



DIRECTORATE OF SIKKIM STATE LOTTERIES
FINANCE DEPARTMENT,
GOVERNMENT OF SIKKIM
DEORALI, GANGTOK-737102

No.FIN/DSSL/III/404/ 124

Dated : 25/09/2020

FOR INFORMATION TO ALL THE PUBLIC CONCERN

This is to inform all concern that during recent past the Government of Sikkim have been receiving various queries and complaints alleging the conduct of Sikkim State lotteries in the State of West Bengal. These acts are only to tarnish the name and fame of our Sikkim State Lotteries and the goodwill so earned and hence some people seems to be ill-motivated in tarnishing this strong relationship of faith and trust that the public have bestowed on Sikkim State Lotteries.

In this regard, we would like to lay down certain points of clarifications for information to the general public regarding conduct of Paper Lotteries by the Directorate of Sikkim State Lotteries, Government of Sikkim:

- 1) The draws of Sikkim State Lotteries are conducted with due adherence to the Lotteries (Regulation) Act, 1998; Lotteries (Regulation) Rules, 2010 and the Rules relating to lotteries of various State Governments including Sikkim. The approved detailed schemes are being regularly intimated to the concerned State Governments where the tickets are to be marketed. The draws are conducted with full transparency in the presence of public and judges, draw supervisors and under the full control of the Directorate of Sikkim State Lotteries. The draws are also telecast LIVE to reach out to the general public via YouTube channel.
- 2) As per the Lotteries (Regulation) Act, 1998, the State Government had decided to conduct its lotteries through the appointed Distributors/Agents for sale of its lotteries outside the geographical boundaries of the State. The Government of Sikkim has appointed M/s Future Gaming and Hotel Services Private Limited as a Distributor through the process of open tender after which the Government entered into an Agreement with the appointed Distributor, who were then further authorized to appoint various Area Distributors/ Sub-Distributors in the States where the marketing/selling of lottery tickets would take place on their own terms and conditions. As per the agreement the distributor shall return all unsold tickets, if any, to the Directorate of Sikkim State Lotteries, Government of Sikkim. The tickets upto 30-07-2017 were deemed to be fully sold as our Distributor had not returned any unsold tickets to the Government of Sikkim. Hence, the Government of Sikkim has raised the invoice on the fully sold basis to the distributor.
- 3) With the advent of the Goods and Service Tax Act 2017, whereby the GST @ 28% on lotteries is based on the 'Reverse Charge Mechanism' for lottery tickets sold at the first point. The Government of Sikkim have being receiving the unsold tickets from M/s Future Gaming and Hotel Services Pvt. Ltd with effect from 31st July 2017 onwards. As per the record submitted by our distributor, they have being paying the regular draw charge in advance as per the Notification No. 1701-F.T Dated 22nd November 2011 West Bengal Lotteries (Regulation on Payment of Charge for Draw) Rules, 2011.
- 4) Apart from the Prize winners, any entity i.e. any seller, Stockists, Area Distributor etc. can also claim the prize winning ticket which are in physical possession with them, upon submitting the claim form and affidavit as per the norms and the same are also entitled to be paid upon verifying the genuineness of the Prize Winning Ticket and by duly deducting the TDS at source as per the Income Tax Act, 1961.
- 5) In view of the above, we condemn the allegations made against the conduct of the Sikkim State Lotteries, Government of Sikkim and on our Distributors/Sub-Distributor/Area Distributor and their network with the sole intent of tarnishing the good image of the lotteries of the State of Sikkim.
- 6) We seek the cooperation of the concerned authorities to kindly allow smooth sales of the Sikkim State Lottery tickets in the State of West Bengal to safeguard the revenue of both the State Governments.



[Signature]
Joint Secretary,
Sikkim State Lotteries,
Government of Sikkim
Joint Secretary
Sikkim State Lotteries
Government of Sikkim