## INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

### Volume 8 | Issue 2

2025

© 2025 International Journal of Law Management & Humanities

Follow this and additional works at: <a href="https://www.ijlmh.com/">https://www.ijlmh.com/</a>
Under the aegis of VidhiAagaz – Inking Your Brain (<a href="https://www.vidhiaagaz.com/">https://www.vidhiaagaz.com/</a>)

This article is brought to you for "free" and "open access" by the International Journal of Law Management & Humanities at VidhiAagaz. It has been accepted for inclusion in the International Journal of Law Management & Humanities after due review.

In case of any suggestions or complaints, kindly contact support@vidhiaagaz.com.

To submit your Manuscript for Publication in the International Journal of Law Management & Humanities, kindly email your Manuscript to <a href="mailto:submission@ijlmh.com">submission@ijlmh.com</a>.

# The Impact of Skill-Based Gaming on Gambling Laws in India

#### RAHUL BINOY1

### **ABSTRACT**

The development of skill-based gaming has enormously unsettled classical gambling laws in India, which are based predominantly on the colonial-era Public Gambling Act, 1867. This study critically analyses the developing legal and regulatory environment of skill-based gaming, probing the contest between games of skill and games of chance under India's highly dispersed, state-specific legal system. Using doctrinal and comparative approach, the research examines seminal judicial interpretations, regulatory loopholes in current legislation, and the socio-economic effects of the expanding online gaming sector. It emphasizes the insufficiency of classic legislation in dealing with electronic platforms, consumer protection, and jurisdictional issues. Drawing lessons using comparative analysis, international regulatory models are used to suggest a hybrid model that balances innovation and prudent governance. The paper concludes by making a case for holistic legal amendments, such as revised definitions, centralized regulation, and standardized policies, to help bring clarity, consumer protection, and sustainable expansion to India's growing skill-based gaming industry.

**Keywords**: Skill-Based Gaming, Gambling Laws, Public Gambling Act, 1867, Online Gaming Regulation, Judicial Interpretation in India.

### I. Introduction

Skill-based gaming has drastically changed the face of laws in India related to gambling. Traditionally, Indian gambling laws are based on colonial legislation, and, above all, the Public Gambling Act, 1867<sup>2</sup>, has given structure to the concept of gambling activities across India. This Act mainly prohibits public gambling and running of gaming houses but makes an important exception for the games of skill, which under Indian law are not considered as gambling.

13 of 29 states and 5 of 7 union territories permit state lotteries. 2 states allow gambling, and horse racing is permissible in 6 states.<sup>3</sup> As the games industry changes, relevance is given

<sup>&</sup>lt;sup>1</sup> Author is a student at Christ (Deemed to be University), Delhi NCR, India.

<sup>&</sup>lt;sup>2</sup> Public Gambling Act, No. 3 of 1867 (India).

<sup>&</sup>lt;sup>3</sup> Anjani Paul, Gambling Regulations in India: A Critical and Comparative Study, 6 INT'l J.L. MGMT. & HUMAN. 743 (2023).

to the difference between games of skill and games of chance. Skill-based games are becoming popular, resulting in States rethinking the way they regulate the services. States like Goa and Sikkim have encouraged this change by legalizing casinos and online gaming services offering skill-based games; on the other hand, other States have banned it totally.

This paper will explore the rise of skill-based gaming and what this means to the current legislative framework and the manner of regulation of states. It explores consumer, operator, and policy implications of an evolving legal landscape. Based on recent judicial judgments and state-level regulations, this research will suggest potential future directions for the path Indian gambling law may take amid the rising popularity of skill-based games.

### (A) Research Methodology

This research paper follows a *doctrinal and comparative approach* in order to assess the implications of skill-based gaming on gambling laws in India. This dual-method framework would allow for comprehensive legal examination and comparison with international legal standards, providing insight into how different jurisdictions have regulated skill-based gaming.

Reviewing provisions under Indian gambling laws, specifically the Public Gambling Act of 1867 and state-specific statutes. What does all this say about the legal status of skill-based gaming.

The landmark judgments especially the ones of the Supreme Court, which will be able to bring out differences between games of skill and games of chance have been analysed because for determining whether a particular game falls into the category of games of skill rather than the latter, judicial reasoning plays a crucial role.

This study is going to be based on secondary sources since the analysis to be conducted is interpreting and making judgments on existing legal frameworks, regulatory perspectives, and judicial reasoning. In this respect, the data sources from secondary sources entail a very wide range of materials providing a very complete basis to examine the impact skill-based gaming has on Indian gambling laws.

### II. THE PUBLIC GAMBLING ACT, 1867

The Public Gambling Act, 1867, was India's first legislative measures regulating gambling. Essentially covering actual physical gaming houses, this statute prohibits running or the entry into common gaming houses except where it exempts "games of skill." This has consequently impacted the nomenclature by which India treated and will continue to treat some games and activities as non-gambling. However, as the Act was formed during the colonial period, some

disadvantages prevail in its applicability toward modern online and skill-based gaming portals.

### III. LIMITATIONS OF THE PUBLIC GAMBLING ACT, 1867

### (A) Provisions Not Covered - Online Gaming

In the Public Gambling Act, 1867, the legal framework of the regulation of betting and gambling in India was drafted long before the birth of the digital game. The Act therefore does not address the new emergence of the online gaming sector, especially skill games like fantasy sports and online rummy. These kinds of digital games have gained tremendous popularity in India but their legal status is not clear under the existing framework. In the absence of specific provisions to deal with such games, there has been a regulation gap where courts have frequently had to interpret whether such online games fall under the Act.

The uncertainty is further complicated by the different judicial interpretations of the Act across the states. While some courts would hold fantasy sports to be a game of skill and thereby not covered under the Act, other courts are stricter and hold it to be a form of gambling and thus fall under the regulations. This mixed reaction has created legal ambiguities and it is thereby difficult for operators to move within this regulatory framework. Players still do not understand whether participating in such a game is legal because there is different judgment depending on the state. This factor has faced the game development process as well as other players significantly, and accordingly, this does not further flourish the industry to its fullest capability while bringing uneven enforcement in the implementation of the rule up to each corner of the country.

### (B) Difficulty in Distinguishing between Skill and Chance in Digital Games

A key issue within the regulatory framework of online gaming lies in the **lack of clear criteria** for differentiating between games of skill and games of chance. The Public Gambling Act specifically excludes games of skill from its purview as given under Section 12 of the Act, as they are not considered gambling. However, the Act does not provide a precise definition or framework for determining what constitutes a "game of skill" versus a "game of chance. In the absence of such a definition, issues were seen in cases where games, now digital, featured a combination of elements both of skill and luck. The Supreme Court held Rummy to be a game of skill, and not a game of chance in the case-*MJ Sivani v. State of Karnataka* (1995)<sup>4</sup>.

It implies that for instance, information and abilities regarding fantasy games participants are utilized for team picking and real-life strategic considerations that have sports data as sources.

ivis Sivain vs Si

<sup>&</sup>lt;sup>4</sup> MJ Sivani vs State of Karnataka, 1995(3) SCR 329

Although it heavily relies on the skills of players for strategy and decision-making, online rummy has elements of chance as it involves the distribution of cards, which has elements of chance. Because of the blend of chance and skill, there has been a split verdict in various courts relating to the issue of their legality, while some hold that they fall in the category of games of skill and others place them in games of chance.

Such ambiguity allows for a legally uncertain environment where operators are not very sure if their business model falls within the law and consumers cannot be very sure whether their participation is illegal or not. Without an ambiguous difference between games of skill and those that are involved with chance, regulation is complex and becomes an impediment to the growth of a legally sound and transparent gaming sector.

### (C) Variability at State Level

Perhaps the greatest challenge of regulating online gaming in India is that its gambling laws are highly decentralized. "Betting and gambling" has been declared a subject by the Indian Constitution that falls within the domain of individual states. In addition, this would mean each state has the right to its own regulation on laws of gambling and gaming activities. This will create uneven implementation of the Public Gambling Act throughout the country.

Others continue to be more forward looking by legalizing Internet games and even allowing for certain skill-based gaming hubs that get operated under regulated circumstances. One such state may very well be Sikkim, even though it does seem to have launched the very first licensing regime there as regards online casinos or skill-based gaming venues-it now gets a legal imperative that helps carry its operation inside those borders. For example, the state of Tamil Nadu has adopted a very restrictive approach and banned virtually everything under the guise that fantasy sports, among other games requiring skill, are simply forms of gambling.

This sort of disparity among states has created a legal fragmentation that makes both enforcement and compliance more complex for operators because they have to deal with the myriad state-specific laws and regulations in the patchwork quilt of laws. Similarly, players get confused due to their varying legal conditions that differ according to their domicile or place of playing. Hence, the industry, on the whole, finds it challenging to gain standardization and uniformity at the national level.

#### (D) No Modern Consumer Protections

Apart from the classification and state-level variability issues in the regulatory gaps, the Public Gambling Act of 1867 also failed to consider some of the significant areas of modern consumer protection. Since the Act was born in a pre-digital world, the dearth of considerations reflects

the issues that online gaming has brought forth with itself. Some of these issues are related to the privacy of data, verification of age at the time of registration, and measures against responsible gambling.

With the rise of online gaming, millions of players are now playing digital games that involve financial transactions, personal data collection, and user-generated content. These factors raise serious concerns about player data security and privacy, as most online platforms lack the strong mechanisms of data protection. In the absence of regulations on how personal data is to be handled, sensitive information of players remains vulnerable to misuse and cyber threats.

Similarly, the absence of age verification measures in most online gaming platforms risks participation of persons who are underaged, especially in games that have monetary stakes. Without strict age verification protocols, minors can access and participate in online gambling or skill-based games, which can be detrimental.

Furthermore, there are not consumer protection laws specific enough that address problem gambling exposure, and it leaves in an exposed clientele the groups developing pathological addiction to casino games without enough provision for them, or even proper safeguards when it comes to behaviour. Provisions about responsible gaming is not mentioned by Public Gambling Act nor mechanisms required under the said law, as with self-exclusion tools and other limit-setting features, instead counselling services access should be available.

The above concerns require a modern, updated regulatory framework for digital games that does not only guarantee legality but also ensures protection of the consumers in the online gaming environment. The updated provisions with regard to data security, age verification, and responsible gaming practices would ensure a safer and more sustainable gaming ecosystem.

### IV. LEGAL DEFINITIONS AND FRAMEWORK: SKILL VS. CHANCE

### (A) Examination of Indian Laws Defining Gambling and Skill-Based Gaming

The legal code for India's lotteries is borrowed directly from the Public Gambling Act of 1867 during when India was under colonial rule. It widely prohibits the operation of gambling houses as well as gambling, but there are exceptions, except mostly "games of mere skill". It, however fails to define "skill" or "chance," hence it leaves hanging making a difference as to what games actually rest on the players' skills and what rest purely by chance. Interestingly, in fact, the prohibitions on gambling were excluded to Section 12 of the Act on those games, which involved substantial skills though the term substantial skill, itself was vague.

In the Seventh Schedule of the Indian Constitution, "Betting and Gambling" is a topic mentioned under the State List. This means that the State Government has control over the matters of betting and gambling.<sup>6</sup>

Certain states have specific Acts, and most of them have specific rules about skill-based games. The States of Maharashtra and Tamil Nadu, to name a few, are much more stringent in applying the law to online gaming. Karnataka recently tried passing a law banning online gaming in its entirety, confusing matters by lumping all digital games into the gambling category. This has led to enormous inconsistencies across India with each state having its own interpretation and implementation of gambling laws. Fragmentation in the legal regime also acts as a hurdle for the regulators, while also creating legal uncertainty for an all-India operating skill-based gaming platform.

### (B) Analysis of Judicial Interpretations Distinguishing Games of Skill from Games of Chance

In the absence of the much-needed clarity on the statutory provisions, the Indian judiciary has also been significant by defining and interpreting the words "skill" and "chance" in the game. Key judgments from the Supreme Court and High Courts have defined games of skill as those where the predominant expertise of the player in determining the outcome rather than chance. In *State of Bombay v. R.M.D. Chamarbaugwala* (1957)<sup>7</sup>, it was held by the Supreme Court that "skill" in games should be sufficient enough to influence the result of the game, thereby distinguishing games which involve a greater degree of personal skill from the games of luck. This case settled future judgments where such games like rummy, bridge, and chess do not come under the gambling prohibition.

Further, in *Dr. K.R. Lakshmanan v. State of Tamil Nadu*, (1996),<sup>8</sup> the Supreme Court established that horse racing was a game of skill because it involved knowledge, judgment and experience. *Satyanarayana v. State of Andhra Pradesh* (1968)<sup>9</sup>, held rummy to be a game of skill, on account of the strategy and memory applied therein and not as the case was with the "flush" or "three-card games" wherein it was games of chance. Such decisions hold that games of skill should not be equated to be carried out as gambling. Such activities, therefore, were forms of gaming that came under exceptions to the gambling law. However, it has been questioned because there are newer forms of digital and online games, which have thrown up

<sup>&</sup>lt;sup>5</sup> INDIA CONST. Sch. 7, Pt. 34.

<sup>&</sup>lt;sup>6</sup> Aditya Balaji, Fantasy League and Gambling Laws in India - A Critique, 1 LEGAL SPECTRUM J. 1 (2021).

<sup>&</sup>lt;sup>7</sup> State of Bombay v. R.M.D. Chamarbaugwala, AIR 1957 SC 699 (India).

<sup>&</sup>lt;sup>8</sup> Dr. K.R. Lakshmanan v. State of Tamil Nadu, AIR 1996 SC 1153 (India).

<sup>&</sup>lt;sup>9</sup>Satyanarayana v. State of Andhra Pradesh, AIR 1968 SC 825 (India).

the question of where the skills-based gaming boundary falls in India.

### (C) Problems of Classifying Evolving Digital Games That Complement Skills with Luck

The explosion of digital gaming, online fantasy sports, and casual games made the issue of whether such games fall in the domain of skill or luck tough in India. Several of them comprise elements of both, thus creating the problem of classification. For instance, as if fantasy football or baseball online, with real sports statistics and strategies, would not be still gamely contingent on chance, since real-world game outcomes are undeterminable. The legality of such games was tested in the case of *Varun Gumber v. Union Territory of Chandigarh*, *2017*, <sup>10</sup> wherein the Punjab and Haryana High Court held that the fantasy sports platform, Dream11 constituted a game of skill where the team selection requires some strategic planning. The Supreme Court did uphold this ruling, thus upholding the view that fantasy sports could be construed to fall into skill-based activities under Indian law.

On the other hand, other genres of video games continued to remain nebulous and difficult to be classified. Electronic sports, online casinos, and mixed games, for instance, must inevitably incorporate elements of chance in order to keep players interested and thus serve up a "hybrid" experience that conflates legal distinctions. This makes the issue of applying traditional skill-versus-chance distinctions a definite uphill task for courts and regulators, because no consistent test exists that measures the degree of skill involved in each gaming category. With evolving technology, this lack of standardized definitions within Indian law exposes significant regulatory gaps affecting both gaming operators and consumers. For instance, while some states' courts have adopted a version of the dominant factor test, under which skill must be proven to outweigh chance in a decision on legality, standards vary considerably across jurisdictions.

These were then followed by more calls for changes in India's legislations so that there would be proper definitions and criteria formulated for regulation of skill-based gaming. Analysts contend that without legislative overhauls, India's approach to regulation will continue flawed and ineffective as the swiftly growing industry could be throttled at its budding stage while consumers can neither be protected at all. Judicial Standpoint on Skill-Based Gaming in India

The Indian judicial system has played a very important role in distinguishing between skill-based gaming and gambling, which has shaped the current legal landscape for skill-based games. This is mainly because the judiciary is conditioned to believe that games that amount to an exercise of substantial skill can be legally distinguished from pure games of chance; the latter are typically governed as gambling. Key cases include RMD Chamarbaugwala v Union of India

© 2025. International Journal of Law Management & Humanities

<sup>&</sup>lt;sup>10</sup> Varun Gumber v. Union territory of Chandigarh and Ors, (2017) Cri LJ 3827

and K R:. Lakshmanan v. State of Tamil Nadu has established some precedents which are crucial in that regard to set important benchmarks to what can be called as a game of skill or a game of chance.

### (A) RMD Chamarbaugwala V. Union Of India (1957)

The first precedence to differentiate between games of skill and chance in India was that of the judgment of the Supreme Court in RMD Chamarbaugwala v. Union of India. It was a case dealing with the constitutional validity of lotteries, for which the petitioner argued that they did not fall within the ambit of gambling as defined by law. However, the judgment of the Court was much more far-reaching than that and established general principles that would apply to other games as well.

The Court, headed by Chief Justice S.R. Das, ruled that the term "gambling" in the Constitution did not encompass games of mere skill. This was to hold that, despite the possibility that there could be regulation or outright prohibition on gaming exercises by chance, all activities that are based on skill are excluded from such prohibitions. Gambling has been defined as a profession that completely depends upon chance and requires only little from the person., while on the other hand, in games where skill could significantly influence outcomes, the Court found that they should not be considered gambling and therefore could not be subjected to restrictions typically imposed on gambling activities.

This distinction was important as it provided the first legal framework for determining games based on skill versus chances. It was the basis of all the later judgments and said that a thing that had "substantial skill" would fall out of the regulatory horizon of gambling laws. It recognized the role of skill could diminish or even supplant the role of chance to such an extent that it becomes entitled to differential treatment in Indian law. This is the most significant interpretation within the world of skill-games, including rummy, fantasy sports, among others, where strategic inputs are provided by players.

#### (B) K.R. Lakshmanan v. State of Tamil Nadu (1996)

The other important case where the dichotomy of skill and chance was elaborated is K.R. Lakshmanan v. State of Tamil Nadu, AIR 1996 SC 1153. The case is one concerning horse racing which was put to a test before an order under the Tamil Nadu Gaming Act being an activity involving betting. The petitioner contended that horse racing requires a lot of expertise and knowledge because it deals with the analysis of such different variables as the form of a horse, the experience of the jockey, track conditions, etc. Here also, it involves such skilled judgment rather than sheer luck.

The Supreme Court sustained the above argument by holding horse racing to be a game of skill and, hence beyond the ambit of gambling. The court continued by saying that an activity or factor of skill could appropriately distinguish some activities from the traditional definition of gambling. The judgment further states that "betting on horse race is a game of skill, because the outcome can be influenced by the horse's speed, jockey's skill, the training regimen, and environmental conditions." The judgment re-endorsed the notion that games involving substantial skill, knowledge, and judgment should not be treated as gambling, no matter the existence of an element of monetary wagering.

The Lakshmanan case marked a very important precedent in extending the scope of what would qualify as an activity involving skill in India. It held that even those activities, which otherwise involved monetary stakes, were games of skill. It is this judgment that had later been invoked for other games of skill-the immediately preceding case decided by the Court being online gaming. This ruling has fashioned the legal jurisprudence forming the basis for defining skill-based gaming and gambling and has helped protect skill-based gaming under law.

#### V. JUDICIAL REASONING ON SKILL-BASED GAMING IN INDIA

The judicial reasoning both in Chamarbaugwala and Lakshmanan's case emphasize the fact that the Indian courts believe in making the distinction between the two, namely, chances and skill. In both decisions, the Court used a functional analysis: that is, it asked whether skill weighed in on the result of the game rather than whether it affected the money factor. The Court chose to place its reasoning on the principle that games with substantial skill deserved legal treatment other than games of chance, which are generally more haphazard and therefore closer to the standard definition of gambling.

Such rulings have since become precedent decisions for later cases related to skill-based gaming in India, such as online fantasy sports and card games such as rummy. There is a growing trend wherein the courts believe that in cases where the outcome of a game is heavily dependent on a player's skill, skill-based games fall outside of the gamut of what can be termed as gambling. Such a trend has given a chance to prove that the skill-based gaming industry deserves legal sanction and encouragement of games that require strategic knowledge and expertise.

Moreover, the rulings have broader implications to the regulating practice on consumer protection. In exempting the skill-based games from the restrictive gambling laws, courts have permitted those industries from fewer legal restrictions in place and are subject to specific state-level regulations and consumer protection laws. These cases have helped in developing a regulatory environment that allows promoting the playing of skill-based games while traditional

gambling remains restricted and, as such, reflects a balanced approach both to economic growth and social welfare.

### VI. IMPACT OF ONLINE GAMING AND DIGITAL PLATFORMS

### (A) How the Growth of Online Gaming has Presented New Challenges to the Traditional Gambling Laws of India.

The fast growth of the online gaming industry has brought in new complexities that put the traditional gambling laws of India at a test. With an increasingly growing Internet presence and mobile usage, millions of users are now able to gain access to different online gaming platforms, which bring skill-based games in its umbrella. These websites take the advantage of technological advancement and reach out to players cut across demographics where a wide berth is created between gaming and gambling. However, most Indian gambling laws, such as the Public Gambling Act of 1867, were established long before the digital era and lack provisions for the issues involving online gaming. The weaknesses of such laws bring an aura of ambiguity to the legitimacy, governance, and classification of skill-based online games and require rethinking in light of present digital realities.

### (B) Issues Digital Skills-Based Gaming Platforms Present

Digital skills-based gaming platforms function as a self-contained regulatory issue. The ease with which a digital skills-based gaming platform can access users across state lines creates jurisdictional issues with digitally-based gaming venues. For instance, one state would find that a lawfully operating platform within its territorial jurisdiction is attracting gamblers from other states in which online gaming has been restricted or prohibited altogether. Such an ease with the tools that these platforms offer for access and anonymity could boost the risks of problem gaming, financial exploitation, and other social ills. And it would be quite a challenge to ask regulators to work towards achieving such delicate balance between innovation and public safety as offered by this cross-state-reaching, easily accessed platform. This cross-border reach needs a deep and holistic legal framework uniformly to address the regulative and consumer protection needs of such platforms.

### (C) Regulatory gaps in existing laws and their inability to address online gaming and jurisdiction issues

The existing laws of India do not have provisions required to handle cross-border jurisdiction issues for online skill-based gaming. While most states have modernized their gaming laws, such efforts are not uniform and result in a patchwork of regulations that confuse consumers as

well as industry stakeholders. There is no central oversight in the Indian federation; therefore, it creates legal ambiguity so that online gaming companies are pitted into complex and sometimes contradictory local laws. It can centralize these issues by providing clarity to industry stakeholders and protecting players at the same time.

### VII. STATE-LEVEL VARIATIONS AND REGULATORY CHALLENGES

### (A) Overview of Differences in Betting Laws in the Indian States

Betting laws in India differ largely across different Indian states, leading to a highly fragmented regulatory environment. While some states, like Tamil Nadu and Telangana, ban outright certain types of online gaming, including some skill-based games, others, such as Sikkim and Nagaland, allow online gaming under regulated conditions. This reflects the socioeconomic and cultural approach of every state toward the issue of gambling and gaming. This state-to-state variance in rules creates complexity to the operations of online-gaming websites, which may be exposed to risk of noncompliance with regional regulations by trying to adapt to the practices of every region.

### (B) Regional Variance Challenges Facing Stakeholders and Online Gaming Website Operators

The issue of state-to-state variance in gambling laws adds yet another layer of uncertainty and legal risk that equally affects players and operators. Few players know which platforms are legally accessible in their region, and operators incur high compliance costs for ensuring compliance with the varying laws. For instance, a game of skill might be classified as gambling in another state, implying varying legal outcomes, and such a fragmented regulatory environment burdens consumers and businesses, preventing industry growth and innovation in the long term.

There is an urgent need for a uniform regulatory framework to govern online skill-based gaming in India due to the inconsistency between states. For instance, a central framework would establish clear and standardized definitions and criteria for a skill-based game, thereby providing legal clarity and stability for industry stakeholders. Uniformity would also safeguard consumers, as standard protocols on consumer protection, fair play, and responsible gaming are set up. Such changes would not only support the growing industries but also provide a safer and transparent environment for the players.

© 2025. International Journal of Law Management & Humanities

<sup>&</sup>lt;sup>11</sup> Anjani Paul, Gambling Regulations in India: A Critical and Comparative Study, 6 INT'l J.L. MGMT. & HUMAN. 743 (2023).

### VIII. SOCIO-ECONOMIC IMPACT OF SKILL-BASED GAMING

### (A) Economic Contributions of the Skill-Based Gaming Industry

It is one of the key industries that contribute immensely to the Indian economy as an industry providing employment opportunities, bringing tax revenue, and also creating investment. Along with fast growth in the field of online gaming, this sector encourages a massive job-friendly eco-system right from developing software to marketing it, customer support jobs, and so on. Along with this, an important amount of foreign direct investment into India is pulled in by the industry through which much economic growth would be enhanced. Moreover, skill-based gaming platforms with regulations would mean collection of revenues by the tax for the government of India, and it hints at the importance of the industry in the Indian economic map.

### (B) Social Issues, Addiction, Potential Losses and Ethical Concerns

Even though skill-based gaming produces substantial economic benefits, issues of a social nature are being worried about this form of gaming. Addiction and actual losses of money are increasingly being reported, especially with the development of technological platforms that are readily accessed. Players, especially the youth, can be subjected to financial pressure through increased spending on games as they call and play in processes that lead to more significant influences in society. Ethical issues are also present because responsible gaming practice requires it to be carried out fairly and with transparency. Also, consumer protection is supposed to be handled by the operators. The urge to set up a responsible gaming culture for which the social concerns need to be addressed have been seen.<sup>12</sup>

### (C) Call for Responsible Gaming Practice and Consumer Protection Measure

Because of the social risk related to the skill-based game, there has been a requirement of the responsible gaming practice in the market to save the consumer. The regulation can force the platforms to incorporate any of the following measures spending limits, age verification and explicit disclosure about the risk involved. It will help in developing consumer protection measures that would reduce the adverse effects of gaming addiction and make the industry sustainable in terms of its growth, focusing on both economic and public welfare. Consumer protection is very important for establishing the credibility and longevity of the skill-based gaming industry in India.

© 2025. International Journal of Law Management & Humanities

[ISSN 2581-5369]

 $<sup>^{12}</sup>$  George S, Velleman R, Weobong B. Should gambling be legalized in India? Indian J Psychol Med. 2021;43(2):163–167.

### IX. COMPARATIVE ANALYSIS: SKILL-BASED GAMING REGULATIONS IN OTHER COUNTRIES

### (A) Other country's regulation of ability-based gaming

Some examples that are useful to compare for good regulation of ability-based gaming are the United States, the United Kingdom, and Australia. For instance, in the United States, a state has the rights to allow ability-based gaming; there are states such as New Jersey where regulated online gaming is being allowed while, at the same time, adopting consumer protection laws. The UK has its Gambling Commission, which provides clear guidelines on online gaming, distinguishes between skill and chance, and is quite stringent about consumer protection. Australia has a robust regulatory framework for online gaming, with growth of the industry being balanced with social responsibility.

### (B) Lessons India Can Learn from International Regulatory Approaches

India can follow the best practices from these nations. For example, similar to the UK's, a single central regulatory body like the Gambling Commission will bring uniform oversight for such skill-based gaming platforms to India. Additionally, stricter guidelines for advertisement, fair play, and consumer protection for safeguarding Indian players could also be implemented. India by studying international regulatory approaches would be able to develop such a framework that will aid in promoting a safe environment and transparency in gaming activities.

### (C) Hybrid Regulatory Model to Overhaul Indian Gaming Law

India would do well to adopt the hybrid model of regulation where the Centre will have the overview, coupled with the flexibility of states gaming within their jurisdictions differently. This would mean that states still have a leash on gaming within their jurisdictions, according to the central yardstick. The hybrid model may give stakeholders a degree of clarity while ensuring uniformity in terms of consumer protection throughout the nation.

### X. FUTURE OF SKILL-BASED GAMING AND THE NEED FOR UPDATED REGULATIONS

### (A) Potential Reforms to Indian Gambling Laws to Accommodate Skill-Based Gaming

Given the rapid growth in the skill-based gaming industry, Indian gambling laws must be developed. The proposed reforms are updating the Public Gambling Act and making changes to distinguish skill-based gaming from traditional gambling and introducing licensing requirements. Reforms like these would not only support growth in the industry but also provide legal certainty for operators and players.

### (B) Proposed legislative or regulatory solutions

Possible recommendations to consider might include the establishment of a unified regulatory board, new national standards, or licensing regimes skill-based game related. Through this, the different proposals would provide a uniform regime for the industry, decrease region-to-region disparities and fair regulation. It will be an improvement on some of the regulatory measures, age controls, fair play policies, and frameworks around taxation.

### (C) Future Projections of India's Skill-Based Gaming Industry

With necessary reforms in hand, the Indian skill-based gaming industry would see significant growth in the coming years. A balanced regulatory framework addressing consumer protection and innovation could put India on the path to becoming a prime market for skill-based gaming. The industry may continue to encourage further investment and employment opportunities that aid economic development in the digital economy. This will depend entirely on how well the existing laws evolve to meet both the industrial requirements and societal expectations.

#### XI. CONCLUSION

Since skill-based games have arisen, and there are complexities with the outdated Indian gaming laws, the line between skill and chance is sometimes blurred. The law has no clear definition, and different regulations in each state add to the confusion and uneven enforcement across jurisdictions. Online gaming platforms, operating across state lines and so easily accessible, introduce new problems on issues of addiction and other financial risks. There is a pressing need for a unified and current regulatory framework that differentiates and distinguishes between chance versus skill, protects consumer rights, and meets best international practice to foster the sector responsibly.

The need of the hour is a modern, agile legal framework that protects players while encouraging responsible growth in the skill-based gaming industry. This will clarify the difference between chance and skill, smoothen out the regulatory inconsistencies, and build robust consumer protections for sustainable development.

\*\*\*\*