



Online Gambling in India

For Prelims: Online Gambling in India, [Consumer Protection Act 2019](#), [Public Gambling Act, 1867](#), [Online Gaming](#).

For Mains: Online Gambling in India, its pros and cons.

Why in News?

Recently, the government of India has **instructed states to take action against outdoor advertisements** promoting online **Betting and Gambling platforms**.

- The government had earlier issued an advisory to the media in June 2022, directing them to refrain **from publishing such advertisements** in the larger public interest.

What is the Government's Observation?

- The government has observed that some betting and gambling platforms are using outdoor media such as hoardings, posters, banners, and auto rickshaw branding to promote their websites/apps.
- Such advertisements were found to be misleading and not in strict conformity with the [Consumer Protection Act 2019](#).
- Moreover, since **betting and gambling are illegal in most parts of the country**, they **pose financial and social economic risk for the consumers**, especially youth and children.
- The government has **objected to the promotion of a specific betting platform** that encouraged people to watch a sports league on its website in prima facie violation of the Copyright Act.

What is Online Gambling?

- Online gambling involves **participating in gambling activities through the internet** by placing bets or wagers on games and events to win money or prizes. It can be played on various devices and involves **virtual chips or digital currencies instead of cash**.
- The global online gambling market was valued at **USD 63.53 billion in 2022** and is expected to grow at a **CAGR of 11.7% from 2023 to 2030**, with the Asia-Pacific region being the largest market.
- There are different types of online gambling, **including casino games like slots, blackjack, and roulette, sports betting, poker, and lottery**. It is regulated in most countries, including India, with varying degrees of restrictions and laws.

What's the Difference Between Online Gaming and Gambling?

- Under the law, the distinction between **gaming and gambling depends on the element of skill** involved. If an online activity **does not require skill, it will be considered gambling** rather than gaming.
- Therefore, according to the law, gaming activities that are allowed require skill, while gambling

activities rely on chance.

What are the Concerns Related to Online Gambling?

- **Financial and Social Trouble:**
 - Online gambling can be highly addictive, leading to **severe financial and social problems**. As it is easily accessible, players **can spend hours playing games** without realizing the amount of time and money they are spending.
- **Unregulated:**
 - Online gambling is **often unregulated**, making it easy for fraudulent activities to take place. This can lead to players losing their **money or their personal information** being compromised.
 - Gambling has complex laws in India and is not available in most of the states. Each state has its own jurisdiction over gambling.
- **Means for Money Laundering:**
 - Online gambling can be used as a **means for money laundering**, where players can deposit **large amounts of cash into online accounts** and then withdraw the money in a legitimate form.
- **Prone to Cyber-Attacks:**
 - Online gambling sites can be vulnerable to cyber-attacks, which can lead to the **theft of sensitive personal and financial information of the players**.
- **Socially Detachment:**
 - Online gambling can lead to social isolation, **as players can spend hours playing games online, leading to a lack of social interaction** with family and friends.

What are the Advantages of Online Gambling?

- **Convenience:** Online gambling can be accessed from the **comfort of one's own home or anywhere** with an internet connection, making it more convenient than traditional gambling methods.
- **Accessibility:** Online gambling is often more accessible for people with disabilities or those who have **difficulty leaving their homes**, allowing them to participate in gambling activities that would otherwise be difficult or impossible **for them**.
- **Revenue Generation:** Online gambling has the potential to generate significant revenue for the Indian government **through taxation and regulation**. Besides, the online gambling industry can create job opportunities for Indian entrepreneurs, who can develop and operate their own online gambling platforms.

What Does Indian Law Say About Online Gambling?

- **Public Gambling Act, 1867:**
 - At present, India has just one central law that governs gambling in all its forms. It's called the Public Gambling Act, 1867, which is an old law, ill-equipped to handle the challenges of digital casinos, online gambling and gaming.
- **7th Schedule of the Constitution:**
 - Gambling in India is largely a state subject. This means states **are expected to create their own laws to regulate gambling** in their jurisdictions.
- **Laws in Various States:**
 - States like Delhi, Madhya Pradesh, and Uttar Pradesh have adopted the Public Gambling Act with some amendments.
 - However, other regions like Goa, Sikkim, Daman, Meghalaya, and Nagaland, have drafted specific laws to regulate public gambling in their jurisdictions.

Way Forward

- Online gambling poses challenges that need to be addressed by regulators and policymakers to ensure fair and responsible gambling.
- The legal landscape in India is complex and varies by state, so individuals should be aware of their state's laws and only participate in licensed online gambling activities.

[Source: TH](#)

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