottery against the provision of LRA 1998.

I am enclosing Sikkim State Dear Blitzen weekly Lottery scheme as **Annexure 2** which has prize payout ratio of 59.33% and Sikkim Dear Ganesh Chaturthi Bumper as **Annexure 7** which has prize payout ratio of 32.17% only. The same position is in Nagaland and Punjab as well. If you can see Punjab State Dear 50 colt weekly lottery scheme in **Annexure 2, its payout ratio is 46.06%** while the payout ratio in Punjab State Diwali Bumper 2025 (**Annexure 8**) is just **30.12%.** It proves that Bumper lotteries are sold as weekly lotteries in complete violations as only six bumper draws in a year are allowed but the distributor is selling two to three bumper draws daily in the name of weekly lottery. It is very unfortunate that State Lotteries officials are silent on these violations which has serious impact on general public.

Apart from these, there is no registration/certification of authorized agents of state governments lotteries which makes it difficult for police personnel to identify the illegal lottery operators. They agents are not provided with the gazette copy of lottery schemes.

Sir, all the above-mentioned issue raised are based on my interaction with the representative of lottery fraternity who are in favor of transparency in the lottery trade. Keeping in view of the above, I will request the police department to investigate the matter at district level as lotteries are being sold in all districts of Maharashtra as it relates to huge TDS evasion, cheating and fraud with general public, illegal sale in market due to hiding of information by organizing states, forcing poor people to gambling against the objective of LRA 1998 and take action as per the provision of section 7,8 and 9 of the Lotteries Regulation Act 1998 and relevant section of BNS 2023.

With warm regards,

Yours faithfully,

Nilesh Dnyandev Lanke

Encl: Annexure 1-8

Copy of Lotteries Regulation Act 1998 and Lotteries Regulation Rules 2010
And Model Agreement

NILESH D. LANKE
सत्यमेव जयते
MEMBER OF PARLIAMENT, AHMEDNAGAR