



The New Playbook: India's Online Gaming Rules, 2026

The Ministry of Electronics and Information Technology (“MeitY”) notified the Promotion and Regulation of Online Gaming Rules, 2026 on 22 April 2026 (“**PROG Rules**”), which has come in effect on 1 May 2026. The PROG Rules operationalize the Promotion and Regulation of Online Gaming Act, 2025, enacted by Parliament in August 2025 (“**PROG Act**”).

OVERVIEW OF THE ONLINE GAMING FRAMEWORK

The PROG Act defines an online game as “*any game, which is played on an electronic or a digital device and is managed and operated as a software through the internet or any other kind of technology facilitating electronic communication*”. An online game may be:

- i. An **e-sport**, which is, *inter alia*, duly recognized under the National Sports Governance Act, 2025 and has an outcome determined solely by factors such as physical dexterity, mental agility, strategic thinking or other similar skills of users as players.
- ii. An **online social game**, which allows access through payment of a subscription fee or one-time access fee. However, such payment should not be in the nature of a stake or wager. An online social game is an online game offered solely for entertainment, recreation or skill-development purposes.
- iii. An online money game, which is an online game, irrespective of whether such game is based on skill, chance, or both, played by a user by paying fees, depositing money or other stakes in expectation of winning which entails monetary or other enrichment in return of money or other stakes, but does not include e-sports.

E-sports and online social games do not include the placing of bets/stakes/wagers in the expectation of a monetary gain upon winning.

The PROG Act prohibits not only the offering of an online money game, but also any advertisement related to an online money game or any facilitation of financial transactions/authorization of funds towards any online money gaming service. Offering an online money gaming service attracts a penalty of a fine of INR 1 crore and imprisonment of up to three years, while the other offences attract imprisonment of up to two years with a fine of INR 50 lakh, and imprisonment of up to three years with a fine of INR 1 crore, respectively.

DETERMINATION AND REGISTRATION FRAMEWORK

The PROG Rules envision the setting up of an Online Gaming Authority of India (“**Authority**”), which is empowered to **determine and register** online games.

- i. Determination of an online game, while mandatory for e-sports, may be undertaken *suo motu* by the Authority or upon an application by an online game service provider. For determination, the Authority will consider several factors, primarily whether the online game involves payment of fees, deposit of money or other stakes, by whatever name called, at any stage of participation in the online game, and whether users have an expectation of winning monetary or other enrichment in return for such money or other stakes deposited by them. Upon conclusion of determination, the Authority will pass an order conveying its decision whether the online game is an online money game, e-sport or online social game. If the online game is determined to be an e-sport, the Authority will process the application for recognition and registration of such online game as an e-sport. A determination order passed by the Authority remains in force unless there are changes to the online game offered by the online game service provider which affect the facilitation of payments or authorization of funds for participating in or accessing such online game.
- ii. Registration is the second power conferred on the Authority. Online social games are typically not required to be registered; however, if they fulfil certain criteria including, *inter alia*, risk of harm to users, including children, or potential risks of injury or detrimental impact on the public, registration with the Authority is required. E-sports are mandatorily required to be registered. Once a registration certificate is issued, it remains valid for a period of ten years, unless such certificate is surrendered, suspended or cancelled earlier.

Upon determination or registration, the online game service provider is required to prominently display the details of such determination or registration, as the case may be, on its computer resource through which its online game is offered or made available to users. Every online game service provider offering an online social game or e-sport must also comply with certain obligations, including designation of personnel as a point of contact and publication of their contact details in the manner prescribed by the Authority, along with the retention and storage of traffic data, metadata or other related information on computer resources located in India, for such period and in such manner as may be specified by the Authority.

Conclusion

The PROG Rules provide the operational framework for implementing the PROG Act and signal a stricter regulatory approach towards the online gaming sector, particularly through the prohibition of online money games, the introduction of a determination and registration regime, and enhanced compliance obligations for online game service providers. With the PROG Rules coming into effect on 1 May 2026, stakeholders operating in the online gaming ecosystem may need to assess classification, registration and compliance requirements in light of the new framework.

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