



Tax alert: Promotion and Regulation of Online Gaming Rules, 2026

24 April 2026

The Ministry of Electronics and Information Technology (MeitY), under sub-section (4) of section 8 and sub-sections (1) and (2) of section 19 of the Promotion and Regulation of Online Gaming Act, 2025, has notified the Promotion and Regulation of Online Gaming Rules, 2026. Through these Rules, the Ministry has sought to put in place a comprehensive regulatory framework for India's online gaming ecosystem. The Rules, which come into force from May 1, 2026, establish the Online Gaming Authority of India as a digital-first regulator and introduce a time-bound 90-day process for classifying games as online money games, permissible social games, or as e-sports, with registration required only for notified categories and e-sports. The Rules also mandate user safeguards such as age-gating, time limits, parental control and grievance redressal, along with a two-tier appellate mechanism and penalties for non-compliance, among other provisions.

In a nutshell



Online Gaming Authority

- Chaired by the Additional Secretary, MeitY, or other officer not below the rank of Joint Secretary (JS), nominated by the Secretary, MeitY
- The Authority has as members, Joint Secretaries from ministries including Home Affairs, Department of Financial Services, Ministry of Finance, Information and Broadcasting, Youth Affairs and Sports, and Department of Legal Affairs, Ministry of Law and Justice.
- Empowered to inquire into complaints, issue directions, guidelines, advisories and codes of practice, hear appeals, coordinate with government, investigate in respect of offences, oversee online games and related financial activities, and assist the Central Government in enforcement.



Determination & Registration

- An online game does not require determination unless the Authority directs it, the provider plans to offer it as an e-sport, or it is part of a notified category involving significant financial transactions, in which case a digital application is required.
- Factors of determination include whether the game involves user payments or stakes, offers prospects of monetary returns, resembles betting or wagering in structure, and allows rewards or in-game assets to be monetised outside the game.
- Registration required only when mandated, based on user risk, public interest, scale of participation, or monetary involvement, or where the game is offered as an e-sport; online money games excluded from e-sports recognition.



Redressal & Penalties

- Online gaming platforms to maintain a grievance redressal mechanism, allowing users to escalate unresolved complaints to the Authority within 30 days, with further appeal available to the Appellate Authority (Secretary, MeitY)
- Notice-based penalty proceedings may extend to INR 10 lakh or suspension or cancellation of registration or prohibition on offering or promotion of games.
- The penalties collected will be credited to the Consolidated Fund of India.

Key highlights of Promotion and Regulation of Online Gaming Rules, 2026:

1. Background of Promotion and Regulation of Online Gaming Rules, 2026

India's online gaming sector has witnessed rapid expansion in recent years, driven by the growth of smartphones, digital payments and real-money gaming formats. However, the sector also raised significant concerns around user harm, addiction, financial fraud, regulatory arbitrage across states, and misuse of payment systems, particularly in relation to online money games. To address these challenges and bring uniformity, Parliament enacted the Promotion and Regulation of Online Gaming Act, 2025 in August 2025, empowering the Central Government to frame detailed rules.

Against this backdrop, MeitY notified the Promotion and Regulation of Online Gaming Rules, 2026, which operationalise the Act by establishing a central, digital-first regulatory framework, creating the Online Gaming Authority of India, and introducing clear, time-bound mechanisms for classification, registration, user protection, grievance redressal and enforcement. The Rules reflect a light-touch, risk-based approach, seeking to curb harmful and unlawful online money gaming while promoting legitimate online social games and e-sports and providing regulatory certainty to industry stakeholders.

2. Key Definitions:

- Appellate Authority: Secretary to the Government of India in the Ministry of Electronics and Information Technology;
- Applicant: Any online game service provider seeking determination of an online game or registration of an e-sport or online social game, as the case may be, under the Act and includes any person authorised by such service provider;
- Authority: Online Gaming Authority of India established under sub-section (1) of section 8 of the Promotion and Regulation of Online Gaming Act, 2025;
- Online game service provider: Any person who alone or jointly, offers, operates, organises, manages or makes available one or more online games;
- User safety features: Technical, procedural, operational, behavioural, or system related safeguards provided by an online game service provider in relation to an online social game or e-sport, as may be appropriate, having regard to the nature and risk associated with the online social game or e-sport -
 - (i) for the purpose of protecting users from any financial, psychological, social, security related or content related risks arising from the access or use of such online game;
 - (ii) for promoting responsible online gaming, preventing injury, enhancing transparency, enabling informed user choice and ensuring the integrity and safety of the online gaming environment;

3. Online Gaming Authority of India:

- Composition of the Authority (Rule 3): Refers to a body led by the Chairman (from MeitY) with senior key officials from Ministry of Home Affairs, Finance, Information and Broadcasting, Youth Affairs & Sports and Legal Affairs, nominated by their respective Secretaries; supported by a Secretary having IT expertise and staff appointed by the Central Government.
- Powers of Chairperson: Refers to the power to oversee the Authority's functioning, handle administrative matters, authorise officials to review applications or complaints and assign work or proceedings to members.
- Powers and functions of the Authority (Rule 6): Refers to the role of identifying and listing online money games, maintaining records of registered games, handling complaints, issuing directions/ orders, and advisories governing online games, their advertisements and financial transactions. It includes the power to hear appeals, coordinate with financial institutions and enforcement agencies, and assist the

Central government in implementation of the Act; and further extends to regulating online social games and e-sports including registration, grievance redressal, user verification, payments, data retention, fair play, cybersecurity, user safety and compliance; and to modify, suspend or cancel its orders, seek additional information, and ensure confidentiality in accordance with law.

- Appeals from Decisions of authority (Rule 7): Refers to the right of an affected person to challenge certain orders of the Authority, including those relating to determination, registration, cancellation, or penalties, by filing an appeal within 30 days. The Appellate Authority hears the parties, may confirm, change, or set aside the order, can review relevant records, and aims to decide appeals quickly, preferably within 30 days.

4. Determination of an online game (Rule 8):

- An online game is not required to undergo formal determination by the Authority as a general rule. However, determination will be required in the following situations:
 - (a) where the Authority, on its own accord, directs an online game service provider, after issuing a formal notice, to have one or more of its online games examined and determined;
 - (b) where the service provider intends to offer the online game as an e-sport; or
 - (c) where the Central Government, through a notification, requires specified categories of online social games to be determined, considering factors such as the nature, volume or value of financial transactions, or the extent of funds authorised for participation in or access to such games.
- Where determination is required under clauses (b) or (c), the online game service provider must submit an application to the Authority through the prescribed digital form made available on the Authority's website or mobile application.

5. Factors for determination (Rule 9):

- In deciding whether an online game requires determination, the Authority will consider one or more of the following factors:
 - (a) whether the game involves payment of entry fees, deposits, or any other form of stake at any stage of participation;
 - (b) whether users participate with an expectation of receiving monetary rewards or other forms of enrichment in return for such payments or stakes;
 - (c) how such payments or deposits are used, including whether they are:
 - made as registration or participation fees for competitive or multiplayer events governed by predefined rules, including prize money linked to performance;
 - charged as subscription fees or one-time access fees for playing the game; or
 - placed as a bet, wager, or other stake with an expectation of winning monetary or similar returns;
 - (d) the structure and functioning of the game's revenue model; and
 - (e) the manner in which rewards, benefits, or in-game assets are distributed, transferred, redeemed, or monetised, including outside the game environment.

6. Procedure for determination (Rule 10)

- An online game does not need to go through a formal determination process in all cases. As a general rule, determination is exception-based and is required only in specific situations identified by the regulatory framework.
- where the Authority, acting suo motu, issues a written notice requiring one or more online games of a

service provider to be examined;

- where a service provider seeks to offer an online game as an e-sport, triggering determination to confirm it is not an online money game; or
- where the Central Government requires specified online social games to undergo determination based on the scale or nature of permitted financial activity;
- where determination is triggered under clauses (b) or (c), the service provider must apply to the Authority through the prescribed digital form and provide additional information if sought;
- upon determination, the Authority may either classify the game as an online money game and take action under the Act, or confirm that it is not, as far as practicable, completed within 90 days, excluding delays in suo motu cases.

7. Validity of Determination Order (Rule 11):

- A determination order issued for an online game will remain valid as long as there are no changes to the manner in which payments are facilitated or funds are authorised for accessing or participating in the game.
- The Authority may periodically review online games for which a determination order has been issued, where it considers such review necessary.
- Where the Authority, either on its own accord or based on a complaint received from a Central or State Government ministry, department, or agency, has reasons to believe that a previously determined online game has been modified in a manner that may require fresh determination, it may suspend the existing determination order, issue a notice to the online game service provider, and conduct an inquiry after providing an opportunity to be heard.

8. Registration of online games (Rule 12):

- Registration of online games is not a default requirement. An online game is required to be registered with the Authority only in limited circumstances, namely where the Central Government mandates registration for a specific game or category of games, having regard to factors such as risk of harm to users (including children), potential public impact, scale of user participation, extent of financial transactions or fund authorisation, the country of origin or location of the service provider, or other public-interest considerations;
- Registration is also required where the online game is intended to be offered as an e-sport;
- Online money games are expressly excluded from recognition or registration as e-sports under the National Sports Governance Act, 2025.
- Where registration is required, it is specific to each individual online game and each service provider, and separate registration is required for every such game offered.

9. Representation as determined or registered online game (Rule 15):

- Where an online game has been determined or registered by the Authority, the online game service provider must prominently display the details of such determination or registration on the platform or digital interface through which the game is offered to users.
- Further, an online game service provider must not misrepresent or promote an online game as a determined online social game or a registered online game unless it has actually been classified as not being an online money game or has been formally registered by the Authority, in accordance with these rules.

- 10. Designation Point of Contact (Rule 16):** Every online game service provider offering an online social game, or an e-sport must designate a responsible point of contact, in line with directions, guidelines or codes of practice issued by the Authority. The service provider must also publish the contact details of such personnel in the manner prescribed, to enable effective coordination and compliance.
- 11. Data retention in relation to online game (Rule 17):** Online game service providers offering online social games or e-sports are required to retain and store traffic data, metadata and related information in India, in accordance with directions or guidelines issued by the Authority. These obligations apply in addition to any data-retention requirements under other applicable laws and must be followed for the specified duration and manner prescribed by the Authority.
- 12. Verification before financial transaction (Rule 19):** Before facilitating or authorising any financial transaction in connection with an e-sport or an online social game, banks, financial institutions, and other payment facilitators must verify the game's Certificate of Registration, in accordance with the directions, orders, guidelines, or codes of practice issued by the Authority under the Act.
- 13. Grievance Redressal (Rule 20):** Requires online game service providers offering social games or e-sports to put in place an effective mechanism to address user complaints. If a user is dissatisfied with the provider's response or receives no response, they may approach the Authority within 30 days through the prescribed digital form (website/ mobile application). The Authority seeks to resolve such grievances within 30 days and may issue corrective directions after hearing the parties. Any user aggrieved by the Authority's decision may further appeal to the Appellate Authority.
- 14. Procedure for inquiry for imposition of penalty under section 12 of the Act:**
- The Authority may initiate an inquiry into non-compliance either on receipt of a complaint or suo motu, by issuing a digital notice detailing the alleged violation and conducting proceedings primarily online.
 - Where non-compliance is admitted, the Authority may impose penalties; otherwise, it decides whether a formal inquiry is warranted, including proceeding *ex-parte* if required.
 - The Authority may investigate through authorised officers, conclude proceedings within 90 days, and based on the gravity and impact of the violation, impose penalties (extending up to INR 10 lakhs), suspend or cancel registration, or prohibit offering or promoting the game.
 - Penalties imposed are credited to the Consolidated Fund of India, and orders are shared with both the service provider and the complainant.

Our view:

In our view, the framework reflects a calibrated regulatory approach prioritising ease of compliance while preserving effective oversight. By limiting mandatory determination to specific, higher-risk categories and empowering the Authority with inquiry, advisory, appellate and coordination functions, the government seeks to minimise unnecessary regulatory barriers while addressing consumer protection, financial integrity and public interest concerns. This approach seeks to strike a balance between enabling innovation in online gaming and ensuring adequate regulatory oversight, by limiting upfront intervention while preserving the Authority's ability to act where necessary, particularly in relation to e-sports, games involving significant financial transactions, or broader systemic concerns, in order to uphold the objectives of the Act and protect public interest.



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities (collectively, the “Deloitte organization”). DTTL (also referred to as “Deloitte Global”) and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see <http://www.deloitte.com/about> to learn more.

Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which is a separate and independent legal entity, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Bengaluru, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Mumbai, New Delhi, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

This communication contains general information only, and none of DTTL, its global network of member firms or their related entities is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser.

No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication.