

Submissions on the Draft Promotion and Regulation of Online Gaming Rules, 2025

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About the Promotion and Regulation of Online Gaming Act, 2025

The Union Cabinet cleared the new online gaming bill in August 2025, following which it cleared both houses of Parliament within the same week. The newly-christened "Promotion and Regulation of Online Gaming, Act, 2025"¹ (hereafter referred to as "PROGA"), would go on to provide India's online gaming sector decisive regulatory clarity. It explicitly promotes e-sports and online social games; and after decades of legislative uncertainty and courtroom battles, comprehensively banned all kinds of online money games, irrespective of whether predominantly shaped by skill or chance.

The main [features](#) of the Act, include:

1. **Prohibition of online money games:** Games where monetary stakes are involved (irrespective of chance, skill) are banned. Advertising such games is prohibited. Financial transactions to/from such platforms cannot go through banks/payment systems. Attendant penalties for all these offences have been introduced.
2. **Regulatory authority establishment:** A national authority (or existing designated body), will oversee categorisation, registration, monitoring, grievance redressal in online gaming.
3. **Promotion of e-sports and online social games:** Recognition of e-sports as a legitimate sport; provisions for training academies, research centres, standards for tournaments, and incentives. The Act adds that the government may recognise and register safe, age-appropriate online social games that focus on skills, culture or digital literacy.
4. **Rule-making powers:** The Central government can frame rules on various aspects - promotion of e-sports/social games, recognition/registration of games, functioning of the authority, and other required matters.

About the Promotion and Regulation of Online Gaming Rules, 2025²

Under the parent Act, MeitY has issued *The Promotion and Regulation of Online Gaming Rules, 2025*³ (hereafter the "Draft Rules") on October 2, 2025 for public consultation. Key aspects of the Draft Rules include:

1. **Establish enabling provisions** to support the structured and legitimate growth of India's e-sports and social gaming ecosystems.
2. Lay down the **process for recognition, categorisation, and registration** of legitimate e-sports and online social games.

¹ [Promotion and Regulation of Online Games, Act, 2025](#)

² [The Draft Promotion and Regulation of Online Gaming Rules, 2025.](#)

³ [The Draft Promotion and Regulation of Online Gaming Rules, 2025.](#)

3. Mandate the maintenance of a **National Online Social Games and E-Sports Registry** to ensure transparency and traceability.
4. Provide a robust **grievance redressal mechanism** to protect user rights and ensure responsible gaming practices.

About this document

The Quantum Hub (TQH) is an independent public policy research and advocacy firm based in New Delhi, working across diverse areas of technology policy such as data privacy, children's online safety, digital public infrastructure, online commerce, and online gaming.

Our submission aims to support regulatory clarity and balanced implementation - ensuring that digital enterprises, both gaming and non-gaming, can comply effectively with the law while continuing to innovate and enhance user experiences.

This document encompasses:

- I. Our concise submissions to MeitY; and
- II. A detailed clause-by-clause analysis of the impacts of the Draft Rules in the annexure.

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I. Submissions to MeitY

Rule 2(1)(i): Definition of Online Game Service Provider

Explanation: Online game service provider (OGSP) is a new terminology, previously unused in the IT Act, 2000, or the IT Rules, 2021 (issued to regulate online gaming). This term appears to collapse distinctions between intermediaries and publishers typically used in the gaming context, and instead pertains to those directly or indirectly making games available online.

Feedback/recommendation: Given the ambiguity, the following points arise:

1. First, it is unclear as to **what the difference is between an online gaming intermediary (as defined in the IT Rules, in Rule 2(1)(qb)) and an online gaming provider**. To ensure all relevant stakeholders follow the requisite provisions linked to OGSPs, it is recommended that this be clarified.
2. Second, the OGSP definition as it stands, appears to touch all direct providers of online games, which may be a hugely expansive definition, including providers of gamified experiences, such as e-commerce platforms offering ‘spin-the-wheels’ for discounts that can be redeemed upon purchase.

This means anyone offering an online game as defined in PROGA will need to be aware of their obligations as an OGSP. **It is submitted that MeitY include amendments to the parent act (PROGA) defining what an “online game” is, such that there is no confusion on where general gamification on platforms ends, and where online games begin.**

3. Third, as discussed above, the OGSP definition is also wide enough to include providers of gamified experiences (such as spin the wheels on e-commerce platforms, and so on). Strictly by definition, given that money in and money out occurs, **it is plausible that these games could be construed to be online money games**. However, since the law does not explicitly require *all* OSGBs to submit their games for verification or registration, it remains unclear whether such games fall within the scope of the Act - a clarification on this point would be useful.
4. Fourth, it is unclear as to what making available a game “alone or jointly with others” means - or in other words, **will indirect partners be affected by the definition?** For example, if a food-tech start-up sponsors prizes for a gaming company’s new Free-to-Play contest, do they also become online gaming service providers? A clarification may be provided to prevent confusion for a wide range of allied service providers assisting the offering of online games.

Rule 15: Registration of e-sports

Explanation: The registration period for e-sports from the application date is 90 days. The provision specifies that the timeline of 90 days to register the game shall not include the time taken to obtain recognition under the [National Sports Governance Act \(NSG Act\)](#).

Feedback:

1. There is no upper time limit prescribed for obtaining recognition as an e-sport under the National Sports Governance Act. This means the NSG Act approval could technically stretch on indefinitely, and thus consequently, delay application for registration as an e-sport.

Clarification sought/recommendation: It is submitted that should a decision not be made by either Authority on the registration of a game within a specified time period, then the registration should be *deemed to be approved*. MeitY must therefore specify a reasonable time period, after due consultation with the Sports Ministry and any other relevant entities, for this threshold.

Rule 16(3): Advertisement of registered online social games and e-sports

Explanation: The provision indicates that a certificate of registration is mandatory for representing, advertising, or offering an online social game or e-sport as a **registered** online social game or e-sport.

Feedback:

1. First, it appears that only registered e-sports or online social games with a Certificate of Registration can be advertised as legitimate games. By linking advertising rights to registration, the draft seeks to build user trust, help intermediaries onboard legitimate operators, and curb offshore betting platforms - much like an “FSSAI” for gaming. However, while well-intentioned, this could effectively make registration of games mandatory for advertising, potentially overwhelming the regulator’s capacity and slowing approvals. It could also hamper business continuity for companies already under financial and operational stress.

Clarification sought/recommendation: Given the above, it is submitted that the registration process be kept as light-touch and seamless as possible. We recommend that a self-declaratory and automated registration mechanism be adopted by the government, to ensure that the likely large volume of games that will need registration, are processed efficiently and quickly. To ensure compliance with the law, companies may self-declare that their games are *not online money games*, and are either e-sports or online social games, as per the parameters set out under law. We recommend that games self-declared as non-online money games be granted automatic, deemed approval upon submission.

Should the Online Gaming Authority of India, or any citizen, discern violations of this self-declaration i.e. should there be concerns that the e-sports/online social game is in fact an online money game, action may be taken, either through *sou motu* investigations, or in response to user complaints, as per the processes prescribed in the Act and Rules. In such a situation, certificates may be revoked and the various prescribed penalties laid out in PROGA may kick in.

Further, irrespective of the model to be adopted, in the current absence of the relevant authorities under law, online gaming service providers will require clarity on how to approach the advertisement and dissemination of their games in the interim. The government may wish to separately provide **details on the expected timelines for instituting the authorities**, and the **specific processes service providers should follow until these are set up**.

2. Second, and by implication, the Rule appears to suggest that an online social game or e-sport can’t be offered as “registered” without the certificate of registration. This may lead to certain operators offering their games to the Indian market - simply without the claim of them being registered. Whether this is permissible, and whether this will have consequences on consumer welfare, remains to be seen.

Clarification sought/recommendation: Whether games **without** a certificate of registration can be offered publicly, but without the claims of being a “registered” game.

Rule 17: Material Changes to a Game

Explanation: Once registered, an online game service provider must notify the Authority:

- a. for e-sports, of any material change in the registered game or in its recognition status under the National Sports Governance Act, 2025; and
- b. for online social games, of any material change in the registered game.

Feedback:

1. On the question of having to report material changes, it is unclear if substantive changes to in-game monetisation mechanics or content or anything else that may be specified, will have to be approved before being deployed to the market.

Given the likelihood of capacity constraints, if all of the above are required, then repeated reporting requirements with the Authority will slow down innovation and also hit companies’ abilities to deploy products quickly, and pivot from one business model to another.

Clarification sought/recommendation: Clarity is sought on the precise nature of material changes that will be required to be reported to the Authority, through explicit changes to the language of the Rules.

In the interest of creating a seamless and creator-friendly business environment, it is submitted that ***only changes in monetisation that may change the nature of an online game (and transform it into an online money game) be considered “material changes” and only these should be required to be reported to the Authority.*** In other words, the provision should be restricted.

Miscellaneous: Understanding how prize pools can be funded

Explanation: PROGA is explicit in its prohibition of online money games, and related monetisation models. However, many businesses - especially in e-sports - are now trying to understand how to build sustainable revenue models within these limits. This is particularly important given research suggesting that traditional offline, sponsor-funded e-sports tournaments in India have limited long-term revenue potential.

Feedback/recommendation:

1. While what’s not allowed monetisation-wise is crystal clear, **what is allowed would benefit from the Ministry’s clarification**, to help developers figure out how to reposition their businesses moving forward.

Clarification sought/recommendation: Can user fees paid to access an e-sports tournament be used, even partially, to fund the prize pool for the tournament itself? Or would this be considered a form of wagering?

In conclusion

In summary, while the draft Rules under PROGA reflect a noteworthy effort by MeitY to create a structured and accountable framework for India's fast-growing online gaming ecosystem, a few definitional and procedural ambiguities risk introducing uncertainty for legitimate businesses.

Clarifying the scope of "online game service providers," establishing clear timelines for e-sport recognition, and ensuring a streamlined, technology-driven registration process will be essential to balance regulatory oversight with agility. A light-touch, principles-based approach, focusing on transparency, responsible conduct, and consumer protection, will help foster trust among users while enabling the Indian gaming and e-sports industries to grow sustainably and competitively within the global digital economy.

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Purpose	Rule No.	Clause	Explanation	TQH Feedback and/or Suggestions
Part I: Preliminary				
Definitions	2(1)	(c) “Appellate Authority” means the Secretary to Government of India in the Ministry of Electronics and Information Technology;	<p>The Appellate Authority shall be the Secretary, MEITY and has been empowered to hear appeals challenging the Authority’s decisions on the nature of a game as an online social game or e-sport, cancellation of the certificate of registration, or the imposition of penalty under Section 12 of the Act.</p> <p>In other words, MeitY is taking a leading role in deciding on a broad spectrum of complaints linked to online games.</p>	<p>The designation of a single Union Secretary as the Appellate Authority may clog the grievance redressal process. Further, capacity constraints run the risk of passing mechanical orders, or delayed adjudication, both of which will slow down the process of deploying games to the market.</p>
		(e) “Certificate of Registration” means the Certificate of Registration issued by the Authority in relation to an online social game or an e-sport under rule 16, as the case may be;	<p>Rule 16 empowers the Authority to issue a Certificate of Registration, with a unique registration number, on registration of an online game as an e-sport or online social game as the case may be.</p> <p>As per Rule 16, the certificate shall be valid for a period of five years unless surrendered earlier by the online game service provider or cancelled by the Authority.</p>	<p>It may be useful to clarify that the issuance of certificate is immediate, upon acceptance of registration because the time period of 90 days specified in the Rules may apply to registering an online game but not to issuing the relevant certificate, which can prevent a game from being represented, advertised, and offered as a registered online social game or e-sport.</p> <p>Clarification via Rules is required to allay confusion.</p> <p>Further, the requirement of a certificate to offer online games may be problematic because it has the potential to clog the system with a large volume of applications. It is suggested that a self-certification regime with a declaration uploaded by online game service providers may suffice, without requiring a go-ahead from the regulator. Operationalising the same may require further consultation and</p>

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				potential amendments to the Rules.
		(f) “Grievance” means any complaint or representation made by any user to an online game service provider, either in writing or through digital or electronic means, regarding any act, omission, service, decision, or practice relating to the offering or availability of online social games or e-sports;	The subclause empowers users to make a complaint, either through writing or digitally, to the online game service provider’s grievance redressal mechanism. This grievance redressal mechanism is mandatory as per Rule 23 (1).	<p>The user has the right to complain regarding any “act, omission, service, decision, or practice relating to the offering or availability of online social games or e-sports”. This, in an expansive reading, may include complaints about the content of the game, its social sensibilities, and appeal to various sections of society. It may have a chilling effect on creative expression, and innovation by online game service providers.</p> <p>Clarification may be sought for precisely defining the grounds of complaints that may be fielded under the grievance redressal mechanism envisaged under Rule 23(1).</p>
		(h) “material change” means any change in the manner of offering a registered online social game or e-sport, including a modification in features of the online game or its revenue model, which is reasonably likely to change the nature of such online social game or e-sport as an online money game or where there is any change in the manner in which money or anything recognised as equivalent or convertible to money is transacted for the online game;	Currently, material changes are exemplified through changes in monetisation models. However, it is possible that given the usage of the term “including”, that this may be expanded to include other sorts of substantive changes to the game , for example to content.	<p>On the question of having to report material changes, it appears as if any substantive change in-game monetisation mechanics or content (or anything else that may be specified) will have to be approved before being deployed to the market. Given the likelihood of capacity constraints, this will slow down innovation and also hit companies’ abilities to innovate quickly, and pivot from one business model to another. Clarity is sought on the precise nature of material changes that will be required to be reported to the Authority, through explicit changes to the language of the Rules.</p> <p>It is suggested that a self certification and general authorization regime for games be adopted instead where companies can self-declare regarding the category of online game without needing approval</p>

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				<p>from the regulator. In the absence of this, it has the potential to clog the system, akin to a licensing regime. Operationalising the same may require further consultation and potential amendments to the Rules.</p>
		<p>(i) “online game service provider” means any person who alone or jointly with others, offers, operates, organises, manages or makes available one or more online games.</p>	<p>Online game service provider (OGSP) is a new terminology, previously unused in the IT Act, 2000, or the IT Rules, 2021 (issued to regulate online gaming). This term appears to collapse distinctions between intermediaries and publishers typically used in the gaming context, and instead pertains to those directly or indirectly making online games available online.</p> <p>For example, the definition of “online game service provider” as an entity which makes available one or more online games may also include platforms such as Google Play Store or the App Store, as well as mobile, PC and other gaming engines such as Unreal Engine, Godot, popular Android emulators like NoxPlayer, LDPlayer, MEMU Play, and Mumu Player, among others.</p>	<p>Given the ambiguity raised, the following points arise:</p> <ol style="list-style-type: none"> 1. It is unclear as to what the difference is between an online gaming intermediary (as defined in the IT rules) and an online gaming provider. To prevent any industry confusion over who may be liable to follow provisions linked to OGSPs, it is recommended that MeitY include clarifications on the same via the Rules. 2. The OGSP definition as it stands, appears to touch all direct providers of online games (which may be a hugely expansive definition, including providers of gamified experiences, such as e-commerce platforms offering ‘spin-the-wheels’ of discounts that can be redeemed upon purchase). This means anyone offering an online game as defined in PROGA will need to be aware of their obligations as an OGSP. It is submitted that MeitY includes amendments to the parent act defining what “online game”, such that there is no confusion on where gamification ends, and where online games begin. 3. It is unclear as to what making available a game “alone or jointly

				<p>with others” means—or in other words, will indirect partners be affected by the definition? For example, if a food-tech start-up sponsors prizes for a gaming company’s new F2P contest, do they also become online gaming service providers? A clarification may be provided, to prevent confusion for a wide range of allied service providers assisting the offering of online games.</p> <p>4. The OGSP definition is also wide enough to include providers of gamified experiences (such as spin the wheels on e-commerce platforms, and so on). Strictly by definition, given that money in and money out occurs, it is plausible that these games could be construed to be online money games. However, given that the law does not explicitly require <i>all</i> OSGPs to submit their games for verification/registration, it is unlikely that these games are being directly contemplated by the Act itself. Therefore, a clarification is required.</p>
PART II: PROMOTION OF E-SPORT AND ONLINE SOCIAL GAMES				
Recognition and Promotion of e-sport	3	(2) The registration of e-sport for the purposes of sub-section (1) of section 3 of the Act shall be done by the Authority in accordance with rule 15.	<p>Section 3(1) of PROGA empowers the Central government to take steps as may be necessary for recognising and registering e-sports with the Authority and develop e-sports as a form of competitive sport and to promote and develop them.</p> <p>Rule 15 empowers the Authority to register an online game as an e-sport on an application</p>	<p>There is no upper time limit prescribed for obtaining recognition under the National Sports Governance Act. So, in theory, the process of recognition under the National Sports Governance Act, and therefore registration with the Authority, may continue for a protracted period, delaying the recognition of e-sports (with no such</p>

			from the online game service provider subject to proof of recognition under the National Sports Governance Act. The timeline for such registration from the date of application by the online game service provider shall be 90 days but it shall not include the time taken to obtain recognition under the National Sports Governance Act, 2025 (NSG).	binders applied to online social games). Clarification on how this (likely interministerial) issue may be addressed. It is submitted that the government may wish to consider introducing an upper time limit for registration timelines—should the NSG regulator fail to respond within such time, then the game may be considered <i>de facto</i> approved. Operationalising this may require amendments to the Rules.
Promotion and development of online social games	4.	(3) An online social game may be offered or made available without a registration under Part IV.	<p>This indicates that only online social games do not mandatorily have to be registered with the Authority, and that doing so is opt-in. Commentators have <u>suggested</u> that “this provides some relief for video game firms, sparing them — for the moment — from any regulatory burden.” No such carve out has been mentioned for e-sports—indicating that for e-sports, registration with the Authority is mandatory.</p> <p>Note: Nevertheless, as noted in the analysis for Rule 16(3), obtaining a CoR with the Authority is mandatory for <i>both</i> online social games and e-sports looking to advertise themselves as “registered” in India. They may likely continue to advertise themselves in India—however, without the legitimacy of being “registered” by the Authority. The CoR approval may also be crucial for ensuring intermediaries onboard only legitimate (in this case registered) advertisers, curbing illegal offshore betting platforms from advertising on Indian platforms.</p>	<p>This indicates a differential, and lower-stakes, treatment of online social games, as compared to e-sports—the two categories are not being subjected to the same levels of regulatory scrutiny. Registration with the Authority appears mandatory, as evidenced below:</p> <ol style="list-style-type: none"> Section 2(c)(iii) of PROGA defining e-sports specifically mandates registration with the Authority and recognition under NSG as a precondition for being classified as e-sports. Further, Rule 12(1) clearly suggests that online social games providers “may” and “of their own volition” make applications with the Authority to register their games. However, Rule 12(2) indicates that for e-sports, they “shall” make applications to the Authority, decisively indicating this to be a mandatory requirement. Further, Rule 12(2) uses the phrase that an online game service provider “intending to provide an e-sport”—as opposed to Rule 12(1) which uses

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				<p>the phrase “intending to seek recognition”—indicating that e-sport providers shall have to seek registration and recognition as opposed to online social games.</p> <p>Should this be the case, then there needs to be sustained interministerial consultations with stakeholders implementing the NSG Act and recognising e-sports underneath it. Without such engagement, and resolution of industry concerns, e-sports providers will find it difficult to get their games approved by the authority. It is submitted that such consultations be baked into the regulatory process, via amendments to the Rules.</p>
		<p>(4) The Central Government, through the Ministry of Information and Broadcasting, may issue codes of practice or guidelines in relation to the categorisation of online social games for recreational, educational, skill development, or such other purposes so as to ensure safe and age-appropriate social gaming content.</p>	<p>The Rule broadly indicates that the Central government has the power to issue guidelines for categorisation of online social games or “such other purposes” so as to ensure safe gaming content.</p>	<p>Industry consultation with MIB is crucial to ensure contextual understanding of games and their age appropriateness without taking an overly-paternalistic approach to guidelines. It should be in line with international standards such as PEGI, ESRB so that we have international continuity and avenues for export.</p> <p>It is also pertinent to note that the phrase “such other purposes” gives the government a blanket authority to determine safe gaming content. In the absence of industry consultation, this could lead to undue censorship of some games. It is submitted that expansive language like “such other purposes” be omitted from the Rules, by way of amendments.</p>

PART III: AUTHORITY ON ONLINE GAMING				
Composition and qualifications for appointment of Chairperson and Members	6.	<p>(1) The Authority shall consist of the following Members, to be appointed by the Central Government, namely:–</p> <p>(a) a Chairperson, ex officio in the rank of the Additional Secretary, Ministry of Electronics and Information Technology or in the absence of an Additional Secretary, such other officer not below the rank of Joint Secretary designated by the Secretary, Ministry of Electronics and Information Technology;</p> <p>(b) three Members, who shall be Members ex officio, in the rank of a Joint Secretary to the Government of India, to respectively represent the Ministries or Departments of the Central Government dealing with,–</p> <p>(i) information and broadcasting;</p> <p>(ii) youth affairs and sports;</p> <p>(iii) financial services; and</p> <p>(c) two other Members ex officio, not below the rank of Director to the Government of India, out of which at least one Member shall have special knowledge of and experience</p>	<p>The Central Govt will appoint (a) a Chairperson who is of the rank of Additional Secretary in MeitY. If not available, a Joint Secretary will be appointed; (b) three Joint Secretaries one from MIB, Sports Ministry and Finance Ministry each; and (c) two other Members (ex officio, minimum Director-level officers), where at least one is a legal expert.</p> <p>Note: the Finance Ministry’s representation in the Authority is likely standard and concerned with internal fund management and decision making related to payment mechanisms, and financial fraud in the ecosystem. But, this may become more relevant in the context of any additional obligations under the <u>Prevention of Money Laundering Act 2002</u> that may be introduced in the future.</p>	<p>Lack of industry representation in the Authority presents a likelihood of executive overreach. A paternalist approach to decision making may arise since no specialised experts are involved in determination. There is a need for more technical experts, as an all-executive body also increases the risk of slow decision-making, rigid bureaucracy, and lack of industry agility. Through amendments to the Rules, we recommend the introduction of technical experts in e-sports with strong understandings of gameplay mechanics and monetisation models, to ensure well-rounded decisions are made.</p> <p>Further, it is pertinent to <u>note</u> that in the <i>State of Gujarat v. Utility Users Welfare Association</i>, the Supreme Court observed that if a body has the “trappings of the Court” or performs judicial functions, albeit limited ones, there should be a person of law as a member, an amendment that may be brought through the rules. The said person either is, or has been holding a judicial office, or a person who is possessing professional qualifications with substantial experience in the practice of law, who has the requisite qualifications to have been appointed as a Judge of the High Court or District Judge. That being so, the government’s appointment of any bureaucrat with “special knowledge in law” [say, Director in Law & Justice], may fall foul of the SCI’s ruling.</p>

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		in law.		
		(3) The Chairperson may call upon such experts as deemed necessary to assist the Authority in the discharge of its functions.	The Chairperson can invite external experts to assist the Authority.	As discussed above, e-sports and/or industry experts should be embedded in the Authority by default, through amendments to the rules. Lack of permanent Industry representation in the Authority could mean decisions are taken without sufficient practical insight into how gaming businesses operate. Further, selective engagement poses the risk of amplifying only certain expert and industry voices, while excluding others. Such an approach may lead to disproportionate influence by a few entities.
Powers and functions of the Authority	10	(1) The Authority shall exercise and perform the following powers and functions, namely,— (a) determine, either on receipt of an application from an online game service provider or suo moto, whether an online game is an online money game or otherwise in accordance with rule 13;	The Authority can decide whether an online game qualifies as an online money game or otherwise in accordance with Rule 13 (Determination of an online game). This can be done on application by a service provider or suo moto by the Authority.	Given the expansive definition of online game service providers under Rule 2(1)(i), the application can be made by any developer, publisher, or even platforms. It is pertinent to note that platforms such as Google Play Store or Apple App Store, if seen as online game service providers, could hypothetically take proactive measures to apply for classification of games in their library. Clarification on the specific variety of platforms that may be considered OGSP is required, to ensure all stakeholders are in compliance with the law. The volume of these applications has the potential to clog the approval process and may undermine smaller players who lack a competitive edge— indicating the need for a light touch approach for determining applications, which may be considered through an amendment to the rules.
		(c) maintain and publish a National Online Social Games	The Authority will maintain and publish a National Online Social Games and E-sports	As noted in the analysis of Rule 4(3), online social games do not appear to be

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		and E-sports Registry containing such details of all registered online social games and e-sports as deemed necessary by the Authority and a list of online games determined as online money games by the Authority in accordance with these rules;	Registry. This would include registration details of online social games and e-sports, and a list of prohibited online money games.	mandatorily required to register with the Authority. Therefore, the details available in the public registry may be limited to those online social games that choose to register. However, unlike online social games, all e-sports are <i>required</i> to be registered and will therefore be reflected in the public registry. Clarification on the optional nature of registration for online social games, versus e-sports, may be provided.
		(d) inquire into any complaint relating to an online game that is prejudicial to the interests of users;	The Authority can inquire into complaints against online games that may harm user interests.	<p>This may be overbroad, in that it does not specify the threshold for “prejudicial to the interests of users”. Such an overbroad provision can allow room for motivated complaints. The Rules should provide additional clarity on the details and evidence a complainant must submit for the Authority to initiate an inquiry against an online game on this specific ground. This can include different kinds of harms the government considers relevant for investigation, and at what scale/threshold these instances become harmful.</p> <p>Specifying these issues helps consumers understand the full scope of issues they have rights to issue grievances with, while also supporting developers and helping them ensure that their games do not meet these thresholds.</p>
		(e) issue directions, orders to persons offering, organising or facilitating any <u>online game</u> , advertisements relating to <u>online game</u> and financial transactions or authorisation of funds towards payment for any online gaming;	The Authority can issue directions to (i) service providers, organisers, or facilitators of games, (ii) “advertisements relating to online games”, (iii) financial intermediaries processing payments for gaming.	<p>The language “advertisements relating to online game” is not clear – a clarification on whether this concerns (i) advertisers that run ads on online games (a popular method of attracting customers) and/or (ii) advertisers of online games should be provided.</p> <p>Overall, advertisers, payment gateways</p>

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				linked to online gaming activities will have to be vigilant, and abreast of the Authority's directions.
		(f) issue guidelines or codes of practice in relation to offering online social games and esports in consultation with the concerned Ministry or Department in the Central Government dealing with the matter, as the case may be;	The Authority can issue industry-wide guidelines or codes of practice for online social games and esports, after consulting with relevant Ministries.	Illustrative clarity on the scope of such guidelines and codes of practice would be useful for the industry, may be provided.
		(i) entertain appeals from the decision of the Grievance Appellate Committee or references made to it by the Grievance Appellate Committee in accordance with sub-rules (6) to (9) of rule 23;	<p>The Authority can entertain appeals against decisions of the Grievance Appellate Committee (GAC), or deal with references made to it by the GAC.</p> <p>This suggests that the Authority is likely to function as the final appellate mechanism for grievances laid out in Rule 23.</p>	<p>Further clarity is also required on whether the Authority can entertain appeals against all GAC orders, or whether the scope of the appeals that can be made is more limited. A limited scope may be preferable to reduce regulatory burden and avoid delays in dispute resolution. If the latter approach is intended, amendments to the Rules may be necessary to expressly restrict the categories of appeals that can be brought before the Authority.</p> <p>Finally, it is important to note that both the GAC and the Authority are entirely executive-run bodies, with limited industry or technical expertise represented in their composition. This lack of adequate industry representation in grievance redressal processes could negatively impact ease of doing business—as discussed above, this can be ameliorated by mandating the presence of industry personnel in the Authority.</p>
Appeals from the decision of	11	(1) An appeal from the decision of the Authority in relation to the determination of an online	The appeals against the determination made by the Authority shall lie to the Appellate Authority	The vesting of appellate power in a single Union Secretary may run the risk of passing either mechanical orders or delay in

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the Authority		game, registration of an online social game or e-sport, cancellation of a Certificate of Registration, or imposition of a penalty under section 12 of the Act shall lie with the Appellate Authority.	who shall be the Secretary, MeitY.	adjudication, both of which may have a dampening effect on innovation and deploying games to the market.
PART IV: DETERMINATION, RECOGNITION, CATEGORISATION AND REGISTRATION				
Application	12.	(1) Any online game service provider intending to seek recognition and registration of an online game as an online social game may, of its own volition, make an application to the Authority in such digital form and along with such supporting details as may be published by the Authority from time to time on its website.	Online social games <u>may and of their own volition</u> make an application for registration with the Authority.	<p>As noted in the analysis of Rule 4(3), online social games may not mandatorily need to register with the Authority. This Rule further suggests the same by stating that an online social game “may, of its own volition, make an application to the Authority”. This also highlights a clear self-opt mechanism for online social games that choose to be registered with the Authority.</p> <p>This should be clarified to remove any ambiguity around the mandatory/ voluntary registration of online social games.</p> <p>Nevertheless, as noted in the analysis for Rule 16(3), obtaining a CoR with the Authority is mandatory for both online social games and e-sports looking to advertise themselves as “registered” in India. They may likely continue to advertise themselves in India—however, without the claim of being “registered” by the Authority.</p> <p>Clarification on this reading may be provided.</p>
		(2) Any online game service provider intending to provide	OGSPs offering e-sports shall or must apply to the Authority for registration, indicating that	As noted in the analysis of Rule 4(3), the language in this Rule also suggests that

	<p>an e-sport, shall make an application to the Authority in such digital form and along with such supporting details as may be published by the Authority from time to time on its website.</p>	<p>registration is mandatory.</p>	<p>online game service providers “shall” or have to make an application to the Authority to provide games that qualify as e-sports. Unlike online social games, this does not appear to be a self-opt—if providers want to offer their games as an e-sport, they must make an application to the authority.</p> <p>However, this likely means that competitive games (recognized as e-sports elsewhere or offered in the same format as e-sport games) can be offered without registration – they may not just be recognized as “e-sport” in India.</p> <p>For example, suppose there is a global e-sports title called CricketClash. Consider that the developer does not want to apply for registration with the Authority, and be recognised as an ‘e-sport’ as it wants to hit the Indian market quickly. So, the developer decides to bypasses the Authority’s registration process, and offer CricketClash as an “online interactive entertainment experience” in India instead of as an ‘e-sport’. This allows it to offer competitive formats in India, that mirror e-sports, without going through any regulatory recognition. Is this permitted? Clarification on the same may be provided.</p> <p>On a similar note, as noted in the analysis for Rule 16(3), obtaining a CoR with the Authority is mandatory for <i>both</i> online social games and e-sports looking to advertise themselves as “registered” in India. They may likely continue to advertise themselves in India—however, without the legitimacy of being “registered” by the Authority. Clarification</p>
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				on the same may be provided.
		<p>(3) The Authority shall seek such details from an applicant as deemed necessary for the purpose of registering an online social game under rule 14 or an e-sport under rule 15, including any or all of the following, as the case may be,—</p> <p>(a) name and contact details of the applicant, including relevant statutory registrations applicable to such applicant;</p> <p>(b) name and detailed description of the online game intended to be registered;</p> <p>(c) category under which the applicant intends the online game to be categorised for the purposes of section 4 of the Act, including for recreational and educational purposes.;</p> <p>(d) age group to whom the online game is intended to be offered;</p> <p>(e) revenue model, including revenue generation through advertisements, subscription or one-time access fee or any other revenue model that does not involve receipt of payments in the nature of a stake or wager;</p>	<p>Rule 12(3) details the various details an applicant will have to submit in order to register their games as online social games or e-sports.</p>	<p>With reference to Rule 12(3)(e), a clear explanation of revenue models should be submitted as part of the application for registration, including reasoning to show that the online game is played without involvement of any real money payout for users or of any form of wager/stake. Clarification on what sort of evidence may be provided to prove this claim may be offered.</p> <p>Further, given 12(3)(g), it is unclear if having an internal grievance redressal process is mandatory or not, in order to receive registration—or if such a system should be set up post registration and CoR receipt. As per Section 23(1), only OGSPs with <i>registered</i> games need to have grievance redressal systems in place, indicating this is required only post facto. Clarification may be provided in the FAQs, and amendments may be required to the Rules.</p>

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		<p>(f) user safety features;</p> <p>(g) internal grievance redressal mechanism; and</p> <p>(h) such other details as may be deemed necessary by the Authority for this purpose.</p>		
		<p>(4) Every applicant shall provide an undertaking in such digital form as published on the website of the Authority confirming that the applicant shall not undertake any activity which is prohibited under any law for the time being in force, including the Act.</p>	<p>Every applicant must submit a digital undertaking affirming that they will not engage in any activity prohibited under existing laws, including PROGA. This ensures legal compliance as a pre-condition for registration or approval.</p>	<p>It is unclear whether the undertaking could be applied retrospectively. For example, if the Authority later classifies a game, category of games or revenue model as an “online money game”, does that automatically mean the applicant has breached their undertaking? It is recommended that the undertaking should be phrased in a manner which makes it clear that the undertaking’s contents applies prospectively - that is, post the authority’s determination. For this purpose, an amendment of the Rules may also be looked at to clarify the position.</p>
		<p>(9) Upon expiry of the validity of the registration, an online game service provider of online social game may, and of an e-sport shall, make a fresh application in accordance with this rule for renewal.</p>	<p>When a registration expires, an online game service provider offering social games may apply for renewal, while providers of e-sports are required to file a fresh application for renewal.</p>	<p>Once again, the language in this Rule suggests higher thresholds for e-sports registration, indicating that to continue providing an online game as “e-sport” providers must file a fresh application for renewal. In contrast, providers of online social games do not appear to be subject to a mandatory renewal requirement.</p> <p>This framework makes e-sports providers more vulnerable to business disruption if the renewal process is time-consuming. For example, if the renewal period overlaps with a multi-sport e-sport event, both developers and players may face restrictions on participation. To mitigate</p>

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				such risks, the Authority may prescribe an expedited, light-touch renewal process through amendments to PROGA, the parent Act, as well as to the Rules. It is submitted that unless material changes to the game occur, registration should automatically or <i>de facto</i> renew.
Determination of an online game	13	<p>(1) For the purposes of clause (a) of sub-section (2) of section 8 of the Act, the Authority may suo moto or on the basis of an application made to it under rule 12, make a determination whether an online game is an online money game or otherwise, having due regard to all or any of the following parameters, as the case may be, namely,—</p> <p>(a) whether the online game involves any element of money or other stakes by whatever name called, including payment of fees, deposit of money or other stakes, or making any purchase during game play at any point of time in the online game and [emphasis added] such money is in the nature of a stake or wager;</p>	<p>This means the Authority will examine whether an online game involves “any element of money” or other stakes, including in-app or in-game purchases.</p>	<p>Our reading does not suggest that the mere presence of “any element of money” would automatically classify the game as an online money game.</p> <p>Rather, the language indicates that the Authority will assess in-game purchases to ensure they are not in the nature of a stake or wager. However, there is limited clarity on how the Act, or Authority, defines and/or interprets stakes and wagers. Clarification on which statutes are being relied on for the definitions of these terms should be provided.</p>
		<p>(b) whether the payment of fees or deposits made by users is used as <u>consideration for participating</u> in the online game <u>or</u> is used as stake or wager <u>or</u> a consideration for</p>	<p>The Authority will assess whether any payment of fees or user deposit is used merely to play the game, or whether it constitutes a stake, wager, or consideration for winning.</p>	<p>This likely means that if a user deposit or fee—which may include those made through in-app or in-game purchases that are not redeemable in fiat—is solely for the purpose of participating in the game, and is not used as a stake/wager or linked to determining victory, it would be</p>

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		winning;		<p>acceptable and not classified as an online money game.</p> <p>That said, risks remain if “consideration for winning” is interpreted unfavourably in the context of in-app or in-game purchases. For example, certain purchases (such as extra lives) may extend gameplay and ultimately influence victory. However, this would be a narrow interpretation and may not reflect the intended scope of assessment under this provision. Clarification may therefore be provided—it is submitted that cases like the above are standard monetisation models used globally, and should be explicitly excluded from the scope of wagering or staking.</p>
		(e) such other relevant factors as may be deemed necessary by the Authority for such determination.	This indicates that the above parameters are not exhaustive and more tests may be used to help determine whether a game is an online money game or not.	<p>There is scope to work with the government and introduce additional parameters. For instance, it may be suggested to the Authority that prize money awarded to participants in an e-sports tournament should not be treated as a stake or wager, even if such prize money (or a portion of it) is funded through participation fees paid by the players. If such an exemption is already contemplated under Section 2(1)(c)(i) of the Act, this should be expressly clarified in the FAQs, and through explicit amendments to the phrasing of the parent Act.</p>
		(3) A determination whether an online game may qualify as an e-sport shall be made only with the Member representing the Ministry of Youth Affairs and Sports being present in the	An online game can be classified as an e-sport only if the Member representing the Ministry of Youth Affairs and Sports is present and concurs with the decision. The Authority must then assess whether the game meets the legal conditions under Section 2(1)(c) of PROGA (the definition of e-sports), before processing its	<p>It is not clear from the language of PROGA if the prize money (or a portion of it) can come out of the participation fee paid by the players. Under Rule 13, we have highlighted an opportunity for making a case for games played as e-sports, where prize money can be drawn from the</p>

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	<p>meeting and concurring, and in doing so,—</p> <p>((a) the Authority shall assess whether the online game meets the conditions under clause (c) of sub-section (1) of section 2 of the Act and if conditions, including the recognition of e-sports under the National Sports Governance Act, 2025 (25 of 2025) are met, the application shall be taken up for processing for registration as an e sport; and</p>	<p>registration as an e-sport. Section 2(1)(c) of the Act provides the definition of “e-sports”, where 2(c)(v) deals with participation fee and prize money for e-sports.</p>	<p>participation fee pool, with the Government of India.</p> <p>Further, this provision reiterates the importance of recognition under the <u>National Sports Governance Act, 2025</u>, for qualifying as e-sports. This may run the risk of the regulatory framework preferencing games strictly based on traditional sports, such as football or cricket or chess. Doing so may preclude legitimate and highly diverse thematic (and non-sport) titles from being considered e-sports under the Act’s regulatory framework (for example Mahjong, Ludo, etc). We urge the Government of India to avoid a narrow view, and recognise the wide plethora of e-sports formats and titles in existence today.</p>
	<p>(b) where the Authority is satisfied, that all conditions clause (c) of sub-section (1) of section 2 of the Act, except sub-clause (iii) of clause (c) of sub-section (1) of section 2 of the Act are being met, it shall require the applicant to first obtain recognition under the National Sports Governance Act, 2025 (25 of 2025).</p>	<p>If an online game meets all conditions under Section 2(1)(c) of the Act except the requirement in sub-clause (iii), the Authority will direct the applicant to first secure recognition under the National Sports Governance Act, 2025, before proceeding with registration as an e-sport.</p>	<p>This provision suggests that recognition under the NSGA, 2025 is mandatory for online games to qualify as e-sports. Explicit clarification will help ameliorate any confusions over compliance.</p>
	<p>(4) Upon making a determination under sub-rule (1) that an online game is an online money game, the Authority shall,—</p> <p>(a) direct the online game service provider to cease</p>	<p>This Rule details steps to be taken in the event of a game being found to be an online money game.</p>	<p>It should be clarified if the Authority will take suo moto action against offshore betting and gambling platforms. These platforms would not apply for the registration process but continue to soar under the radar, engaging Indian users in illegal betting and gambling activities.</p>

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		<p>offering the game immediately;</p> <p>(b) prohibit advertising, promotion, or facilitation of the game;</p> <p>(c) initiate such further action as may be prescribed under the Act, including action under section 14; and</p> <p>(d) publish on its website a list of online money games and such other associated details as deemed necessary relating to the online money game.</p>		
		<p>(7) Where the determination under this rule was initiated suo moto by the Authority, the Authority may, after making a determination,—</p> <p>(a) in case of an online social game, inform the online game service provider that such online social game may apply for registration under rule 12;</p>	<p>If the Authority initiates a determination on its own and finds that a game qualifies as an online social game, it may notify the service provider that the game can be registered by applying under Rule 12.</p>	<p>As seen across rules, the language here indicates that registration with the Authority is optional for online social games. Explicit clarification will help ameliorate any confusions over compliance.</p>
		<p>(b) where the Authority is satisfied in accordance with sub-rule (3) that the online game may be an e-sport, direct the online game service provider that such online game first obtain recognition under the National Sports Governance Act, 2025 (25 of 2025) as esports and thereafter apply for registration with the Authority in accordance with</p>	<p>If the Authority, on its own determination, concludes under sub-rule (3) that a game may qualify as an e-sport, it will require the service provider to first secure recognition under the <u>National Sports Governance Act, 2025</u>, and then apply for registration with the Authority under Rule 12.</p>	<p>As seen across rules, the language here indicates that registration with the Authority is mandatory for online games to qualify as e-sports. Explicit clarification will help ameliorate any confusions over compliance.</p>

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		rule 12.		
Registration of e-sports	15	(1) Where an application from an online game service provider is received under sub-rule (2) of rule 12 or in accordance with clause (b) of sub-rule (7) of rule 13, the Authority shall register the e-sport upon providing a proof of recognition of e-sport under the National Sports Governance Act, 2025 (25 of 2025) within a reasonable time not exceeding ninety days from the date on which the application was first made under sub-rule (2) of rule 12.	The registration determination period for e-sports from the application date is ninety days.	<p>The process of obtaining proof of recognition as an e-sport under the NSGA, 2025 may take additional time.</p> <p>Clarification on how this (likely interministerial) issue may be addressed. It is submitted that the government may wish to consider introducing an upper time limit for registration timelines—should the NSG regulator fail to respond within such time, then the game may be considered <i>de facto</i> approved. Operationalising this may require amendments to the Rules.</p>
		(2) Any time taken to obtain recognition under the National Sports Governance Act, 2025 (25 of 2025) in accordance with clause (b) of sub-rule (7) of rule 13 shall be excluded from the ninety-days under sub-rule (1).	The provision specifies that in case of application by an online game service provider as an e-sport, the timeline of 90 days to register the game shall not include the time taken to obtain recognition under the <u>National Sports Governance Act</u> .	This means the NSG approval could technically stretch on indefinitely, and thus consequently, the application for registration as an e-sport. The Authority must therefore specify a reasonable time period, after due consultation with the Sports Ministry and any other relevant entities, for processing of recognition applications under the NSGA, 2025. This may require attendant amendments to the Rules.
PART V: CERTIFICATE OF REGISTRATION				
Certificate of Registration of online social games or	16	(1) Upon registering an online game as an online social game under rule 14 or e-sport under rule 15, the Authority shall issue a certificate of registration to the online game service provider with a unique	The Authority shall issue a Certificate of Registration upon the registration of an online game as either an online social game or e-sport under relevant Rules.	It is unclear as to whether the process of registration shall be treated distinctly from that of issuance of the Certificate of Registration. If so, the timeline applicable for registering the online game [90 days] may not be co-terminus with providing the Certificate of Registration. There should

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e-sport		registration number in relation to such online social game or e-sport.		be a clarification on the timeline for issuing the Certificate of Registration.
		(2) The Certificate of Registration issued under sub-rule (1) shall be valid and subsisting for such period up to five years as chosen by the online game service provider at the time of making an application, unless suspended or cancelled earlier under these rules.	Validity of CoR will be five years, unless suspended or cancelled prior.	This is likely to encourage periodic re-evaluation of games, whose mechanics may change with time. Industry stakeholders have reportedly requested the Ministry to consider <i>de facto</i> renewal of CoRs, unless some material change has taken place, in order to preserve business continuity.
		(3) An online social game or e-sport shall not be represented, advertised, or offered as a registered online social game or e-sport without a valid Certificate of Registration.	<p>The provision indicates that a certificate of registration is mandatory for representing, advertising, or offering an online social game or e-sport as a registered online social game or e-sport.</p> <p>Note: As per Rule 16(3) you can't offer the game before receiving the certificate of registration, so there's no deemed approval. This can be a challenge for e-sports providers where registration of the game is mandatory (as noted across provisions) for the game to be provided as "e-sport".</p> <p>A plain reading of the text would imply that an online social game can advertise without the claim of being a "registered" online social game. Further, the clause that online social games can be offered without registration helps smaller players who may not want to advertise.</p> <p>However, the intention, in so far as advertisement is concerned, seems to be that any player who wants to advertise their game as "registered" shall need to have a certificate of registration. This creates a backward</p>	<p>For advertisements, therefore, obtaining a CoR to advertise your game as "<u>registered</u>" appears to be mandatory. However, this is likely to lead to a very large volume of registration requests to the Authority, which can overwhelm its capacity.</p> <p>Given the above, it is submitted that the registration process may need to be kept as light-touch and seamless as possible, with a self-declaratory and automated registration mechanism to ensure that the likely large volume of games that will need registration, are processed efficiently and quickly. To ensure compliance with the law, companies may self-declare that their games are <i>not online money games</i>, and are either e-sports or online social games, as per the parameters set out under law.</p> <p>Further, irrespective of the model being adopted, in the current absence of the relevant authorities under law, online gaming service providers will require clarity</p>

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			<p>pressure for bigger companies, seeking to advertise their games and acquire new audiences by leaning on the Authority's "registration" legitimacy, to obtain the CoR.</p> <p>Note: It is likely that the CoR approval will help intermediaries only onboard legitimate players as advertisers—snipping in the bud the issue of illegal offshore and betting platforms rampantly advertising on Indian platforms. To that end, akin to a FSSAI stamp, having a CoR creates a direct and trust-based incentive for advertisers to partner with companies.</p>	<p>on how to approach the advertisement and dissemination of their games in the interim.</p>
Material change in nature of the online game	17	<p>(1) Any time after the receipt of a Certificate of Registration, the online game service provider shall inform the Authority, in such form and manner as the Authority may provide,—</p> <p>(a) in case of an e-sports, of any material change in the registered e-sport or change in the status of recognition of such e-sport under the National Sports Governance Act, 2025 (25 of 2025);</p> <p>(b) in case of an online social game, of any material change in the registered online social game.</p>	<p>Once registered, an online game service provider must notify the Authority:</p> <ol style="list-style-type: none"> for e-sports, of any significant change in the registered game or in its recognition status under the National Sports Governance Act, 2025; and for online social games, of any material change in the registered game. 	<p>On the question of having to report material changes, it is unclear if substantive changes to in-game monetisation mechanics <u>or</u> content <u>or</u> anything else that may be specified will have to be approved before being deployed to the market. Given the likelihood of capacity constraints, this will slow down innovation and also hit companies' abilities to innovate quickly, and pivot from one business model to another.</p> <p>Clarity is needed on the precise nature of material changes that will be required to be reported to the Authority, through explicit changes to the language of the Rules</p>
Cancellation of Certificate of Registration of an	18	<p>(1) A Certificate of Registration issued under rule 16 shall be liable to be cancelled where,—</p> <p>(a) there has been a material</p>	<p>Lays out conditions for cancellation of CoR for online social games and e-sports.</p>	<p>As per Rule 18(c), if an online game service provider intending to offer an e-sport fails to provide proof of recognition under the NSGA, 2025 within the timeline specified by the Authority, their CoR will be cancelled. It should be clarified whether</p>

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online social game or e-sport		<p>change in the online social game or e-sport for which the Certificate of Registration was granted which would make it an online money game;</p> <p>or (b) there has been repeated or continued violations of directions applicable to it under sub-section (3) of section 8 of the Act;</p> <p>or (c) in case of an e-sport, the online game service provider has failed to provide information confirming the validity of recognition under the National Sports Governance Act, 2025 within such timeline as specified by the Authority;</p> <p>(d) there has been a violation of the provisions of the Act or rules made thereunder or any other law for the time being in force relating to online social games or e-sports.</p>		<p>this implies that a CoR may initially be granted without proof of recognition under the NSGA, provided such proof is submitted later within the prescribed timeline. Separately, as noted in the analysis of Rule 15, the Authority must specify a timeline for the processing of recognition requests or applications under the NSGA to avoid delays that could otherwise result in cancellation of the CoR.</p> <p>Further, on Rule 18(d), the scope of the grounds for cancellation of CoR extends to violations of non-PROGA gaming laws pertaining to e-sports and online social games. This may lead to regulatory overreach by the Authority and/or usurpation of established regulators' powers and functions to check for non-compliance. It is submitted that the Rules specify which regulator's ruling prevails in the case of overlapping mandates/jurisdictions.</p>
Suspension of Certificate of Registration of an online social game or e-sport	19	<p>(1) The Authority may, suo moto or upon receipt of a complaint in relation to a registered online social game or e-sport, suspend the registration of an online social game or an esport, by order in writing, where,—</p> <p>(a) an inquiry is contemplated under clause (a) of sub-rule (2) of rule 18;</p>	<p>Individual and suo motu complaints concerning registered online social games and e-sports may lead to suspension of registration in the event of any of the following:</p> <ol style="list-style-type: none"> A suo motu or complaint-based inquiry into potential cancellation of the certification of registration (as per any or all of the grounds mentioned in Rule 18(1)); A direction has been issued under Rule 18(6)(b), wherein OGSPs found to be 	<p>With respect to Rule 19(1)(f), it is unclear as to what “reasonable time” means. The recognition process under the NSG, as it currently stands, is unclear and may be hindered by capacity constraints, complex adjudication processes, and more. This may lead to OGSPs being unfairly penalised for delays that are out of their hands. It is submitted that the government provides some specification of what it considers to be a reasonable timeline via amendments to the Rules. This will ensure that both NSG regulators, and OGSPs</p>

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	<p>(b) a direction has been issued under clause (b) of sub-rule (6) of rule 18, which suspension shall remain effective till such time she remedies the non-compliance to the satisfaction of the Authority, and in case of non-compliance with the direction seeking compliance, she may be liable to penalty under section 12 of the Act;</p> <p>(c) the online game service provider has made a false or incorrect statement in or in relation to the application for registration under rule 12;</p> <p>(d) the online game service provider has failed to pay a penalty imposed under the Act or under the National Sports Governance Act, 2025 (25 of 2025), as applicable;</p> <p>(e) the online game service provider has not complied with the directions, orders, codes of practice or guidelines issued under the Act or under the National Sports Governance Act, 2025 (25 of 2025), as applicable;</p> <p>(f) in case of an e-sport, the online game service provider has failed to provide information confirming the validity of recognition under the National Sports Governance Act, 2025 within a</p>	<p>non-compliant with PROGA outside of the grounds mentioned in Chapter III, will be asked to remedy such non-compliance, and demonstrate their compliance efforts to the Authority;</p> <p>c. False information was provided while applying for registration;</p> <p>d. Penalties were not paid, either in relation to violations of PROGA or NSG;</p> <p>e. Codes of practice and guidelines were not complied with, either in relation to PROGA or NSG;</p> <p>f. No confirmation of whether an e-sport is recognised under the NSG Act within reasonable time;</p> <p>g. Violations of PROGA, its Rules, or any other related gaming laws.</p>	<p>remain accountable, and proceed with recognition processes in a timely fashion.</p> <p>Further, on Rule 19(1)(g), the scope of the Authority's penal powers extends to non-PROGA gaming laws pertaining to e-sports and online social games. This may lead to regulatory overreach and/or usurpation of established regulators' powers and functions. It is submitted that the Rules specify which regulator's ruling prevails in the case of overlapping mandates/jurisdictions.</p>
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	<p>reasonable time; <u>or</u></p> <p>(g) there has been a violation of the provisions of the Act or rules made thereunder or any other law for the time being in force relating to online social games or e-sports.</p>		
	<p>(2) Where a suspension order has been issued on any ground under clause (a) or clause (b) of sub-rule (1), the Authority shall review such order of suspension periodically and in any case every thirty days from the date of issuance of the suspension order was first issued and, –</p> <p>(a) where suspension order is issued in relation to clause (a) of sub-rule (1), it shall ensure that inquiry under clause (a) of sub-rule (2) of rule 18 is initiated without undue delay; or</p> <p>(b) where suspension order is issued in relation to clause (b) of sub-rule (1), ensure that non-compliance is remedied within the timeline so directed and in case of repeated or continued non-compliance, it may proceed for cancellation as under clause (b) of subrule (1) of rule 18.</p>	<p>This pertains to suspension orders linked to the outcomes of Rules 19(1)(a) and Rules (19)(1)(b), respectively reproduced below:</p> <ol style="list-style-type: none"> A suo motu or complaint-based inquiry into potential cancellation of the certification of registration (as per any or all of the grounds mentioned in Rule 18(1)); A direction has been issued under Rule 18(6)(b), wherein OGSPs found to be non-compliant with PROGA outside of the grounds mentioned in Chapter III, will be asked to remedy such non-compliance, and demonstrate their compliance efforts to the Authority. <p>In such cases, the Authority will periodically review suspension orders every thirty days from when first issued.</p> <ol style="list-style-type: none"> In the case of suspension orders pertaining to Rule 19(1)(a), the Authority will ensure that investigations will be immediately/quickly conducted in relation to material changes in the online social game/e-sport, which would make it an online money game (a ground for CoR cancellation laid out in Rule 18(1)(a)). In the case of suspension orders 	<p>On Rule 19(2)(a), while it is appreciable that inquiry will be conducted without due delay, it is submitted that the government provides some specification of what it considers to be a reasonable timeline via amendments to the Rules, for the inquiry of such complaints. This will ensure that officials remain accountable to timelines, which will also help ensure that unnecessary friction is not introduced into business processes in India.</p>

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			<p>pertaining to Rule 19(1)(b), non-compliance will have to be remedied within a to-be-prescribed timeline. Repeated non-compliance will render the CoR liable for cancellation under Rule 18(1)(b).</p>	
		<p>(2) A surrender of a Certificate of Registration under this rule shall not affect any liability or obligation accrued or proceedings initiated against the concerned online game service provider under the Act prior to the date of acceptance of such surrender.</p>	<p>Surrendering the CoR does not retrospectively absolve OGSPs of liabilities or procedural obligations.</p>	<p>It is submitted that the government clarifies that even if an online game service provider surrenders its Certificate of Registration, it remains liable for any obligations, violations, or proceedings that arose before the surrender was accepted.</p>
PART VI: IMPOSITION OF PENALTY				
		<p>(9) While adjudging the action under sub-rule (8) or quantum of penalty, the Authority shall have due regard to the following factors, namely:–</p> <p>(a) the amount of gain of unfair advantage, wherever quantifiable, made as a result of the non-compliance;</p> <p>(b) the amount of loss caused to any person as a result of the non-compliance;</p> <p>(c) the repetitive nature of the non-compliance;</p> <p>(d) the gravity and duration of the non-compliance;</p> <p>(e) number of users affected,</p>	<p>This provision lists out relevant parameters will consider prior to imposing penalties w.r.t. Section 12 of PROGA. As per S 12, penalties may extend up to Rs. 8 lakh. Other actions include those specified in Rule 21(8)(b)-(c) above.</p>	<p>On Rule 21(9)(e), it is unclear as to how the Authority will determine the level of harm suffered by users. This may be a potential space for proactive government advocacy and consultation with industry.</p> <p>Frameworks may be put forward to the Authority, to help it assess harm and risk in the case of penalties/complaints, and ensure that lower risk games are not uncritically or harshly reviewed during adjudication processes.</p>

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		<p>and the level of harm suffered by them;</p> <p>(f) whether the online game service provider or the person to whom the non-compliance relates took any action to mitigate the effects and consequences of such non-compliance;</p> <p>(g) whether the penalty being imposed is proportionate and effective, having regard to achieving compliance and deterring non-compliance with the provisions of the Act;</p> <p>(h) any other matter that may be relevant in the context of harm caused or likely to be caused to the user and the non-compliance</p>		
PART VII: GRIEVANCE REDRESSAL MECHANISM				
Grievance Redressal	23	(1) Every online game service provider offering a registered online social game or e-sport, as the case may be, shall establish and maintain a functional grievance redressal mechanism for redressal of grievances from any user in relation to the online social games or e-sport offered by it.	Establishes obligations on OGSPs only offering registered online social games and e-sports to maintain grievance redressal systems.	This may indicate that games that are not registered with the Authority have no obligation to develop grievance redressal ecosystems. It is submitted that the Ministry clarify the correct reading of the provision.
		(3) Notwithstanding anything contained in the Information Technology (Intermediary Guidelines and Digital Media	The Grievance Appellate Committee (GAC), established under the IT Rules, 2021, is established as the appellate tier for user complaints concerning registered games	Given the above, the GAC typically deals with the complaints of intermediaries, recognised under the IT Act, 2000, and IT Rules, 2021. With Rule 23(3), the GAC's

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	<p>Ethics Code) Rules, 2021 notified under the Information Technology Act, 2000 (21 of 2000), where an aggrieved user is dissatisfied with the resolution of their grievance by online game service provider, or where no resolution is provided within a specified time period, the aggrieved user may approach the Grievance Appellate Committee within a period of thirty days from the date on which the online game service provider has conveyed their decision in relation to the grievance or in case of non-redressal of grievances within the specified timeline, as the case may be in such form and manner as the Authority may from time to time publish on its website.</p>	<p>offered by OGSPs.</p> <p><i>Note:</i> The GAC <u>deals</u> with the appeals of users aggrieved by decisions of Grievance Officers of social media intermediaries and other intermediaries, on complaints of users or victims against violation of the IT Rules, and any other matters pertaining to the computer resources made available by the intermediaries. The GAC is an online dispute resolution mechanism. The entire appeal process, from filing to decision, is in digital mode. GAC endeavours to resolve appeals within 30 days.</p>	<p>jurisdiction has been effectively expanded to a new class of OGSPs, which as noted in the discussion of Rule 2(1)(i), may include but are not entirely equivalent to intermediaries. It is submitted that the Ministry clarify the correct reading of the provision, to ensure compliance across a wide range of stakeholders.</p>
	<p>(6) Any user dissatisfied with the resolution of their appeal by the Grievance Appellate Committee may approach the Authority within a period of thirty days from the date on which the Grievance Appellate Committee has issued the order in such form and manner as the Authority may from time to time publish on its website.</p>	<p>Challenges to the GAC's order can be made to the Authority—circuitously making it the final court of appeal.</p>	<p>As noted in the discussion on Rule 6(1), the Authority may be susceptible to executive influence, a similar concern <u>fielded</u> in the case of the GAC, whose members are entirely government-appointed. This indicates that the entire grievance redressal process will be imbued with executive-heavy perspectives, that may unintentionally be paternalistic and cautious in the face of new technologies.</p> <p>This may also unintentionally lead to <u>usurpation</u> of judicial powers. For example, in the case of the GAC, critics have argued in the past that “you might have a situation where the Executive is interpreting the law</p>

				<p>at the GAC...This is the function of the Judiciary. The GAC creates a case for discretionary Executive power [over the Internet in India].”</p> <p>In line with the recommendations fielded in Rule 6(1), it is reiterated that the Authority diversifies its non-government and industry representation, to mitigate emergence of paternalistic outcomes that may harm innovation.</p>
PART VIII: MISCELLANEOUS				
Repayment of user funds collected before the commencement of the Act	24	<p>(1) Any funds relating to online games due to be returned to users for which she was eligible prior to the enforcement of the Act and which are in the possession or custody of banks, financial institutions, or any other person facilitating financial transactions or authorisation of funds prior to the enforcement of the Act may be remitted to the users and such remittance shall not amount to facilitation of transactions or authorisation of funds towards payment for any online money gaming service under section 7 of the Act.</p>	<p>Remitting pending online gaming-related funds to users, paid for prior to PROGA's enactment, shall <u>not</u> constitute a violation of Section 7 of PROGA.</p> <p>Section 7 details an explicit prohibition on facilitating transactions linked to online money games.</p>	<p>This will provide clarity to payments providers concerned about potentially violating PROGA by facilitating remittances to users. However, there is a lack of clarity on what OMG companies are to do with funds that they are unable to demit back to users. Clarity on how such funds will be managed, and under which statutes, may be provided.</p>