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# ANALYSIS OF THE LEGALITY AND IMPACT OF ONLINE GAMING IN INDIA

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## ABSTRACT

The rapid expansion of online gaming in India has raised significant legal and socio-economic concerns. With the increasing penetration of smartphones and affordable internet access, the online gaming industry has flourished, contributing to economic growth and employment. However, the absence of a uniform legal framework has led to uncertainty regarding its regulation, especially with state governments imposing varied restrictions.

This research aims to analyse the legal standing of online gaming in India, particularly the distinction between games of skill and games of chance as recognized by judicial interpretations and legislative frameworks. While the Public Gambling Act, 1867 provides a broad prohibition on gambling, its applicability to digital platforms remains ambiguous. Recent regulatory interventions, such as bans by several states and discussions around central legislation, highlight the need for a cohesive policy approach.

Despite its economic potential, online gaming has been linked to concerns such as addiction, financial risks, and ethical dilemmas, particularly among young users. This study identifies gaps in the existing research by evaluating the legal contradictions, regulatory challenges, and the socio-economic impact of online gaming in India.

The research adopts a doctrinal approach, analysing case laws, legislative provisions, and policy developments while incorporating empirical insights from reports and industry data. Findings suggest that while a balanced regulatory framework can promote responsible gaming and economic benefits, an unclear legal stance may hinder industry growth and consumer protection.

This study contributes to the ongoing discourse by advocating for a uniform legal framework that ensures consumer safety, industry accountability, and economic viability. By addressing legislative inconsistencies and ethical challenges, the research offers valuable insights for policymakers, legal scholars, and stakeholders in the gaming industry.

## **1) Introduction**

The Indian online gaming market has seen tremendous growth over the past few years, making the nation one of the biggest markets for online games. But the regulatory environment governing this rapidly changing industry has not been able to keep pace, leading to numerous issues and a lack of well-defined guidelines. Considering the richness of platforms, genres, and business models present in online games, a refined regulatory framework is necessary to manage the interests of industry players, safeguard gamers, and mitigate the concerns of society.

The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, enacted by the Government of India, signify a major step forward in regulating online content and platforms, including the online gaming sector<sup>1</sup>. These regulations aim to enhance transparency, accountability, and ethical practices within the digital environment. However, a comprehensive evaluation of their effectiveness and impact on online gaming is essential.

The challenges in regulating the online gaming industry in India are complex and varied. A key issue is the difficulty in defining and distinguishing between games of skill and games of chance, as this differentiation has important consequences for the legal status, taxation, and regulatory obligations of online gaming platforms. Furthermore, ensuring player protection and promoting responsible gaming practices is a major concern, given that the accessibility and immersive nature of online games can lead to issues like addiction, underage participation, and financial risks. India's regulatory framework for online gaming could benefit from insights gained from international experiences. Various countries have established regulatory systems that tackle similar challenges, providing valuable lessons and best practices for India to consider. Collaboration among stakeholders from different jurisdictions can promote knowledge sharing and encourage a global perspective on regulation.

## **2) Scope and Objectives:**

### **Scope:**

The scope of this research is to comprehensively examine the legal, social, and economic

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<sup>1</sup> Government of India, "Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021," Gazette of India, 26 Feb. 2021.

dimensions of online gaming in India. It will cover:

- . The existing legal framework governing online gaming at both the national and state levels, including interpretations of gambling laws and recent regulatory developments.
- a. The social impact of online gaming on different demographics, especially youth, focusing on aspects such as addiction, mental health, and financial risks.
- b. The economic implications, including revenue generation, employment opportunities, and the potential for growth in the online gaming industry.
- c. Comparative analysis with other countries' online gaming regulations to identify best practices that could be applied in the Indian context.
- d. Recommendations for policy reforms that could help balance growth and regulation in the online gaming sector in India.

### **Objectives:**

The purposes of this research are to scrutinise in detail the existing regulatory legal framework overseeing online gaming business in India and determine any inconsistencies or loopholes that could hamper the progress and regulation of the sector. It also tries to investigate the social effects of online gaming upon Indian society in general, along with specific themes such as dependence, youth involvement, and possibly resultant behavioural influence. Moreover, this study aims to examine the economic significance of the online gaming industry based on aspects such as revenue collection, employment generation, and areas of investment potential in India. Comparative analysis against global online gaming regulations will also be done with a view to determining best practices that can inform India's policies. Finally, the research will offer policy recommendations and legal reforms that meet the challenges and risks involved in online gaming while ensuring that the industry has sustainable growth.

### **3) Analysis of online gaming industry in India:**

The Indian online gaming market has seen remarkable growth in the past decade, fueled by rising internet penetration, low-cost smartphones, and a large, young, tech-savvy population. With over 1.4 billion individuals in a country with over 500 million online users, the market

for online games has been rich and dynamic. The growth is defined by varied gaming categories, heavy investment, nascent regulations, and changing consumer habits. India's online gaming industry encompasses a wide range of platforms, genres, and monetization models. It includes mobile gaming, PC gaming, console gaming, and online platforms with a variety of game types ranging from casual games to multiplayer online battle arena (MOBA) games, role-playing games (RPGs), and sports-based games. The industry attracts a wide population, ranging from casual gamers to professional eSports players.

The sector has been growing exponentially with revenues annually currently amounting to billions of dollars. The factors that have triggered this growth include the increased usage of digital entertainment, access to localized and culture-specific content, and the formation of local developers and publishers.

India's internet gaming industry has also witnessed a start-up boom, with an entrepreneurial and innovative environment. The start-ups are launching innovative game ideas, leveraging technologies such as AR and VR, and venturing into new segments such as fantasy sports and eSports.

The Indian online gaming market is dominated by several genres that cater to a diverse audience.

- f. **Casual Games:** These include easy-to-play games like Candy Crush, Subway Surfers, and Ludo King. Such games have a low learning curve and are highly engaging, appealing to users across age groups. Ludo King, for example, achieved massive success during the pandemic and is popular even in rural areas.
- g. **Fantasy Sports:** With the popularity of cricket in India, fantasy sports platforms like Dream11, My11Circle, and MPL have gained a loyal following. Fantasy sports allow players to create virtual teams of real athletes and earn points based on real-life performances. Dream11, in particular, has grown rapidly, becoming the first gaming unicorn in India.
- h. **Real Money Games (RMG):** These games include online poker, rummy, and teen patti, where players can wager and win real money. RMG has seen exponential growth but also faces regulatory challenges due to concerns around gambling.

- i. **Battle Royale and eSports:** Games like PUBG Mobile, Free Fire, Call of Duty Mobile, and more recently BGMI (Battlegrounds Mobile India), have a dedicated fanbase in India. With multiplayer functionality and competitive gameplay, these games have also led to the rise of professional eSports players and tournaments.
- j. **Skill-Based Games:** These include chess, quiz-based games, and trivia games, where users rely on knowledge or skill to win. Skill-based games are legally differentiated from games of chance in India, making them more favourable in regulatory terms.

India's internet gaming sector, while full of opportunity, is threatened by a variety of issues. Issues with addiction, mental illness, and potential for money laundering have led authorities to call for a holistic regulatory framework. The legal differentiation between games of skill and chance has also come under examination, affecting taxation, legality, and regulatory actions. The social implications of internet gaming have also created discussions regarding problems such as gaming addiction, how it affects study performance, and the need for responsible gaming culture. These issues have prompted industry stakeholders, government, and nongovernmental organizations to collaborate on player protection and responsible gaming education initiatives.

#### **4) Difference between Game of skill and Game of chances:**

##### **Games of Skill:**

Are games where the outcome predominantly depends on the player's skill, knowledge, training, and experience rather than on mere luck. Examples include rummy, chess, and certain forms of fantasy sports, which require strategic decision-making, practice, and skill. Indian courts, including the Supreme Court, have ruled that games of skill do not constitute gambling and are, therefore, generally permissible.

##### **Games of Skill and Legal Exemptions**

The Public Gambling Act of 1867<sup>2</sup>, a colonial-era law that continues to apply in several states, prohibits gambling but provides an exemption for "games of mere skill." Courts have interpreted this to mean that games in which skill is the dominant factor are not considered

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<sup>2</sup> The Public Gambling Act, No. 3 of 1867, INDIA CODE.

gambling and are, therefore, not subject to the same restrictions<sup>3</sup>. The Supreme Court of India has reaffirmed that games of skill do not fall within the purview of gambling laws<sup>4</sup>.

Due to this exemption, several online gaming platforms that host games of skill are legally allowed to operate in India. For instance:

- **Fantasy Sports Platforms** like Dream11, MPL, and others have argued that fantasy sports require skill in selecting players based on their knowledge of real-life performance statistics<sup>5</sup>.
- **Card Games like Rummy** have been ruled as games of skill by the Supreme Court, allowing them to legally operate both offline and online in many states<sup>6</sup>.

### Games of Chance:

Are games where the outcome depends more on randomness or luck rather than the player's skill. Games like traditional gambling, lottery, and certain casino-style games (such as slot machines and roulette) fall into this category, as they rely heavily on chance rather than the player's skill. Since these games are classified as gambling, they are either heavily restricted or banned in most Indian states.

### Games of Chance and Gambling Restrictions:

For games that are predominantly based on chance, state laws become more restrictive<sup>7</sup>. The Public Gambling Act of 1867 explicitly prohibits the running of public gambling houses<sup>8</sup>, and since the regulation of gambling and betting is a state subject in India, individual states can enforce their own gambling laws<sup>9</sup>. While states like Goa, Sikkim, and Nagaland have enacted specific legislation allowing certain types of gambling and betting, most other states impose strict restrictions or outright bans on chance-based games<sup>10</sup>.

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<sup>3</sup> Dr. K.R. Lakshmanan v. State of Tamil Nadu, (1996) 2 SCC 226 (India).

<sup>4</sup> R. Madhava Menon v. Union of India, W.P.(C) No. 891/2013 (SC) (India).

<sup>5</sup> Dream11 Fantasy Pvt. Ltd. v. State of Maharashtra, CRWP No. 7559/2019 (Bom. HC) (India).

<sup>6</sup> State of Andhra Pradesh v. K. Satyanarayana, (1968) 2 SCR 387 (India).

<sup>7</sup> K.R. Lakshmanan v. State of Tamil Nadu, (1996) 2 SCC 226 (India).

<sup>8</sup> The Public Gambling Act, No. 3 of 1867, § 3, INDIA CODE.

<sup>9</sup> INDIA CONST. sch. VII, List II, Entry 34.

<sup>10</sup> State of Bombay v. R.M.D. Chamarbaugwala, AIR 1957 SC 699 (India).

In most Indian states, online casinos and other games of chance are prohibited, and violators may face penalties, including fines and imprisonment<sup>11</sup>. Since many online gambling operators operate offshore, they often face challenges when offering services in Indian jurisdictions that disallow games of chance<sup>12</sup>.

## **5) Various Regulatory framework for online gaming in India:**

India's online gaming industry operates under a variety of rules and regulations, though a comprehensive national policy is still lacking. Key regulators, acts, and rules relevant to the online gaming sector include:

### **b. Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021**

The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, commonly referred to as the IT Rules 2021, were introduced to regulate digital content, including social media, digital news, OTT platforms, and gaming intermediaries. These rules, introduced by the Ministry of Electronics and Information Technology (MeitY), aim to make digital platforms more accountable for user content, enhance transparency, and protect users' rights. Social Media and Gaming Platforms classified as intermediaries are required to follow due diligence guidelines to continue enjoying the immunity offered by Section 79 of the IT Act (which exempts them from liability for third-party content). Platforms must implement mechanisms to address content violations related to public order, decency, and morality, including illegal content.

### **c. Public Gambling Act, 1867:**

The **Public Gambling Act of 1867**<sup>13</sup> is one of India's earliest laws regulating gambling and betting activities. Originally enacted during British rule, it aimed to prohibit gambling in public spaces while allowing states some regulatory authority. The Act does not directly address modern forms of gambling, such as online gaming, leaving room for interpretation and resulting in diverse approaches by Indian states. Below is a detailed breakdown of the Act, its

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<sup>11</sup> The Information Technology Act, No. 21 of 2000, § 67, INDIA CODE.

<sup>12</sup> All India Gaming Federation v. State of Karnataka, W.P. No. 18703/2021 (Karnataka HC) (India).

<sup>13</sup> The Public Gambling Act, No. 3 of 1867, INDIA CODE.

provisions, limitations, and implications in the current context.

**d. State-Level Gaming Laws:**

India's Constitution allows states to regulate gambling independently, resulting in diverse gaming laws across states.

Each state has enacted various acts to regulate gambling are:

- d. Bombay Prevention of Gambling Act, 1887
- e. Punjab Public Gambling Act, 1867
- f. Madhya Pradesh Public Gambling Act, 1867
- g. Tamil Nadu Gaming Act, 1930
- h. Tamil Nadu City Police Gaming Rules, 1949
- i. The West Bengal Gambling and Prize Competitions Act, 1957
- j. The West Bengal Gambling Rules, 1958
- k. Uttar Pradesh Public Gambling Act, 1961
- l. The Meghalaya Prevention of Gambling Act, 1970
- m. The Kerala Gambling Act, 1960
- n. The J. & K. Public Gambling Act, 1977
- o. Goa, Daman and Diu Public Gambling Act, 1976
- p. The Pondicherry Gaming Act, 1965
- q. The Rajasthan Public Gambling Ordinance, 1949

**Sikkim:** Allows certain online games and gambling through licenses and regulates platforms operating from within the state.



**Nagaland:** Enacted the Nagaland Prohibition of Gambling and Promotion and Regulation of Online Games of Skill Act, 2016, which legalizes specific online skill-based games via licensing.

**Tamil Nadu, Karnataka, Andhra Pradesh, Telangana:** Have recently implemented restrictive laws, particularly against real-money gaming, though some bans have been overturned or challenged in court.

#### **e. Ministry of Electronics and Information Technology (MeitY)**

The Ministry of Electronics and Information Technology (MeitY) is the nodal agency for implementing India's information technology policies, including the regulation of online platforms. In recent years, MeitY's role has expanded to include oversight of online gaming in India. In April 2023, MeitY was officially appointed as the regulator for online gaming to bring consistency, accountability, and user protection to this rapidly growing industry.

#### **f. Self-Regulation Bodies**

All India Gaming Federation (AIGF) and Federation of Indian Fantasy Sports (FIFS): These industry-led bodies have created self-regulatory standards for responsible gaming, fair play, and user protection<sup>14</sup>. MeitY's recent draft rules suggest that self-regulation organizations can set and enforce standards for online gaming platforms<sup>15</sup>.

#### **g. Income Tax Regulations**

Online gaming winnings are taxed as per Section 115BB of the Income Tax Act, with a 30% tax on earnings from gaming platforms<sup>16</sup>. Starting in FY24, a 28% Goods and Services Tax (GST) applies to the full face value of bets placed in online gaming<sup>17</sup>.

#### **h. Advertising Standards Council of India (ASCI) Guidelines**

ASCI has issued specific guidelines for advertising online gaming, requiring that ads caution

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<sup>14</sup>All India Gaming Federation, *About Us*, <https://www.aigf.in/about-us/>.

<sup>15</sup>Ministry of Electronics and Information Technology, Draft Amendments to the IT Rules, 2021, <https://www.meity.gov.in/>.

<sup>16</sup>Income Tax Act, 1961, section 115BB, No. 43, Acts of Parliament, 1961 (India).

<sup>17</sup>Central Board of Indirect Taxes and Customs, GST Council's 50th Meeting Press Release, <https://www.cbic.gov.in/>.

viewers about the potential risks of financial loss and clearly distinguish between games of skill and games of chance.

## **6) Social and Psychological Impact of Online Gaming:**

Online gaming has had a profound social and psychological impact on players, shaping the way they interact, develop relationships, and perceive themselves. While it brings many benefits like social connection, stress relief, and cognitive improvements, there are also potential risks such as addiction and social isolation. Here is a detailed exploration of the social and psychological impacts of online gaming.

### **Social Impacts of Online Gaming:**

#### **A. Positive Social Impacts**

- **Enhanced Social Interaction:** Multiplayer games allow players to connect with friends or meet new people worldwide, fostering a sense of belonging and community. This interaction can help combat loneliness and strengthen social bonds.
- **Building Communities and Friendships:** Online gaming communities are often close-knit, with players forming deep friendships based on shared interests. Some communities extend beyond gaming and support one another in real life, creating long-term friendships and social support networks..
- **Development of Teamwork and Communication Skills:** Team-based games encourage collaboration, coordination, and strategic communication. Players learn to work together, develop conflict-resolution skills, and effectively share responsibilities, which can transfer to real-life teamwork scenarios.
- **Family Bonding:** Online gaming can serve as a shared activity for families, allowing parents and children to bond over gameplay. For families separated by distance, gaming can be a unique way to stay connected.

#### **B. Negative Social Impacts**

- **Social Isolation and Reduced Face-to-Face Interaction:** Excessive gaming may lead

some players to withdraw from real-world social interactions, potentially leading to isolation. When online friendships replace face-to-face connections, it can hinder social skills and relationships outside the gaming world.

- **Cyber bullying and Toxicity:** Gaming platforms often struggle with toxic behaviour, harassment, and bullying, which can negatively impact players' mental health. While some platforms have introduced moderation tools, players may still encounter negativity, leading to stress and anxiety.
- **Disrupted Family and Social Life:** Excessive gaming can interfere with family relationships and social responsibilities, particularly if it affects a player's ability to participate in family gatherings, maintain household chores, or communicate effectively with family members.
- **Addiction-Induced Isolation:** Online gaming addiction can lead to isolation as players prioritize gaming over real-life social connections, work, or studies. Addiction can also negatively impact social and occupational functioning, leading to long-term challenges in relationships and productivity.

## **Psychological Impacts of Online Gaming**

### **A. Positive Psychological Impacts**

- **Stress Relief and Relaxation:** For many players, gaming offers an escape from real-world stressors, allowing them to unwind, relax, and reduce anxiety. The immersive nature of games can create a mental break from daily concerns, leading to lower stress levels.
- **Cognitive and Skill Development:** Online gaming can improve cognitive skills such as memory, focus, decision-making, and problem-solving. Games that require quick thinking, strategic planning, and concentration help players sharpen these abilities.
- **Boosted Self-Esteem and Confidence:** Successfully completing challenges or achieving high scores in games can give players a sense of accomplishment and pride. This feeling of competence can boost self-esteem and foster a positive self-image.

- **Enhanced Resilience and Perseverance:** Many games involve facing challenges, failing, and trying again, teaching players persistence and resilience. This skill can transfer to real-life situations, making players more resilient in facing everyday challenges.
- **Therapeutic Benefits:** Online gaming is sometimes used in therapeutic contexts to treat mental health conditions like PTSD, anxiety, and depression. Games can provide positive distractions and structured environments, helping individuals cope with difficult emotions and providing a sense of control and achievement.

## **B. Negative Psychological Impacts:**

- e. **Addiction and Compulsive Behaviour:** Gaming addiction, or Internet Gaming Disorder (IGD), is recognized as a mental health condition that can cause significant impairment in functioning. Addicted players may experience withdrawal symptoms, irritability, and a constant need to play, impacting daily life.
- f. **Increased Aggression and Violence:** Some studies suggest a potential correlation between violent video games and aggression in certain players. Repeated exposure to in-game violence may desensitize individuals, possibly leading to aggressive behaviour outside of the game.
- g. **Mental Health Challenges:** Gaming addiction and excessive screen time have been linked to various mental health issues, such as anxiety, depression, and sleep disturbances. Long hours of gameplay, particularly when it involves high-stress or competitive environments, can increase mental fatigue

## **7) Case laws:**

### **i. RMD Chamarbaugwala v. Union of India (1957)**

- a. **Facts:** This landmark Supreme Court case examined whether competitions involving skill fall under the category of “betting and gambling” as prohibited by the Constitution of India. The case involved prize competitions that required skill and were argued to be

different from gambling<sup>18</sup>.

- b. **Ruling:** The Supreme Court held that skill-based competitions do not amount to gambling and thus do not fall under the prohibition of betting and gambling laws.
- c. **Impact:** This judgment set the foundation for distinguishing between games of skill and games of chance, establishing that games predominantly involving skill are legal and not considered gambling under the law. This case has since been referenced in various judgments regarding online skill-based games like poker and rummy.

## ii. **Dr. K.R. Lakshmanan v. State of Tamil Nadu (1996)**

- a. **Facts:** This case involved the game of horse racing and the legality of betting on horse races. The issue was whether betting on horse racing constituted gambling under the Public Gambling Act, 1867<sup>19</sup>.
- b. **Ruling:** The Supreme Court held that betting on horse racing was a game of skill, as it requires knowledge of horses, jockeys, form, and other factors that influence the race's outcome. Thus, it was exempted from the definition of gambling.
- c. **Impact:** This ruling reinforced the skill vs. chance distinction in Indian law. It has also had implications for betting on sports and games with a component of skill, further impacting the online gaming industry.

## iii. **State of Andhra Pradesh v. K. Satyanarayana & Ors. (1968)**

- a. **Facts:** This case addressed whether rummy, a popular card game, constituted gambling. The state contended that rummy was a game of chance, while the respondents argued that it required substantial skill<sup>20</sup>.
- b. **Ruling:** The Supreme Court held that rummy is a game of skill rather than chance, stating that a certain degree of skill is needed for success. Thus, it does not fall within the scope of gambling prohibitions.

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<sup>18</sup> RMD Chamarbaugwala v. Union of India, AIR 1957 SC 628 (India).

<sup>19</sup> Dr. K.R. Lakshmanan v. State of Tamil Nadu, AIR 1996 SC 1153 (India).

<sup>20</sup> State of Andhra Pradesh v. K. Satyanarayana, AIR 1968 SC 825 (India).

- c. **Impact:** This case has had a lasting influence on the legality of skill-based games in India, particularly for games like rummy, which have significant online counterparts. This ruling is often cited in the defence of online skill-based games.

## 8) Difficulties in regulating online gaming:

Regulating online gaming presents unique challenges due to the industry's rapid growth, technological complexity, and diverse content formats. Here are some major difficulties governments face when trying to regulate online gaming:

- a. **Legal Ambiguities:** Indian courts have ruled that skill-based games like rummy and fantasy sports are legal, whereas games of chance, categorized as gambling, are restricted or banned. However, some games involve both skill and chance, making it difficult for regulators to classify them definitively.
- b. **Inconsistent State Laws:** In India, gambling regulations vary by state. Some states permit certain games based on skill while others impose blanket bans, leading to legal uncertainty and a fragmented regulatory framework for online gaming.
- c. **Changing Game Formats:** New gaming formats like cloud gaming, virtual reality (VR), and augmented reality (AR) continuously evolve. Regulations that may apply to traditional online games might not address these emerging formats, creating loopholes.
- d. **Cross-Border Platforms:** Many online gaming platforms are hosted outside India, making it challenging to enforce local regulations. For example, even if a game is banned in India, users may still access it through virtual private networks (VPNs).
- **Identifying Addictive Patterns:** Gaming addiction is a serious concern, especially for minors and vulnerable users. Regulating addiction is challenging, as it involves tracking user behaviour patterns and implementing limits on playtime and spending.
- **Parental Control and Age Verification:** Ensuring that minors don't access age-inappropriate games is challenging due to limited parental control options and inadequate age-verification methods across platform.
- **Crypto currency and Non-Fungible Tokens (NFTs):** Emerging trends like crypto

currency payments and NFTs within games present additional challenges. Many regulatory frameworks don't cover these financial technologies, leading to potential exploitation or misuse.

- **Determining Appropriate Tax Rates:** In India, determining the correct tax rate for online gaming revenue is complex. Recent changes to the Goods and Services Tax (GST) for online gaming have led to debate on how much of a game's earnings should be taxed, particularly for platforms based outside India.
- **Avoiding Double Taxation:** Differing state and national tax requirements can lead to confusion, and players and operators often face risks of double taxation, which can stifle growth and discourage investment.
- **Misleading Advertisements:** Some platforms use aggressive marketing, including ads that may be misleading, showing users unrealistic winning scenarios or concealing risks involved. Regulating truthful advertising is crucial but difficult to enforce uniformly.
- **Fair Play and Cheating Prevention:** Ensuring fair play in online gaming is difficult due to the prevalence of cheating tools and third-party software, especially on platforms
- **Lack of Centralized Regulation:** With online gaming regulated at both the state and central levels, enforcement becomes challenging due to overlapping jurisdictions. This lack of centralization can lead to inconsistent implementation and confusion among operators and users.
- **Resource Limitations:** Monitoring and enforcing compliance on hundreds of online gaming platforms require significant resources, from technical expertise to law enforcement cooperation, which can strain regulatory agencies.

## **9) Conclusion:**

The landscape of online gaming in India presents a complex interplay of legality, economic potential, and social implications. The regulatory framework is fragmented, with varying laws across states that reflect differing perspectives on skill-based versus chance-based games. While some states embrace online gaming as a legitimate source of revenue and entertainment,

others impose stringent restrictions, often driven by concerns over gambling and its associated risks.

Economically, online gaming holds significant promise for job creation and revenue generation, attracting investments and fostering innovation within the tech and entertainment sectors. However, this growth is accompanied by challenges such as the rise of illegal betting, potential addiction, and negative social consequences, which can undermine the positive contributions of the industry.

Culturally, the impact of online gaming is viewed through a dual lens; it can facilitate community building and enhance creativity, yet it also raises alarms about addiction and detrimental behavioural patterns. The mental health implications, particularly among vulnerable populations like youth, necessitate further scrutiny and awareness.

Overall, a balanced approach to regulation is crucial. Policymakers must aim to create a comprehensive legal framework that safeguards consumers, promotes responsible gaming practices, and harnesses the economic potential of the industry. By addressing the dual aspects of opportunity and risk, India can foster a thriving online gaming ecosystem that benefits society as a whole while mitigating adverse effects.



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