



1ST LedX NATIONAL
MOOT COURT COMPETITION, 2022

April 14th – 17th, 2022

Organized by LedX

MOOT PROPOSITION

DDIPL & Ors.

v.

State of Naga

- 1.) The Union of Indiana is the world's largest democracy with the longest written Constitution in the world and the 2nd most populated country in the world. Indiana has a quasi-federal system with a strong Union, the makers of the Constitution wanted to bring a unified country while retaining the many peculiar tradition, culture & colour of the strongly diverse states of Indiana. The state of Indiana has a diverse religious, social & economical population. Indiana is considerably a young nation with majority of its population belonging to young age of 18 – 30 years. In recent years, with the expansion of technology & Internet connectivity and with Indiana's governmental policies encouraging foreign investments & globalization, the country has seen a cultural shift. Social media, OTTs & Online gaming replaced social interactions while bringing considerable contribution to the nation's economy.
- 2.) In the year 2019, the global market was tackling the impact of global pandemic and the dwindling economy, with entire nations being shut off the economy was facing recession and Indiana was one of the most severely affected nations and need for urgent action was cried from every corner. The Government of Indiana, looking into the success that OTTs and Online Gaming had been and the immense contribution it made to the economy as a whole and the opportunity it presented in the midst of the pandemic decided to take drastic steps.
- 3.) The Government of Indiana came up with a policy named "Game up in Indiana" in an attempt to capitalise the online gaming market. As part of the policy, the Government took drastic measures to ensure new multi-national investments. The government also entered into several Bi-lateral investment treaties to bring investment in Indiana by promoting business with respect to online gaming. Several tax incentives, less stringent labour laws and environmental exemptions were promised which eventually attracted many foreign investors and companies.
- 4.) D & D Pvt. Ltd. is a company registered in Monaraco, a highly developed western country and one of the bi-lateral partners of Indiana. D & D Pvt. Ltd. is one of the leading online fantasy gaming company with a dominant global presence, immediately after the Bi-lateral treaty, they decided to invest in Indiana and established a subsidiary by the name of D & D Indiana Pvt. Ltd. (DDIPL) in collaboration with Mr. Vidani, one of the richest industrialist in Indiana, who became the promoter of the company with 20% stake holding.

5.) DDIPL introduced a fantasy game in Indiana as a mobile based gaming app named "Westerosi Saga", the game was based on the famous book series A Song of Ice & Fire (ASOIF) by George R R Martin, also developed as a famous series named Game of Thrones that has a cult following all over the world. The USP of the app was that players were acting as officer of the Iron Bank of Bravos, a made up bank within the ASOIF that invests in different houses existing in the world of the seven kingdoms of Westeros and assisted them in wars for the control of the Iron Throne.

6.) These are the basic rules of the game –

- The players had to build their own houses, employing significant knowledge of the literature series in understanding the skills, fortitude, strengths and weaknesses of each member of the house. and television
- Once a player formed the house to be backed by him, they were required to obtain credits from the Iron Bank, for which the player had to make payment of money to the app.
- The game comprised of quizzes, puzzles and strategies to win the game.
- In the final step, all houses were given the chance to turn the wheel of fortune; the wheel would grant each house a dragon egg that would give them special powers to win the war.
- Winning the same would give the final standing house 40% of the collective money of all the participating team and the app would double the amount as winning collective.

7.) DDIPL launched the App in Indiana establishing offices in State of Mumba, Naga & Punj. The app received overwhelming positive response and more than 40% of the population registered themselves on the app. The success of the app was booming and attracted significant economical benefits and even more investors to the Union of Indiana. Soon enough, multiple online fantasy gaming platforms and apps came into existence and brought new life to the economy of Indiana.

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- 8.) After few months, several cases of teenagers committing suicide & falling to depression and even adults ending in significant financial losses due to these fantasy games started sprouting. An enquiry commission was set up which concluded that addiction to such apps was on a rise and is resulting in social and economical ruin of the citizens. The loss of money in these gaming apps was causing distress to the citizens. The apps were specially affecting the middle class strata in a significant manner, many were seeing these games as easy money making schemes and squandering even essential savings.
- 9.) Taking such reports into consideration, the State of Naga passed the Naga Online Gaming (Regulation) Act, 2020 (hereinafter, 'The Act'). The provisions of the Act banned users below the age of 21 to register themselves on any app falling under the category of Online Gaming and made such usage punishable. The Act also banned any app that involved investing of money by the users.
- 10.) A large number of app users protested against the app, considering it to be violation of their fundamental rights. Additionally, DDIPL along with Mr. Vidani and other Gaming App Companies filed a Special Leave Petition in the Supreme Court of India challenging the constitutionality validity and vires of the act passed by the State of Naga.
- 11.) It was contended that 'the Act' was in violation of Article 14, 19, 20 & 21 of the Constitution of India. It was also contended that the act was ultra vires and must be struck down.
- 12.) The State of Naga contended that the state had acted within its power to legislate under Schedule VII of the Constitution of India and that the said act was in consonance with The Public Gambling Act, 1867 and provisions of several existing laws of India, including the Constitution of India. It was further stated that the app encourages the act of gambling and the absence of age restriction result in corruption of young minds and no citizen can claim any right Under Article 19 as it is against public policy under Article 19(2) of the Constitution of India. Even in the case of adults, the app has resulted in cases of bankruptcy, depression and even suicide due to the gaming apps. The state categorically contended that the intent behind the legislation is to eradicate this evil of gambling being spread by masquerading gaming apps and that the state is well within its legislative competence in enacting such an act.

13.) The attorney for DDIPL contended that the gaming app cannot be categorised in the category of gambling and is a game of skill of participating individuals. The App was introduced pursuant to Bi-lateral investment treaties between the two countries in an effort to bring up the economic condition of the nation, it is the duty of the government to provide legal feasibility to the investors and that the court must struck down the Act, the need for specific central legislation to regulate the Online Gaming industry was also put forth.


14.) The court scheduled the preliminary hearing to admit petition under Article 136 of the Constitution of India.


Instructions:

- 1.) The laws of Indiana are Paramateria to the Laws of India, including the judgments delivered by Supreme Court of India and the various High Courts of India. However, all 'Common Law' Prece dents have equal persuasive value.
- 2.) The participants are to frame issues from the fact proposition as per their understanding.
- 3.) The participants are expected to bring to the court's attention the relevant jurisprudence. They may include judge ments and opinions delivered by Courts of Common Law Nations.
- 4.) The participants are expected to bring innovative arguments in their submissions towards fram-ing of a unified Gaming Code.

CONTACT US

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