

GOVERNMENT OF INDIA
MINISTRY OF ELECTRONICS AND INFORMATION TECHNOLOGY
RAJYA SABHA
UNSTARRED QUESTION. NO. 2466
TO BE ANSWERED ON: 21.03.2025

DATA PROTECTION IN ONLINE GAMING PLATFORMS

2466. SHRI HARIS BEERAN:

Will the Minister of ELECTRONICS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the steps taken by Government to regulate financial transactions and user data protection in online gaming platforms;
- (b) whether Government has issued any guidelines on preventing fraud and addiction to online gaming, if so, the details thereof, if not, the reasons therefor; and
- (c) the number of cases of financial malpractice and data breaches reported in the online gaming sector over the past three years, State-wise?

ANSWER

MINISTER OF STATE FOR ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI JITIN PRASADA)

(a) to (c): The policies of the Central Government are aimed at ensuring an open, safe, trusted and accountable Internet for its users. The Government has taken suitable steps to regulate financial transactions and user data protection for digital platforms, including online gaming platforms. To bring in certainty in levy of income tax in online gaming sector, Government vide Finance Act, 2023 has introduced income tax at the rate of thirty per centon the net winnings in the online games with effect from assessment year 2024-25. In addition, Government has introduced GST at the rate of 28% in online gaming from 1st October, 2023.

With regard to the protection of personal data, under Information Technology Act, 2000 (IT Act), Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 has been notified prescribing reasonable security practices and procedures on the sensitive personal data or information. Further, the Digital Personal Data Protection Act, 2023 has been enacted which provides for the legal framework for data protection and mandates Data Fiduciaries to implement security safeguards as well as robust technical and organisational measures while processing the digital personal data.

Further, the IT Act penalises various offences relating to computer resources, including tampering with computer source documents, dishonestly or fraudulently damaging computer system, identity theft, cheating by impersonation, cyber terrorism, securing unauthorised access to protected system etc. 'Police' and 'Public Order' are State subjects as per the Seventh Schedule of the Constitution of India. The States/UTs are primarily responsible for the prevention, detection, investigation and prosecution of crimes including fraud through their Law Enforcement Agencies (LEAs). The Central Government supplements the initiatives of the States/UTs through advisories and financial assistance under various schemes for capacity building of their LEAs.

The Ministry of Home Affairs ("MHA") has established the Indian Cyber Crime Coordination Centre ("I4C") to provide a framework and eco-system for LEAs to deal with cyber-crimes in a comprehensive and coordinated manner. MHA has also launched the National Cyber Crime Reporting Portal (<https://cybercrime.gov.in>) to enable the public to report all types of cyber-crimes including cyber financial frauds. Cybercrime incidents reported on this portal are routed to the respective State/UT law enforcement agency for further handling as per the provisions of law. The portal has distinct mechanisms for registering complaints related to financial frauds. A tollfree Helpline number '1930' has been operationalised to get assistance in lodging online complaints.

With regard to addiction to online games, the Ministry of Education has issued an advisory for parents & teachers on "Overcoming online gaming downsides" and "Children's safe online gaming". In addition,

the Ministry of Information and Broadcasting has also issued advisory to all private satellite television channels on 'Advertisements on Online Games, Fantasy Sports, etc.', advising all broadcasters that the guidelines issued by the Advertising Standards Council of India (ASCI) be complied with and that the advertisements broadcast on television adhere to the same. The guidelines includes that every gaming advertisement must carry the disclaimer in line with ASCI code in print/static media as well as audio/video forms indicating that this game involves an element of financial risk and may be addictive.

National Crime Records Bureau (NCRB) under the MHA compiles and publishes statistical data on crimes in its publication "Crime in India". NCRB doesn't maintain any specific data related to financial malpractice in the online gaming sector. Further, no incident of data breaches in the online gaming sector has been reported to CERT-In.
