
LEGALITY OF ONLINE CRICKET BETTING - A LEGAL DILEMMA

Shital Navandar¹ & Prof. Dr. Ujwala Bendale ²

ABSTRACT

Gambling and betting are prohibited acts under the surviving colonial law in India. Despite the absolute prohibition of these activities, in surreptitious manner gambling and betting have undoubtedly flourished. Hence, legalization of cricket betting is a thought under serious consideration since a few years. Justice Lodha Committee also had recommended legalization of cricket betting. The Supreme Court of India had allowed betting on real money online games like rummy based on skill. But in a regressive move suddenly Promotion and Regulation of Online Gaming Act, 2025 (referred as PROG Act 2025 henceforth) has been enacted by the Parliament imposing blanket ban on real money online skill based games, on the ground of immorality and addiction. In the light of this blanket ban on real money online games, the present paper has examined the constitutional validity of PROG Act, 2025 and also the issue of legalization of cricket betting in India. It is recommended that blanket ban on real money online games is not in accordance with the well settled judicial precedents. Further it is arbitrary and violative of Article 19(1) (g) of the Constitution. Hence there is a dire need to adopt a regulatory approach. For effective enforcement it is necessary that a regulatory framework shall be adopted by State legislature.

¹ PhD Scholar, New Law College, Bharati Vidyapeeth (Deemed to be University), Pune

² Faculty of Law, New Law College, Bharati Vidyapeeth (Deemed to be University), Pune

Introduction:

Sport is an integral part of life. Not only for human beings but also for animal's playing is a vital component of life. John Finnis has said that play is one of the seven basic 'common goods' of human life. The origin of the word 'sport' lies in Latin and French. The French word "desporter", originated from the Latin word "deportare" which means "to amuse oneself"³. According to the Suits' definition of Sports, it is a "competitive event involving a variety of physical human skills, where the superior participant is judged to have exhibited those skills in a superior way"⁴. The Kerala Sports Act, 2000⁵ gives inclusive definition of sports so as to include outdoor games, athletics, country sports, indoor games, aquatic sports, and many other sports and other physical activities notified by the State government.⁶ Sport requires physical skills and physical efforts mainly. It also requires strategy, tactics and physical challenge.⁷ According to the European Sports Charter, Sport means all forms of physical activity which, aims at expressing or improving physical fitness and mental well-being.⁸ Sport is important for the purpose of relaxation, personal satisfaction, physical health, emotional growth, entertainment and development. In *Pleasantime Products vs. Commissioner of Central Excise*⁹, the Supreme Court stated that game is a form of play or sport which is competitive one and which is played according to the rules and decided by skill and chance. In *Krishan Lal Gera v. State of Haryana*¹⁰, R.V. Raveendran, J highlighted the benefits of sports such as promotion of health, competitive spirit and social integration.

The Preamble to the National Sports Policy, 2011 also explains the benefits of sport such as enhancement of health, spirit of healthy competition, improvement of discipline and an overall development of personality.¹¹

Although sport is beneficial in many ways, it brings with it possibility of gambling and betting

³ Robert A. Mechikoff, 'A History and Philosophy of Sports and Physical Education: From Ancient Civilization to Modern World' 6 McGraw Hill, NY, 6th edn., (2014),p.4

⁴ *ibid*

⁵ Kerala Sports Act, 2000, Act 2 of 2001 also available at https://www.indiacode.nic.in/bitstream/123456789/17472/1/sports_act-2000.pdf (accessed on 01-04-2026)

⁶ *Ibid*. Section 2(xiv)

⁷ Mudgal Mukul and Vidushpat Singhania, 'Law & Sports in India', LexisNexis, 2nd edn. Reprint (2019), pp.1-2

⁸ Article 2.1 of European Sports Charter available at rm.coe.int/16804c9dbb as last accessed on 22/03/2026

⁹ (2009) 1 SCC 265

¹⁰ AIR 2011 SC 2970

¹¹ Abhimanyu Chattree, 'Sports laws in India: A Critical Analysis', *Cosmos An International Journal of Management*, Vol 10, (Jul-Dec2020) also available at <https://cosmosgmtjournal.in/wp-content/uploads/2020/11/CM-JD205-Abhimanu-Chattree.pdf> as last accessed on 23/01/2026

also. Both gambling and betting have remained an integral parts of Indian society since the time immemorial. Gambling is looked upon more as a recreational activity. In ancient literature like Rig Veda and Mahabharata we find references to gambling and betting. In *Mahabharata* Prince Yudhishtira lost everything including his kingdom, brothers and wife over a game of dice with Shakuni.¹²

References to gambling and betting are found in ancient Indian literature. For instance, Manu in his work Manusmriti has condemned gambling outright. In Verse 221 he advised King to exclude from his realm gambling and betting as they cause destruction of the kingdom. Verse 225 calls upon the king to banish all gamblers from his town. Verse 227 advises men to stay away from gambling even for amusement. Yajnavalkya was in favour of placing the activity of gambling under state control.¹³ Kautilya in his Arthashastra also advocated state control of gambling but he was not against the idea of revenue generation from gambling activities. According to him the superintendent of gambling shall take five percent of the stake won by every winner and also the license fee and charges for water and accommodation. He recommended punishment for false player consisting of heavy fine and forfeiture of the stakes won by him. The same rules were made applicable to betting.¹⁴

In ancient Indian literature ample references are found to indulgence in games of chance, including the dice games¹⁵. Even the festival of Diwali is associated with card games being played as a ritual under Hindu tradition. Thus, paving the way to permissible involvement of stakes being a part of games, though occasionally under the guise of ritual. Cricket is celebrated as the most popular sport in India. The act of betting is strictly prohibited under Public Gambling Act, 1867. Thus, the betting on cricket matches in India takes place predominantly in a surreptitious manner. But the winnings of cricket bets cannot be brought within taxing net on account of the ancient statutory prohibition on betting. Interestingly under English law gambling is a regulated activity, not banned completely but instead is monitored in a regulatory setup. Hence the time has come to take a fresh look at the issue of sports betting primarily from the economic lens instead of the moral lens, fitted in a perfectly technologically transformed

¹² History of Gambling in India: From Dice Games to Digital Age available at <https://karwaanheritage.in/history-of-gambling-in-india-ancient-ritual-to-regulated-industry/> as last accessed on 23/01/2026

¹³ See generally Director General of Police vs. Mahalakshmi Cultural Association (2012) 3 Mad LJ 561, at p.23

¹⁴ Shamastry, R. 'Kautilya's Arthashastra', 4th edn. (1951), p.223

¹⁵ Supra note 10

new world.

In *BCCI vs. Cricket Association of Bihar and others*¹⁶, on the recommendation of Supreme Court of India, the Justice Lodha Committee was established to consider the issue of legalization of cricket betting. Justice Lodha Committee Report titled 'Legal Framework: Gambling and Sports betting including in Cricket in India' recommended the government to enact a law to legalize cricket betting in India. Furthermore, Mr. Shashi Tharoor had presented a bill to legalize sports betting and recommended criminalization of activities like sports fraud and match fixing. However, the bill has not been passed in the Parliament.¹⁷

Distinction between gambling and betting:

The terms gambling and betting are used almost interchangeably but there is a subtle difference between them. While gambling is a kind of formal agreement, but betting is informal and casual. Gambling consists of putting monetary stakes on a game of chance while betting consists of wagering upon an ultimate outcome of an event which predominantly involves an element of skill.¹⁸ Betting signifies gambling money on the outcome of a race, game, or other unpredictable event. It is a word substitute for gambling in order to overcome social stigma attached to the word gambling.¹⁹

Game of skill vs. Game of chance:

The games are broadly classified as games of skill and games of chance.

a) Games of chance: There are many games which entirely depend upon sheer luck or chance. A player relies entirely upon luck. Dice game such as snake and ladder is the example of game of chance. Game of Chance refers to those games where no prior knowledge, skill or practice is required for succeeding, one merely need to participate in such game and leave it up to chance or one's luck or destiny for a favourable outcome. These games are usually those where a person cannot have much influence via his knowledge, experience, practice, skill or technical know-how on the game directly to increase his possibility of winning. These games are purely of

¹⁶ 2016 (8) SCC 535

¹⁷ 'Private member Bill by Shashi Tharoor', International Journal of Advanced Legal Studies, available at https://ijalr.in/Volume-1/Issue3-2/private-member-bill-by-shashi-tharoor-why-sports-betting-be-legalized-by-divyansh-dwivedi/#google_vignette (last accessed on 01-01-2026)

¹⁸ Supra Note 4

276th Report of Law Commission of India (2018) available at https://images.assettype.com/barandbench/import/2018/07/Report276.pdf?utm_ as last accessed on 27/03/2026

chance, leaving no scope for player's talent or skill. If we apply this parameter to the game of cricket, then it is crystal clear that cricket actually requires great amount of skill and talent predominantly and luck has only little scope, in the sense that sometimes rain saves a match or toss plays some part in the final outcome of a cricket match. We have seen nail biting cricket matches wherein the performance of a single player has brought back a lost match and turned it into history. No Indian can forget the final world cup match in 1983 where India won its first world cup. In *Rex vs. Fortier*²⁰, it was observed that game of chance is one which is determined entirely or mostly be mere luck and skill or knowledge has no role to play.

In *Dr. K.R. Lakshmanan vs. State of Tamil Nadu*²¹ the predominant factor test was explained and it was stated that game of chance is one in which the element of chance predominates the element of skill and if the element of skill predominates the element of chance, it will be a game of skill. A catena of judicial pronouncements such as *State of Bombay vs R.M.D Chamarbaugwala*²², *R.M.D Chamarbaugwala vs. UOI*²³, *State of Andhra Pradesh vs. K. Satyanarayana*²⁴ have consistently asserted that if in a particular game the element of skill predominates the element of chance, it will be classified as the game of skill. Horse racing has been held as game of skill in number of foreign decisions on the ground that element of skill predominates chance in horse racing. These include *Edward J. Rohan vs. Detroit Racing Association*²⁵, *Utah State Fair association vs. Green*²⁶ and *Engle vs. State*²⁷.

But these consistent judicial precedents from India and abroad have been ignored while enacting the Promotion and Regulation of Online Gaming Act, 2025²⁸ by the Parliament in which distinction between game of chance and game of skill has been carelessly abolished.

b) **Games of skill:** In all the games of skill, certain degree of prior knowledge and skill are necessary. A person without requisite skill and knowledge cannot succeed in game of skill, as here the success doesn't depend upon mere luck. Therefore, Section 12 of Public Gambling Act 1867 has very meticulously exempts certain games which require certain degree of skill,

²⁰ 13 Que.K.B.308

²¹ AIR 1996 SC 1153

²² AIR 1957 SC 699

²³ AIR 1957 SC628

²⁴ (1968)2 SCR 387

²⁵ 166 ALR 1246

²⁶ 68 Utah 251

²⁷ 53 Ariz. 458 (1939)

²⁸ Act No. 32 of 2025

training and knowledge.

Horse racing is universally recognized as game of skill, as horsemanship involves considerable skill, technique, training of jockeys and superior knowledge. The success in horse racing also depends upon pedigree of horse, the training given to it, the current form of rider and so on. The success in such sport doesn't depend upon mere luck or chance. There is a lot of training both mental and physical, talent of jockey, synchronisation of the rider and the animal etc are paramount factors determining success .

In *Dr. K.R. Lakshmanan vs. State of Tamil Nadu*²⁹, it was stated that “in game of skill the success depends principally upon the superior knowledge, training, attention, experience and adroitness”³⁰.

In *Bimalendu De vs. Union of India*³¹, the Calcutta High Court has rightly laid down the predominant factor test to distinguish between game of chance and game of skill.

The court observed that Kaun Banega Crorepati i.e. KBC is a "game of skill" and not a game of chance or gambling. The determination of whether a game is gambling depends on whether the outcome relies predominantly on skill or chance. The court found that answering questions, which requires knowledge, training, and experience, constitutes a skill-based activity.

In *State of Andhra Pradesh v. Satyanarayan*³² the Supreme Court held that the thirteen cards rummy is not entirely a game of chance, although 3 cards (teen patti) rummy is a game of pure chance. The thirteen cards rummy requires certain amount of skill because the fall of the card is to be memorized and the building up of rummy requires considerable skill and strategy in holding and discarding cards³³.

After this decision different courts held that games of skill are beyond the scope of gambling prohibition laws and therefore later on the games of skill opened up avenues for taking stakes and making profit therefrom.

²⁹ *Supra* Note 12

³⁰ *Ibid.*

³¹ AIR 2001 Cal.30

³² AIR 1968 SC 825

³³ Sonia Saini, “Laws governing online betting in India”, available at <https://ssglawfirm.in/laws-governing-online-betting-in-india/> last accessed on 26-02-2026.

What distinguishes a game of skill from game of pure chance is that in the former certain degree of training, knowledge, skill and experience are necessary to attain success. Accordingly golf, chess and rummy are considered to be game of skill. By applying same analogy to cricket it can be concluded that as in the game of cricket, skill and knowledge of the game are the predominant factors, it is essentially a game of skill although some element of chance is also there. Therefore, betting on cricket matches should be a permissible activity.

With the advent of digital technology, online cricket betting has also become immensely popular in recent times in India.

Apart from these various states have legalized lotteries such as Goa, Karnataka, Maharashtra, etc. whereas, some states such as Telangana and Arunachal Pradesh have deemed game of skills also as illegal. Whereas gambling in general are considered illegal in Maharashtra. The lack of uniformity and the ambiguity makes it very hard to understand the functioning and appropriate regulation of gambling across the nation.

Since the Gambling Act was passed in 1867, the formulation of the laws and its application was only considerate of physical games. The concept of the internet and online gaming and gambling is something that was beyond the scope of anything one could think of at that point in time. Thus, the law remained silent on online games. However, to make up for this deficiency various states introduced different amendments to the existing laws and different Acts to supplement the online aspect of gambling.

Fantasy sports: With the technological advances the modern world has become digital. Even the sports have shifted from real playground to digital platforms. These are called fantasy sports played in digital manner by following standard rules and procedures. One such immensely popular fantasy sport/game was Dream 11. But it has been criminalized all of a sudden under Promotion and Regulation of Online Gaming Act, 2025. It used to be quite a vibrant and skill based game. Dream 11 platform had grown brick by brick over a considerable period of time. The validity of Dream 11 was challenged in *Shri. Varun Gumber vs. Union Territory of Chandigarh*³⁴, the petitioner a lawyer by profession, registered himself on Dream 11 platform and lost an amount of Rs. 50,000/-. He contended that Dream 11 is essentially a gambling activity and it should be banned under Public Gambling Act, 1867 as it is mere game of chance

³⁴ 2017 Cri. L.J. 3827

and not game of skill.

The respondent company contended that it is duly incorporated company under the provisions of Companies Act having been issued certificate of incorporation. Further it has been assessed under Income Tax Act for five financial years. The respondent company further contended that Dream 11 is a game of skill as it requires considerable knowledge about real time players' past performances, statistics and so on.

The Punjab and Haryana High Court after considering rival arguments held that Dream 11 is very much a game of skill and does not come within the definition of gambling prohibited under Public Gambling Act, 1867. Dream 11 requires superior knowledge and skill and it is not a game of sheer luck or chance. Selecting a right Captain and Vice Captain is necessary for success in Dream 11. For selecting players also a certain strategy needs to be adopted. As the petitioner lacked the requisite knowledge, experience and skill. Dream 11 encourages fair play and healthy competition and it has also got fee cancellation policy. Hence it is certainly not a gambling activity.

In *Avinash Mehrotra vs. State of Rajasthan and others*³⁵, the Supreme Court held that online fantasy game Dream 11 involves skill and doesn't involve gambling. The Court also clarified that Dream 11 fantasy sport is a business activity and is entitled to be protected under Article 19(1) (g) of the Constitution.

In *Galactus Funware Technology Private Ltd. vs. State of Karnataka*³⁶ the constitutional validity of the Karnataka Police (Amendment) Act, 2021 was challenged before the Karnataka High Court.³⁷ By this Amendment Act a blanket ban was imposed on a number of online games of skill such as rummy, carom, chess, pool and fantasy sports such as cricket on the grounds of arbitrariness, legislative incompetence, violation of fundamental right to freedom of speech and expression, freedom to carry on business, trade, profession and occupation, right to life and personal liberty³⁸. It was contended that criminalizing games of skill amounts to

³⁵ SLP (C) No. 18478/2020

³⁶ 2022 SCC OnLine Kar 257

³⁷ Rituraj Baruah, "*Dream11 Suspends Karnataka Operations Post FIR Against Founders*", INC42, 10 Oct, 2021- available at <https://inc42.com/buzz/dream11-suspends-karnataka-operations-post-fir-against-founders/> (last accessed on 03-04-2026)

³⁸ "HC strikes down Provisions of Karnataka Police (Amendment) Act banning Online Gaming" TaxGuru Team, 21-02-2022, available at https://taxguru.in/corporate-law/hc-strike-down-provisions-karnataka-police-amendment-act-banning-online-gaming.html#google_vignette (last accessed on 03-04-2026)

unreasonable restriction. It was also contended that the Amendment Act has failed to recognize distinction between game of skill and game of chance and it has unsettled the well established Chamarbaugwala jurisprudence relating to regulation of gambling and betting.

The Karnataka High Court upheld the contentions of the petitioner and declared the Karnataka Police (Amendment) Act, 2021 unconstitutional.

In *Internet and Mobile Association of India vs. Reserve Bank of India*³⁹ the petitioner association challenged the RBI's circular of 2018 prohibiting banks from providing services to individuals or businesses involved in the business of crypto currencies⁴⁰. The RBI sought to justify the said circular on various grounds of such as possibility of use of crypto currency for money laundering, terrorism financing and so on⁴¹. But the Supreme Court categorically held that the said circular is violative of right to freedom of trade, business, profession and occupation guaranteed under Article 19 (1) (g) of the Constitution of India and it does not pass the test of proportionality. Hence the circular was declared as unconstitutional. In *Junglee Games India Pvt Ltd v. State of Tamil Nadu*⁴² the All India Gaming Federation and Junglee Games India Pvt. Ltd. challenged the total prohibition on stake based online games like rummy. The petitioners contended that like conventional rummy even online rummy is primarily a skill-based game. The Tamil Nadu Government contended that internet gaming whether based on skill or not encourages addiction and suicide, hence it should be prohibited. But Madras High Court held that skill-based games like online poker and rummy cannot be considered as gambling. A total ban on online games based on skill is uncalled for. It impinges upon right to freedom of business and such total ban will destroy the entire online gaming industry. Hence the legally permissible course is regulation and not total prohibition. A complete ban on skill based online games will have serious repercussions such as shutdowns and layoffs. The Court also held that Tamil Nadu Gaming Amendment Act does not pass the proportionality test on account of total prohibition of skill based online gaming. *Aharon Barak*, the former Judge of Israel Supreme Court, has rightly said that- an excessive and disproportionate legislative action is bound to be invalidated on the ground of manifest

³⁹ 2020 INSC 264

⁴⁰ Apurva Neel “ Case Summary: Internet and Mobile Association of India v Reserve Bank of India (2020) | Cryptocurrency Case”, available on <https://www.legalbites.in/amp/landmark-judgements/case-summary-internet-and-mobile-association-of-india-v-reserve-bank-of-india-2020-cryptocurrency-case-1069763> (last accessed on 02-02-2026)

⁴¹ Ibid.

⁴² 2021 SCC OnLine Mad 2762

arbitrariness.⁴³

PROG Act - A Regressive Step:

Recently under the Promotion and Regulation of Online Gaming Act, 2025 a complete ban has been imposed on online games. The statement of objects and reasons of the Act recognizes that there is proliferation of online money games in India in recent times and these games can be accessed easily through mobile phones, computers and internet. The online money game portals offer monetary returns against user deposits and lure the young individuals and economically disadvantaged groups in their trap and result into serious social, financial, psychological and public health harm⁴⁴.

The statement of objects and reasons of the said ambitious Act says that further claims that such online games often use manipulative tactics and these are very addictive in nature. There is seldom any scope for fairness, transparency and user protection in such addictive online games and they ruin the users financially⁴⁵. There is often aggressive marketing through celebrities, of these online games. There is ample scope for financial fraud, money-laundering, tax evasion, and financing of terrorism in these games. Further these online games have the potential to pose threats to national security, public order and the integrity of the state. These real money online games can have deleterious and negative impact upon the individuals, families, society and the nation at large and to prevent all these possible negative impacts the present Act has been enacted. The key highlights of the Act include complete ban on all games involving real money, ban on promotional advertisements of such online games, harsh punishments, creation of online gaming authority and support for e sports and social and educational games.⁴⁶

Offering online money games or aiding or abetting others to engage therein have been made punishable offences under the said Act.⁴⁷ The Act also prohibits bank, financial institution, or any other person from facilitating financial transactions or authorisation of funds in connection

⁴³ Aharon Barak, *'Proportionality: Constitutional Rights and Their Limitations'*, Cambridge (2012)

⁴⁴ Vikas Pathak, "Lok Sabha passes Bill to ban online games involving monetary enrichment", *Indian Express*, Aug 21, 2025 available at <https://indianexpress.com/article/india/lok-sabha-bill-ban-online-games-monetary-enrichment-10201121/> (last accessed on 03-04-2026)

⁴⁵ Ibid.

⁴⁶ Shifa Shubhangi, "*The Promotion and Regulation of Gaming Act, 2025 : Jackpot of Progress or a Roll of the Regulatory Dice*", available on <https://cyberpeace.org/resources/blogs/the-promotion-and-regulation-of-gaming-act-2025-jackpot-of-progress-or-a-roll-of-the-regulatory-dice> as last accessed on 31/03/2026

⁴⁷ Section 5

with payment for any online money gaming service.⁴⁸

The Act has removed the distinction between skill based and chance based online money games and outrightly banned all of them. This is contrary to the betting jurisprudence evolved in the country. In a series of judgments the courts have held that money based online games involving skill are to be regulated instead of banned. But the PROG Act has prohibited betting on even the skill based online games. Hence this Act doesn't pass the test of proportionality and it is arbitrary in nature. Under the name of promotion and regulation of online games it has imposed a blanket ban on skill based real money online games. Therefore, it is a colourable piece of legislation also. The doctrine of colourable legislation provides that what you cannot do directly, you cannot do indirectly also. The PROG Act, 2025 under the garb of promotion and regulation of online games has actually prohibited some of them which are real money games predominantly based on skill. The blanket ban also amounts to arbitrariness thereby violating right to equality. In *E.P. Royappa vs. State of Tamil Nadu*⁴⁹, it was categorically held that arbitrariness is antithetical to equality under Article 14 of the Constitution. By denying individuals the choice of lawful recreational activity, it imposes disproportionate burden on rights. The Act under Section 5 imposes a sweeping ban on all online money games, whether of skill or chance, contrary to India's statutory and constitutional framework. The Public Gambling Act 1867, specifically exempts skill-based activities from gambling prohibitions by recognising them as legitimate business and recreational activities. This exception has also been consistently upheld by courts. The prohibition also encroaches upon the freedom of speech and expression, as online games are not only commercial but also an expression of individuals and their decision-making. If the constitutional and practical flaws are so ingrained in the blanket prohibition, the question becomes, what can be a better alternative? The answer lies in adopting calibrated regulation instead of an outright ban.

Harm mitigation model is better than blanket ban model in the context of skill based online gaming. In this harm mitigation model in order to curb financial harm spending limits are imposed. Age verification and prohibition on late night gaming for children to combat addiction are the other precautionary measures. Mandatory Aadhaar based know your customer (KYC) to prevent minors from accessing harmful games and repeated warnings such as 'Online Gaming is Addictive in nature' are also crucial measures. This harm mitigation model is

⁴⁸ Section 7

⁴⁹ AIR 1974 SC 555

adopted in Tamil Nadu Real Money Games Regulation Act, 2025. The Act has provided various safeguards to prevent addiction and financial losses while ensuring that freedom of recreation is not totally taken away. Under the Act individuals under 18 years of age are prohibited from playing real money games. Mandatory aadhar based know your customer (KYC) verification is also provided under the Act. As an additional safeguard, there is a blank hour restriction provided during 12.00 midnight to 5.00 am. The Act also requires that players must set daily, weekly, and monthly spending limits. Pop-up warnings appear after one hour of continuous play and then after every 30 minutes. The Act further mandates that Platforms must display prominent warnings regarding addiction risks and provide real-time alerts on deposits.⁵⁰ In *Play Games 24×7 Private Limited v State of Tamil Nadu*.⁵¹ these regulations were upheld by the Madras High Court. These protections ensure legal and licensed activities continue and there is an effective check on addiction, financial impact, and underage participation. In United Kingdom and Australia also harm mitigation model has been adopted.

Conclusion:

Online gaming industry plays a crucial role in economic progress of the country. This industry is worth thousands of crores rupees and hence it ought not to be criminalized. Instead of banning it outright it will be feasible to regulate it through harm mitigation model. The regulation of skill based online games will add to revenue and protective mechanisms will save the young generation from addiction also. The PROG Act is definitely a bold step but it is a double-edged sword in its present form. The history shows that complete prohibition has seldom succeeded in curing the mischief. Hence despite enactment of this tough legislation illegal online game portals will continue to flourish and black money is bound to be generated. Further the Act will fail the constitutionality test on the ground of legislative incompetence, arbitrariness, violation of right to freedom to carry on business under Article 19 (1) (g) and so on. The Act will face serious problem of implementation also as happened with many Indian laws in the past. Hence it is like medicine bitter than the disease itself situation. So, it is recommended that we need a better legislative framework to regulate real money online games. We need to do away with the prohibitory approach. But while doing so the state autonomy and federal principle shall not be compromised. It means that state legislature alone is competent to enact such legislation and Parliament of India shall not encroach upon the legislative field

⁵⁰ Section 4

⁵¹[https://www.verdictum.in/pdf_upload/play-games-24x7-private-limited-v-state-of-tamil-naduwatermark-1717443 .pdf](https://www.verdictum.in/pdf_upload/play-games-24x7-private-limited-v-state-of-tamil-naduwatermark-1717443.pdf) last accessed on 27/03/2026

of the state legislature. Then only the enforcement of regulatory legislation will be more effective and it will also add significantly to the state revenue.