



INTERNATIONAL JOURNAL OF HUMAN RIGHTS LAW REVIEW

Volume 4 | Issue 2

Art. 17

2025

**The Legal Framework of Gaming Laws in
India: Challenges and the Need for
Regulatory Reforms**

Pavan Nilesh Patel and Mahi Mehta

Recommended Citation

Pavan Nilesh Patel and Mahi Mehta, *The Legal Framework of Gaming Laws in India: Challenges and the Need for Regulatory Reforms*, 4 IJHRLR 269-280 (2025).

Available at www.humanrightlawreview.in/archives/.

This Article is brought to you for free and open access by the International Journal of Human Rights Law Review by an authorized Lex Assisto Media and Publications administrator. For more information, please contact info@humanrightlawreview.in.

The Legal Framework of Gaming Laws in India: Challenges and the Need for Regulatory Reforms

Pavan Nilesh Patel and Mahi Mehta

Law Students, KES' Shri. Jayantilal H. Patel Law College, Mumbai

Manuscript Received
24 Mar. 2025

Manuscript Accepted
28 Mar. 2025

Manuscript Published
30 Mar. 2025

ABSTRACT

Indian gaming industry has seen exponential expansion over the years, especially the emergence of gaming websites. This is despite a patchy, non-uniform legal framework applying to gaming legislations in the country. Through this paper, the current game legislations are discussed, scrutinized for how effective they have been, as well as questioned whether there was a need to harmonize gambling legislations throughout India. The study points to judicial readings, constitutional observations, and global best practices as a guide to legislative changes in the future. The paper further explores the legal stature of individual games such as PUBG, BGMI, Free Fire, Poker, and Fantasy Sports and the consequences of the ban on Chinese games in India. Call of Duty: Mobile and Valorant, Dota 2, etc. are some of competitive gaming.

KEYWORDS

Gaming laws, online gaming, India, regulatory framework, legal challenges, gambling, skill-based gaming, legislative reforms, PUBG ban, poker regulation.

INTRODUCTION

The Indian gaming industry has grown exponentially, driven by advances in technology, growth in internet penetration, and mobile gaming. Yet, the regulatory environment is unclear, with laws on gaming differing from state to state and not keeping pace with the nuances of contemporary gaming models. This paper seeks to examine the current legal framework that regulates

gaming in India and suggest reforms to establish a more streamlined regulatory framework.¹

Governments around the globe have responded to regulation of gaming differently, depending on their cultural mindset and economic considerations. Some governments have imposed rigorous gaming legislation to check addiction and financial oppression, while others view gaming as a legitimate economic activity and regulate it in a manner that is intended to protect consumers while promoting industry development. The increasing digital transactions, use of cryptocurrency-based economies of gaming, and in-game monetization schemes have made legal control even more complex.

This paper delves into the salient features of gaming legislations, such as intellectual property rights, regulations for online gambling, governance of e-sports, and the changing legal framework in India. It also analyzes the ethical and social implications involved with gaming, and the need for a balanced regulation that ensures user protection and freedom to innovate.

UNDERSTANDING GAMING LAWS IN INDIA

Indian gaming laws are a complex and dynamic area of legal regulation. The Indian legal system primarily controls games of skill and games of chance. Under the Public Gambling Act of 1867, gambling activities, including games of chance like roulette or card games, are prohibited in most states in India. The Act does not cover games of skill, which include games such as chess, rummy, and fantasy sports. This distinction is relevant in classifying the legality of a number of online and offline gaming traditions.

The legal landscape for online gaming has evolved with the emergence of internet-based platforms.² While some states, like Kerala and Telangana, have enacted legislation that covers online games in the prohibition on gambling, others, like Sikkim and Nagaland, have legalized online gaming with conditions. These

¹ Public Gambling Act, 1867.

² The Ban on Chinese Games in India, Section 69A of the Information Technology Act, 2000, Popular Games and Their Legal Status in India.

states have set up licensing regimes for games of skill, enabling operators to provide certain games legally, like poker and rummy.

The Supreme Court of India has ruled that games of skill are not gambling and are therefore not prohibited in the same way. This has led to the growth of online skill-based gaming sites, including fantasy sports, which are very popular in India.

But with the growth of online gaming and the advent of new technologies, the laws need to be revised. Several bills, including the "Online Gaming (Regulation) Bill," have been introduced to provide more accurate guidelines and regulatory methods for the sector, focusing on consumer protection and safe gaming practices.

Thus, while Indian gaming laws remain patchy, they are slowly falling in line with the changing digital landscape.

THE BAN ON CHINESE GAMES IN INDIA

India has taken significant steps in banning mobile games developed by Chinese companies, citing concerns over data privacy and national security. The ban on PUBG Mobile, a game published by Tencent, was one of the most notable actions under Section 69A of the Information Technology Act, 2000. The Indian government banned PUBG Mobile in 2020, along with other Chinese apps, due to tensions between India and China and allegations of data security breaches. The game was later relaunched as BGMI (Battlegrounds Mobile India) with modifications to comply with Indian regulations. However, BGMI itself faced a temporary ban in 2022 before returning with certain restrictions.

The banning of Chinese games reflects a larger trend where governments worldwide are taking stringent actions against foreign technology companies that fail to comply with local regulations. The legal debate continues over whether such bans are a matter of data security or an overreach of state power.

POPULAR GAMES AND THEIR LEGAL STATUS IN INDIA

The legality of specific games in India depends on whether they

are classified as skill-based or chance-based. Esports and online gaming have become very big in India. There are a lot of titles that are competitive and have a large audience but they are not legal everywhere because of gambling, violence, and national security concerns. Dota 2 and Counter-Strike are available in India and have quite robust esports scenes here with organized competitions. These are skill-based games and do not come under the ambit of gambling. PUBG Mobile was perhaps one of the most popular games in India until 2020 when it was banned for certain security-related Chinese publisher issues. It came back as BGMI.

BGMI once the Indian government imposed certain conditions on it. Another game Free Fire also faced a ban but is now available as a MAX version and already has a big following.

- ***Call of Duty***

Mobile and Valorant either are doing well and thriving in the Indian esports scene with no legal constraints. Some state governments have imposed bans on gaming applications that rely on real-money stakes or monetary involvement such as Rummy and ³Poker. As we stand, the legal landscape surrounding online gaming in India remains dynamic, as the Government of India works to finalize a regulatory framework that will distinguish esports rooted in skill, among other features, from gambling. By and large, e-sports products are changing little, while battle royale games and segments involving real-money gaming continue to consider their options regarding the evolving gambling and gaming landscape. The future remains somewhat unclear in terms of gaming law and if and when new legislation or recommendations will emerge to popularly strike a balance between increasingly popular unregulated digital entertainment, online safety, and an effective overdue framework of responsible gaming policy and practice. Below are some widely played games and their legal interpretations:

- ***Valorant***

³ Valorant 2 June 2020, Call of Duty.

Valorant which was developed by the US-based company Riot Games, is a tactical first-person shooter (FPS) that initially came out in 2020. The game gained traction almost immediately, particularly among active audiences worldwide (including India) in large part due to its unique combination of tactical gunplay and character powers. The game is a 5v5 game where each player selects between a pool of an offense agent and a defensive agent, both of whom have special skills that introduced a new strategy into the game. The game mode is similar to Search and Destroy where one side plants a spike (bomb), and another side attempts to earn the spike location, with similar features to games such as Counter-Strike. The rare blend of teamwork gameplay and game-based communication and strategy in Valorant gives gamers a defined direction of achievement, and up until now, it has cemented itself as an institution in the esports gaming sector. Esports surrounding Valorant is on a rapid increase in India with constant tournaments happening regularly and hosted by Riot and third-party organizers. A number of professional players (especially from the Counter-Strike community) shifted to play Valorant, making a solid competitive foundation in India. The Valorant Challengers Series (VCT) happens annually and features teams from around the globe, with a plethora of competition prospects against global players being offered from India alone. Since Riot Games is an American corporation, Valorant is not accused or subject to laws regarding illegality in India, as are other Online Games in India, which have been accused of not being able to secure player data or are banned. Valorant is also free-to-play compared to most games that cost players. All cosmetics, particularly skins, can be purchased by players.

- ***Call of Duty***

Mobile Released in 2019, is a huge success in the mobile FPS category, produced by TiMi Studios and released by Activision. Take advantage of quick multiplayer action through Team Deathmatch, Domination, Search and Destroy, and a Battle Royale in which 100 players fight to the death. The game incorporates maps, weapons, and gameplay elements from previous CODs and adds a touch of its brand of nostalgia and

new game ideas.

In India, Call of Duty: Mobile has acquired a respectable player base primarily because of its fun gameplay, updated versions, and competitive tournaments. The game has become very nearly a flagship title of the Indian esports industry, with really huge prize pools given for regional or international tournaments. The Call of Duty Mobile World Championship provides an opportunity for players from India to compete against the best in the world. Free to download, in-app purchases are not mandatory and are utilized to buy weapon skins, character costumes, and battle passes. While the rest of the other online games were banned in India, Call of Duty: Mobile was still available. With claims of data privacy concerns and potential manipulation by China, occasionally the game has controversies that never cease; ⁴nonetheless, there are many dedicated players who receive constant updates with new guns, maps, and modes to keep them from getting bored. When mobile gaming picked up in India, Call of Duty: Mobile found itself among the top FPS titles in the country. Gameplay is extremely smooth with a variety of game modes and tournaments drawing in professional e-sports enthusiasts as well as recreational gamers.

- ***Poker***

Poker is considered a skill-based game in several court rulings, but some states, such as Gujarat, still classify it as gambling. Online poker platforms operate in legal grey areas, with some states allowing them while others ban them. The legal battle over poker continues as courts struggle to determine whether skill dominates chance in this game.

- ***Rummy***

Rummy has been declared a game of skill by the Supreme Court, making it legal in most parts of India. However, states like Telangana and Andhra Pradesh have imposed restrictions

⁴ Poker, Rummy, Fantasy Sports (Dream11, MPL, etc.), Esports (Dota 2, Counter-Strike, PUBG Mobile, etc.), Online Casino Games, Challenges in the Current Gaming Laws.

on real-money rummy platforms, arguing that it promotes gambling.

- ***Fantasy Sports (Dream11, MPL, etc.)***

Fantasy sports have gained legal recognition as skill-based games. The Punjab and Haryana High Court and the Supreme Court have upheld their legality, stating that success depends on knowledge and strategy rather than chance. Platforms like Dream11, which allow users to create virtual teams based on real-world sports performances, have faced taxation and regulatory scrutiny but remain largely legal.

- ***Esports (Dota 2, Counter-Strike, PUBG Mobile, etc.)***

There are a few games that dominate the eSports scene, most notably “Dota 2”, an ultra-competitive MOBA game by Valve reputed for its strategic depth and for holding The International events that have prize pools in the millions. The world’s best teams compete in Counter-Strike (now Counter-Strike 2) a tactical first-person shooter game that requires coordination and shooting accuracy. There is good eSports for the battle royale game PUBG Mobile, especially in Asia where players, as well as viewers, gather for events like the PUBG Mobile Global Championship (PMGC).

- ***Online Casino Games***

Online casinos, including slot games and roulette, are banned in most states under gambling laws. However, offshore platforms cater to Indian players without facing local legal consequences. The grey market nature of online casinos poses challenges for Indian regulators trying to control gambling activities.

CHALLENGES IN THE CURRENT GAMING LAWS

The current legal framework faces several challenges that hinder the growth and regulation of the gaming industry:

- **Ambiguity and Lack of Clarity:** The absence of a uniform definition of gaming, gambling, and skill-based gaming creates confusion.
- **Inconsistent State Regulations:** Different states have varying legal interpretations, leading to regulatory uncertainty.
- **Lack of Player Protection Measures:** There are no standard policies on responsible gaming, fair play, or data protection for players.
- **Taxation and Revenue Concerns:** The lack of a centralized policy affects tax collection and revenue distribution from gaming activities.

INTERNATIONAL PERSPECTIVES ON GAMING REGULATIONS

Countries such as the United States, the United Kingdom, and Singapore have adopted well-defined regulatory frameworks to govern gaming activities.⁵

- **United States:** The U.S. follows a state-specific regulatory model, with states such as Nevada having comprehensive gaming regulations, while others impose strict bans.
- **United Kingdom:** The UK Gambling Commission regulates gaming activities through the Gambling Act, 2005, ensuring consumer protection and responsible gaming measures.
- **Singapore:** Singapore has a well-regulated gaming sector governed by the Remote Gambling Act, 2014, which balances industry growth with responsible gaming practices.

THE NEED FOR A UNIFORM REGULATORY FRAMEWORK IN INDIA

Given the inconsistencies in existing laws, there is an urgent need for a centralized and uniform gaming regulatory framework in India. The following recommendations can help achieve this

⁵ International Perspectives on Gaming Regulations, UK Gambling Commission, Singapore Remote Gambling Act, Epic Games v. Apple (2020-2021), International Esports Federation Guidelines.

objective:

- **Defining Skill vs. Chance:** Establish a clear distinction between skill-based and chance-based games.
- **Central Regulatory Authority:** Create a national gaming regulatory body to oversee gaming laws and standardize regulations.
- **Player Protection Mechanisms:** Implement responsible gaming policies, including age verification, deposit limits, and self-exclusion options.
- **Taxation Framework:** Develop a clear tax structure for gaming operators to ensure compliance and revenue generation.
- **Adoption of Global Best Practices:** Incorporate learnings from international regulatory models to create a balanced approach.

CASE STUDY

Epic Games v. Apple (2020-2021)

Citation: 493 F. Supp. 3d 817 (N.D. Cal. 2020)

Court: United States District Court for the Northern District of California

Legal Issue: The primary issue in this case was whether Apple's control over the iOS App Store, including its 30% commission on in-app purchases, violated U.S. antitrust laws.

Background: Epic Games, the developer of Fortnite, challenged Apple's App Store policies by introducing an alternative payment system that bypassed Apple's 30% commission. In response, Apple removed Fortnite from the App Store, prompting Epic Games to file a lawsuit alleging that Apple engaged in anti-competitive behavior and violated U.S. antitrust laws.

Epic argued that Apple's strict control over app distribution and in-app purchases created a monopoly, harming both developers and consumers by restricting competition. Apple defended its policies, stating that its App Store rules ensured security, privacy, and a fair marketplace.

Court's Ruling: The district court ruled partially in favor of both parties:

It found that Apple was not a monopoly under U.S. antitrust law. However, it did rule that Apple's anti-steering policies—which prohibited developers from directing users to alternative payment methods—were anti-competitive and needed to be changed.

Apple was ordered to allow developers to inform users of alternative payment options, but it was not required to allow external app stores or third-party payment processing.

The court did not award damages to Epic Games, and Fortnite remained banned from the App Store.

Legal Reasoning: The court determined that Apple did not hold an illegal monopoly but did engage in unfair business practices by restricting external payment options.

It established that while Apple has the right to control its ecosystem, it cannot prohibit developers from informing users of cheaper alternatives outside the App Store.

Impact and Significance: This case had major implications for digital marketplaces, affecting Apple, Google, and other platform holders. It increased pressure on app stores to reconsider their commission models and led to regulatory scrutiny of platform fees worldwide.

Epic Games v. Apple was a landmark case in digital marketplace regulation, bringing significant attention to app store monopolies and in-app payment policies. While Apple retained control over its App Store, the ruling set a precedent for increased transparency and competition in digital ecosystems.

CONCLUSION

The gaming industry in India is at a critical juncture, requiring legal clarity and regulatory reforms. While state governments currently hold the authority to regulate gaming, a centralized framework will provide consistency, encourage industry growth, and protect consumers. By adopting a structured and transparent regulatory approach, India can unlock the full potential of its gaming sector while ensuring legal and ethical compliance.

REFERENCES

1. Public Gambling Act, 1867.
<https://indiankanoon.org/doc/1831663/>
2. Information Technology Act, 2000.
<https://www.meity.gov.in/>
3. Supreme Court of India Judgement on Rummy (2015).
<https://main.sci.gov.in/>
4. Valorant 2 June 2020.
<https://en.wikipedia.org/wiki/Valorant>
5. Call of Duty.
https://en.wikipedia.org/wiki/Call_of_Duty:_Mobile
6. UK Gambling Commission (2023).
<https://www.gamblingcommission.gov.uk/>
7. Singapore Remote Gambling Act, 2014.
<https://sso.agc.gov.sg/>
8. FEMA, 1999. <https://rbidocs.rbi.org.in/>
9. Prevention of Money Laundering Act, 2002.
<https://legislative.gov.in/>
10. International Esports Federation Guidelines.
<https://iesf.org/>
11. Epic Games v. Apple (2020-2021).
https://en.wikipedia.org/wiki/Epic_Games_v._Apple