

# A Critical Study of the Promotion and Regulation of Online Gaming Act 2025 - A Welcome Step to Save Youth of Nation

**Dr. Kashinath S. Neharkar**

Associate Professor, Shri Shivaji Law College, Parbhani

## ABSTRACT

The online money games become extremely popular among youth in India. The online games whether skill based or chance based have great adverse impact on the youth of India. The online games involving money stakes for playing real games or payment of fees for playing active games resulted huge economic as well as loss of life of number of youths of nation. The online money games resulting in loss caused distress and psychological disorder. The skill-based games got the exemption from offence of gambling which provided very gray field for attracting youth it the net of economic addiction. There were huge cry and hue among parents and social activist claiming spoiling the youth because of online money games and gambling in India. It urged the government to have laws to prohibit such games. The Government of India passed The Promotion and Regulation of Online Gaming Act 2025. This is welcome step by Government of India. It is going to prevent ridiculously huge probable loss of India youth, molding them towards the hard work and study resulting into economic and social prosperity of India. The researcher in present paper aims to analyze the provisions of The Promotion and Regulation of Online Gaming Act 2025 which is going to save Indian youth from immediate loss, and it is going to cater long term benefits of India. The researcher further aims to explore the impact of prohibition and regulation on industrial development and employment opportunities.

**Keywords:** Promotion, Prohibition, Regulation, Online, Money, Gaming, Act, Youth, Addiction, economic loss.

## Introduction:

The online money games have emerged as huge and powerful industry in India. The lure to earn money quickly and easily attracted youth of India to such magnetic industry. The online money games advertise and promise assured monthly income through their platforms. The platforms also provide low fees segments assuring huge amount of winning.

The recent few years witnessed the large number of youths in the platforms like rummy games, teen patti games, ludo games, dream eleven games, fantasy cricket which provide few chances of earning of money by requiring the youth to invest the money in such platform which was there for study. The misleading advertisements of such platforms show winners of games claiming huge amounts of money attracted youth and people to engage in such games. The celebrities of film industry also played significant role in vide publicity of online money games. The online money game involves huge time pass. Youth are spending huge amount of time continuously neglecting their health, sleep, and loss of money. Online money games

result in psychological disorder. There are many instances where youth are found committing offences of theft in own house. Youth suicides record in police records because of loss of lakhs of money.

The enactment of The Prohibition and Regulation of Online Gaming Act 2025 is a welcome step by Government of India to prohibit and regulate online games. This research article is an attempt to critically analyze the provisions of the Act. The research also aims to explore the benefits of prohibiting online money games.

### **Significance of Study:**

Online gaming is on pick of the time. The online gaming came together with the pros and cons of its impact of industry and youth. The importance of study can be understood from the view of protection of youth from the online gaming industry resulting in loss of money, health, time, discomfort and future prospect.

The unregulated industry of online gaming really exhausted all gray areas of gambling including skill-based games or chance-based games. It is necessary to protect the youth from harm of exploitative games and advertisement of games.

### **Review of Literature:**

The online gaming industry is recent development and is a very neglected area of academic discussion. The enactment of present Act will attract more academic concentration. The Newspapers have also thrown its focus on enactment and its pros and cons. The researcher has referred followings literary work for present research paper.

### **Online gaming: Prohibition vs. regulation<sup>1</sup>:**

Andrew Montgomery in his thesis observed that online money games rapidly grown in USA and law made by US government was less effective to discourage US people from online money games. He further cited the debate of prohibition or regulation in present thesis. The author further advocates to legalize and regulate the online gaming industry. The Promotion and regulation of Online Games Act 2025 aim to promote the esports and online social games and prohibit online money games. The effectiveness of the Act can be assessed with the passing of time.

### **Regulating online gambling: The Indian perspective<sup>2</sup>:**

The authors in present paper raised attention to governments neglect towards online or internet gambling and observed that lack of specific legislation allowed the online or internet gambling players to operate their business in unregulated manner. The authors expressed the need for legislative framework towards internet gambling. Enactment of present Act is proposed to address the problem.

---

<sup>1</sup> Montgomery, Andrew, "Online gaming: Prohibition vs. regulation" (2010). UNLV Theses, Dissertations, Professional Papers, and Capstones. 655, <http://dx.doi.org/10.34917/1757803> Accessed on 01/12/2025.

<sup>2</sup> Varun Srikanth, Arun Binoy Mattamana, Regulating online gambling: The Indian perspective, Computer Law & Security Review, Volume 27, Issue 2, 2011, Pages 180-188, ISSN 2212-473X, <https://doi.org/10.1016/j.clsr.2011.01.002>. (<https://www.sciencedirect.com/science/article/pii/S0267364911000033>) Accessed on 03/12/2025

## Online Gambling in India and its Transformation in the aspect of Rules, Regulations, and Legislation<sup>3</sup>: Phalgun Agarwal

Present paper is vital work by author which refer digital India a need of present generation. Author referred to online gambling as shortcuts used by people to get rich. According to Author present laws are inadequate to handle the situation and there is need of new laws for regulation of online gambling etc. The researcher here aims to attract attention towards the welcome step taken by government to regulate online games and ban online gambling in the form of online money games.

### Objectives of Study:

1. To examine the concept of online gaming.
2. To examine and analyze the provisions of The Prohibition and Regulation of online Gaming Act 2025.
3. To examine pros and cons of The Prohibition and Regulation of Online and Gaming Act 2025.

### Hypothesis of Study:

1. The Prohibition and Regulation of Online Gaming Act 2025 will significantly save youth from economic and health loss.
2. The regulation of online games under The Prohibition and Regulation of Online Gaming Act 2025 will help to reduce economic loss due to prohibition of online money games.

### Research Methodology:

The researcher has adopted doctrinal research methods to conduct the present study. The researcher has referred primary and secondary data to understand and to substantiate the problems arising out of online gaming industry and probable solutions provided through the enactment of the Act need to be analyzed through the published work The researcher also referred the instances of controversial incidents reported in newspaper and website, research material. The researcher has referred to the literature in the form of books, news, views and articles published on subject.

### Result and Discussion:

#### Concept of Online Gaming:

Concept of online gaming is related to playing games at virtual platforms with the help of information and communication technology. It includes playing online games like Rummy, Ludo, Blue whale, PUBG with the help of internet and capable devices.

According to IGI Global Dictionary<sup>4</sup> Online games refer to games that are played over some form of computer network, most often the Internet. Online games can range from simple text-based games to games incorporating complex graphics and virtual worlds populated by many players simultaneously.

According to Collins Dictionary<sup>5</sup> Gaming is the act or activity of betting money, for example in card games or on horse racing. It further defines online as its services become available on the internet. The combined

---

<sup>3</sup> Agarwal Phalgun, Online Gambling in India and its Transformation in the aspect of Rules, Regulations, and Legislation, International Journal of Law Management & Humanities, Volume 5 Issue 6 2022 [ISSN 2581-5369] p-1515-1527 (DOI: <https://doi.org/10.1000/IJLMH.113949>) Accessed on 05/12/2025

<sup>4</sup> <https://www.igi-global.com/dictionary/online-games/20978> Accessed on 06/12/2025

<sup>5</sup> <https://www.collinsdictionary.com/dictionary/english/online-gaming>. Accessed on 07/12/2025

meaning of these two terminologies to constitute meaning of online gaming is an act or activity of playing games through internet.

### **Concept of Online Money Gaming:**

Online gaming is an act or action of playing online games by staking real money or fees through digital payments for participation with other participants through internet and connected devices. The online money games include online card games, rummy, teen patti etc. Online money gaming involves risk of loss of money. There is no specific data regarding winnings from online money games

### **Kinds of online Games:**

There are various kinds of online money games which are played. Some games are played with digital Indian money Some online games are played with crypto currency. The online games like online casino, rummy, poker and fantasy sports etc. Games like Dream Eleven, MPL or puzzle-based games are called skill-based games. The rummy game is also called a skill-based game. Online money games like Teen Patti and Dream Eleven are betting based games.

### **Legal regime for prohibition and Regulation of Online gaming in India:**

The Prohibition and Regulation of Online Gaming Act 2025 is the recent development and enactment of law for prohibition of online gaming in India. There are some provisions in other legislations which also prohibit or regulate online gaming. Following are some laws providing prohibition and regulation.

### **Constitutional Provisions:**

#### **Fundamental right to Trade and Occupation: Article 19 (1) (g):**

Article 19 of Indian Constitution deals with right to trade and occupation as fundamental right. The fundamental right activist may claim the prohibition and regulation of online gaming as violation of this right; we must remember that fundamental rights are subject to reasonable restriction. Therefore, the prohibition and regulation come within reasonable restrictions.

#### **Entry no. 34 and 62 of State List in VII Schedule:**

The Entry No. 34 of state list in VII Schedule of Indian Constitution empowers State Government to enact law to prohibit or regulate the act of betting. Similarly, Entry No. 62 empowers state government to make laws to prohibit or regulate activities of gambling. The Law enacted by Central Government i.e. The Prohibition and Regulation of Gaming Act 2023 seem like violation, but it is enacted to prohibit act of betting and gambling in the form of online betting and gambling activities throughout India, it is enacted in the interest of all state in India.

### **The Bhartiya Nyaya Sanhita 2023:**

#### **Authorized Betting or Gambling is punishable offence: S. 112<sup>6</sup>**

Section 112 of Bhartiya Nyaya Sahinta 2023 specifically deals with petty organized crimes and declares unauthorized betting and gambling as punishable offence. According to section 112 the members of

---

<sup>6</sup> 112. (1) Whoever, being a member of a group or gang, either singly or jointly, commits any act of theft, snatching, cheating, unauthorised selling of tickets, unauthorised betting or gambling, selling of public examination question papers or any other similar criminal act, is said to commit petty organised crime. Explanation. —For the purposes of this sub-section "theft" includes trick theft, theft from vehicle, dwelling house or business premises, cargo theft, pick pocketing, theft through card skimming, shoplifting and theft of Automated Teller Machine.

(2) Whoever commits any petty organised crime shall be punished with imprisonment for a term which shall not be less than one year, but which may extend to seven years, and shall also be liable to fine.

organization guilty of offences like authorized betting and gambling are punished with imprisonment for term not less than one year which may extend to seven years and fine.

This section specifically prohibits collective acts of betting or gambling including online money gaming.

### **Bhartiya Nagarik Suraksha Sanhita 2023:**

Bhartiya Nagarik Suraksha Sanhita is basically procedural law. It does not specifically provide any punishment for gambling activity, but it provides procedure for investigation of offences involving gambling activity. According to Bharatiya Nagarik Suraksha Sanhita gambling offence is made as cognizable and non bailable offence. It means offenders can be arrested without any warrant.

### **The Promotion and Regulation of Online Gaming Act 2025: A Bird Eye View**

The online gambling and betting emerged as challenge in India. The incidences of involvement of youth in such activities were point of concern for government and it forced government to bring regulatory framework in India. The Enactment of present Act is enacted in 2025 and came into operation from 1<sup>st</sup> of October 2025. Following are the key provisions that aim to prohibit online gambling and promote games

### **Objectives of the Act:**

The basic object of this Act was to prohibit and regulate online games which involve actual money for betting etc. It also aims to promote online games without using money. The Act specifically prohibits use of money in online gaming and to save them adverse social, economic and psychological impacts<sup>7</sup>. This is nothing but a break to use money for gambling through online games. The Act further aims to establish an authority to that effect. This Act is really going to save young people from losing their money and future.

### **Short title, extent and commencement:**

Section 1 of this Act provides that the act shall be applicable to whole of India. It is applicable to online gaming operated in India whether from Indian territory or from outside India. Therefore, it will be difficult for such gaming business to claim any immunity from liability by establishment of offshore companies.

### **Important Definitions:**

Section 2 of the Act defines following important terminologies for clarification.

Section 2 (c) defines esports to include skill based competitive games which are recognized by law It may involve payment of fees for the purpose of administration of games but does not include any amount used for betting or wagering or stake etc. This will prohibit the games which provide for betting or staking.

Section 2 (f) of the Act explains online games as games played in digital form with the help of software and internet for the purpose of communication etc.

Section 2 (g) explains online money games as all types of online games that may provide for betting or staking through national registration and KYC excluding esports. Such games include permissible games and prohibit games.

Section 2 (i) explains online social games exclude betting money games or winning the games though such games. It includes online games for recreation of entertainment or skill development.

### **Development and Recognition of E-Sport and Social Games:**

Chapter III of the Act provides for development, promotion and recognition of e-sports. Section 3 of the Act imposes responsibility of central government to establish an authority for recognition of e-sports in lawful manner. The recognition and promotion shall include the guidelines to organize and operate e-

---

<sup>7</sup> AND WHEREAS the parallel proliferation of online money games accessible through mobile phones, computers and the internet, and offering monetary returns against user deposits has led to serious social, financial, psychological and public health harms, particularly among young individuals and economically disadvantaged groups.

sports. It also includes academy for training and research centers for advancement of such esport. It further provides for awareness campaign. There shall be coordination between Central Authority and State Authorities.

Section 4 of the Act Provides for development and promotion of online social games. It also imposes responsibility on central Government to provide Authority for registration of online social games. There must be awareness campaign and support to increase public access to online social games.

The Act through this chapter provides categorization of esports and online social games. The Authorities established under this section shall work for registration of such esports and online social games.

#### **Prohibition of Online Money Games and Online Money Services.:**

Section 5 of the Act prohibits any person from offering online money games involving betting or staking of money as well as it further prohibits any type of offering online money services.

Section 6 of the Act prohibits any type of advertisement of online money games by any person. In include advertisement on social media, broadcasting or in any form by any person including celebrity player or actors.

Section 7 of the Act prohibits banking institutions from aiding or providing fund transfer for online money games

The overall impact of this chapter is that online money games are banned, and person are prohibited from offering online games, inducing any person to indulge in such games. It will save youth from losing money through such online money game.

The ban of advertisements of such games will stop hammering such false promises and winning stories through various media. The ban on banks from money transfer also disables software to add funds for online betting and staking.

#### **Regulation Authority on Online Gaming:**

Section 8 of the Act provides for establishment for regulation of online gaming. It shall provide for registration of online games for whole of India or registration of any institute which aims to provide online games services in India. It should also work as grievance redressal agency to entertain complaints against online game providers. The Act provides a regulation mechanism for unrestricted platform of online games in India.

#### **Offences and Penalties:**

##### **Penalty for offering online games:**

Section 9 of the Act provides penalty for providing online money games in contravention of section 5 of the Act. The person guilty of offence under this section shall be punished with imprisonment up to three years or fine up to rupees one crore or with both.

##### **Penalty for advertisement of online money games:**

Section 9 of the Act further provides harsher punishment for the advertisement of online games. Person found guilty of advertising online games shall be punished with imprisonment which may extend to two years or fine up to rupees fifty lakh or with both.

#### **Impact of The Promotion and Regulation of Online Gaming Act 2025:**

The Enactment of this Act proved to be impactful legislative action by Government. After the enactment this Act all online money games in India are banned in India. The online money game platforms have stopped their operations in India. The flooding or advertisement by actors, players and celebrities are absconded from media.

## **Conclusion:**

The Promotion and Regulation of Online Gaming Act 2025 is a landmark development in prohibition and regulation of online money game sector in India. The uncontrolled eruption of online money games stopped and only esports and online social games are permissible through the framework provided by the Act.

Impact of The Promotion and Regulation of Online Gaming Act 2025 surely worked as instrument to save Indian youth from fraud, addiction of online money games. It is also going to save youth from financial loss.

The enactment of this Act is welcome step in the interest of youth still there are some legal challenges that are issues of concern. The Act has to clear problems that may arise out of the constitutional provisions such as right to trade, business or right of state government to regulate activities of betting or gambling. Lastly, to sum up the proper implementation of the Act will serve the objectives of Act.

## **Suggestions:**

The Promotion and Regulation of Online Gaming Act 2025 Provides for ban of online money games and it also provides for promotion of esports and online social games. There is history of prohibitory enactments that failed to achieve the goals set by it for lack of proper implementation. Therefore, the researcher suggests that the act must be implemented in letter and spirit to curb the deep-rooted addiction of online money games.