BLOGS

The Evolving Landscape of Gaming Laws in India

Khushi Malviya · 11 Aug 2025

Read this post to learn more about Gaming Laws in India!

Introduction

India's online gaming industry is booming. The need for robust legal frameworks to govern this burgeoning sector has become paramount with millions of users and billions of dollars at stake.

While the Information Technology Act, 2000 (IT Act) provides a foundation, the specific application of its provisions to online gaming remains a complex and evolving landscape.

This post delves into the intricacies of the IT Act as it pertains to online gaming, examining the challenges, recent developments, and the ongoing quest for comprehensive regulation.

The IT Act and Online Gaming: A Complex Relationship

The IT Act primarily focuses on regulating electronic commerce, cybercrime, and data protection. While it doesn't explicitly address online gaming, certain provisions have implications for the industry:

- Intermediary Liability: Section 79 of the IT Act provides "safe harbor" protection to intermediaries, like online gaming platforms, from liability for third-party content. However, this protection is conditional on intermediaries adhering to due diligence requirements and government regulations. This becomes crucial in cases where user-generated content or activities on gaming platforms might violate laws.
- Content Regulation: Sections 67, 67A, and 67B of the IT Act prohibit the publication or transmission of obscene, lascivious, or otherwise objectionable electronic content. While primarily aimed at pornography, these provisions can be interpreted to cover content within online games that might be deemed offensive or harmful.

- Cybersecurity: With the rise of online gaming, cybersecurity concerns have also come to the forefront. The IT Act, through provisions like Section 43A, mandates that companies handling sensitive personal data of users implement reasonable security practices to protect against unauthorized access, damage, or misuse. This is particularly relevant for online gaming platforms that collect and store vast amounts of user data.

Challenges and Ambiguities

The application of the IT Act to online gaming presents several challenges and ambiguities:

- Distinction between Games of Skill and Chance: A core issue is the legal distinction between games of skill and games of chance. While games of skill are generally permitted, games of chance often fall under gambling laws, which are primarily a state subject in India. This creates a complex regulatory landscape with varying state-specific laws
- Lack of Specific Provisions: The IT Act lacks specific provisions tailored to the unique characteristics of online gaming, leading to uncertainty and regulatory gaps.
- Enforcement Challenges: Enforcing the IT Act in the context of online gaming can be challenging due to the dynamic nature of the industry, the cross-border nature of online platforms, and the rapid pace of technological advancements.

Recent Developments

Recognizing the need for clearer regulations, the Indian government has undertaken several initiatives:

- Intermediary Guidelines and Digital Media Ethics Code Amendment Rules, 2023: These rules aim to regulate online gaming intermediaries by requiring them to register with a self-regulatory body, display a registration mark, and adhere to specific content and user protection norms. This move seeks to curb illegal activities and enhance user safety.
- Draft Online Gaming Rules, 2022: These draft rules propose the creation of a central regulatory framework for online gaming, including the establishment of an online gaming self-regulatory organization. These rules, if enacted, would provide much-needed clarity and streamline the regulatory landscape.

- State-Level Regulations: Several states, including Tamil Nadu, Karnataka, and Kerala, have enacted or attempted to enact laws specifically targeting online gaming, often with a focus on prohibiting games of chance. These laws have faced legal challenges, highlighting the ongoing debate surrounding the regulation of online gaming.

The Quest for Comprehensive Regulation

The evolving landscape of online gaming in India necessitates a comprehensive regulatory framework that balances the growth of the industry with the protection of users and the prevention of illegal activities. Key considerations for such a framework include:

- Clear Definitions: Clear definitions of games of skill and chance, along with guidelines for determining the nature of specific games, are crucial.
- User Protection: Robust mechanisms for user verification, age verification, and responsible gaming measures are essential to protect vulnerable users.
- Grievance Redressal: Effective grievance redressal mechanisms should be established to address user complaints and disputes.
- Industry Collaboration: Collaboration between the government, industry stakeholders, and self-regulatory organizations is crucial for developing and implementing effective regulations.

Conclusion

The intersection of the IT Act and online gaming in India is a dynamic and complex area. While the IT Act provides a basic framework, the lack of specific provisions and the evolving nature of the industry necessitate continuous adaptation and refinement of regulations.

Recent developments, including the Intermediary Guidelines and the draft Online Gaming Rules, demonstrate the government’s efforts to address these challenges. Moving forward, a comprehensive regulatory framework that balances innovation, user protection, and responsible gaming is essential for the sustainable growth of the online gaming industry in India. This framework should be adaptable to technological advancements and address the unique challenges posed by this rapidly evolving sector.

Read More: Shreya Singhal v. Union of India