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EXPLORING THE RISE OF ESPORTS IN INDIA: DOMESTIC DOMINANCE AND GLOBAL IMPLICATIONS

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INTRODUCTION

Over the last decade, eSports has moved from a novelty – almost ancillary to gaming – to a genuinely massive multibillion-dollar business globally. Apart from this massive growth in the number of gamers and the many tournaments, this is the main reason why eSport has rapidly grown popular in India, which is also receiving a lot of investment from local as well as international organizations. However, with the rise of eSports in India, it becomes problematic to identify the same. This discusses the industry's legal issues and examines whether eSports constitute a career.

THE GROWTH OF ESPORTS IN INDIA

Esports in India, one of the fastest-growing fields, has progressed due to high-speed internet connections, cost-efficient mobiles, and mobile gaming trends, including PUBG Mobile, Free Fire, Call of Duty Mobile, and several others. The referred growth has not only transformed the city into the launch pad of teams like Global Esports, S8ul, Entity Gaming, and Team Soul but also brought coaching to the young generation, which is trained professionally in digital gaming so that they can compete for the country in the international tournaments. S8UL is today one of India's largest and most premium esports organizations. It has achieved international acclaim after clinching the "Esports Content Creator of the Year" title for three consecutive years. This achievement is, therefore, in return for the organization's quality that puts it in a vantage position to compete at the international platform; hence, it makes it a unique organization among the top tiers of organizations for esports in the world today.

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The fact that S8uL has received an acknowledgment at the international level proves the dominance of the organization over the fans not only in India but in the entire world, which confirms the power of S8uL and its popularity in the sphere of esports. Currently, including their active roster of about 26 members, all of whom stated that they earn out of being involved in esports, S8uL showcases the starting trend of the future viability of esports as a career path in India. For the given organization, such a victory is a confirmation that it performs the correct actions and is a path towards extra professionalization of esports, and, hence, it can cause enormous satisfaction to tens of millions of players and content makers who aim for such a profession. The relatively recent phenomenon of esports has experienced an almost unbelievable growth in viewership, sponsorships, and even prize pools that might look to many like a sustaining industry.

ESPORTS AND THE ECONOMIC DEVELOPMENT OF THE COUNTRY

There are about 568 million active gamers in India, which illustrates a significantly large and highly interested target market according to a report, scaled at 25%, there are nearly 141 million Indian gamers who outright buy games. The nation has about 1400 gaming companies, of which 500 are gaming studios, and 15000 are game developers/ programmers. The total number of gaming development firms increased from 25 in 2015 to over 900 gaming development firms during the year 2023, showing continuous growth and strong potentiality in the sector. It will increase only as per the report, creating employment like anything.

The e-gaming industry in India is believed to be a gold mine. According to the State of India Gaming Report 2023, the revenues are at \$3.1B and are expected to reach \$7.5B by FY 2027-28. That is a stupendous CAGR growth of twenty percent.

"Esports has an expanding fan following, and the evidence is in its increasing viewership figures, which are estimated to have touched 57 million in the year ending 2024 from 25 million for the year ending 2022 as per industry estimates."

Another one of the key benefits of the developing eSports industry in India is the potential it has for job creation. Many professionals are available because of the professional games; these include those in game design and production, event organization, and marketing and transmission. This development is most valuable in a country with a growing youthful working-class population where

conventional work markets gradually become oversaturated. Team-based, competitive video gaming like tournaments or esports need professions other than players such as trainers, strategists, and moderators, therefore pushing new work papers suited for the exigent virtual environment of esports. Moreover, those startups in the game industry typically led to business, thereby encouraging.

This demand, the report said, will be efficiently met in the next decade, with an estimated two lakh fifty thousand employment opportunities created by the industry. The data collected for 2023 shows that online gaming created more than 100,000 game-skilled gaming professionals in its direct and indirect employment.

Today, the Indian gaming industry is in demand for employees ranging from 50,000 to 60,000 within the field, which is in demand in the areas of developers, programmers, testers/artists, and customer support.

About 144 million Internet users bought games in 2023, and the number of paying game consumers will possibly rise above 240 million in 2028. However, the developers are earning reasonable revenues based on this, and to build up more games in this industry, the investors are also investing.

From 2018 to 2021, funding for Indian gaming firms grew ten times. Surprisingly, 2021 became pivotal for hardware investments, with more than 1.7 billion USD. Indian gaming firms overall have collectively since 2017 secured close to \$3 billion. Forecasting suggests that the Indian gaming market will potentially host ten unicorns and five decacorns by 2028.

As an exclusive mobile game developed for and released in India after its predecessor, PUBG mobile, was banned in the country in September 2020, Battlegrounds Mobile India, or simply BGMI, has emerged as one of the most significant means of cultivating Electronic Sports or Esports. The game rapidly garnered many users, as was reported, crossing 50 million downloads in the first few months of the application. As such, not only did BGMI help regain the attention of mobile electronic sports, but it also helped clarify the official position of mobile electronic sports as a competitive venue, enhancing a strong games culture.

The Battlegrounds Mobile India Series (BGIS) has prize money totals of around ₹2 crore and gets the attention of thousands of players from India. Such classy rewards have captured the attention of many young gamers, most of whom are willing to perform on a professional level. Participating

in or winning such competitions means one clinches vast fortune, a sound basis for a professional gaming life.

Apart from its effects at this base level, BGMI has enhanced India's capability in ESports on the international level. Several Indian players and teams have started participating in the international circuit to demonstrate themselves and achieve credibility. Due to this new visibility, international esports organizations have been drawn to India to partner with local teams and extreme talents. That is why, having the opportunities to strengthen the base of Indian electronic sports, such associations contribute to further investment in players' training, supplies, and overall development.

While developers and game editors try to find content and open access to their sites, the Indian market has started to attract foreign investments. The growing entertainment industry, with the government backing them with projects centered on implementing new structures and extending Broad Band connections, also augurs well for the electronic sports industry.

Analyzing future prognoses, it can be stated that the Electronic Sports sector of India will remain prospective and attractive for investments in terms of the tendencies of the world's economic digitalization and technological development. Even more, including electronic sports as a part of curriculums and professional spheres stirs investors' desire to perfect the issue of monetizing the emerging market. As the Global Electronic Sports Economy grows, India's investment in this sphere not only makes it an actor but could also provide a catalyst for further economic processes, pointing the country to the position of a competitor in the international arena.

ESPORTS INDUSTRY AND CONSUMPTION

Likewise, the commercialization of traditional sports is still obligatory in esports as the popularity of modern esports has presupposed the industry as an unmissable market segment. Research by the Entertainment Software Association (n.d.) states that over the last year, 2016, the industry merchandised over 24.5 billion games and more than \$30.4 billion in sales in the global markets. Total game sales involved downloads, online subscriptions, downloadable content, mobile applications, and social networking games. Computer and video game businesses employ over 220,000 people across 50 states.

As can be seen, this esports gaming phenomenon has led to market opportunities involving many individuals, from the creation and marketing of the games to the organization of gaming events, game playing, or simply spectatorship.

The footwear industry is still emerging; it is rapidly growing in Europe and North America, whereas Asia remains the most significant geographical segment of the global market for the time being. The consumption potential of esports is still massive; however, the right choices must be made to unlock that potential (Jenny et al., 2018). To provide a constant growth of esports consumption, developing a long-term, mutually beneficial partnership between professional players in the esports space and the industry itself is necessary.

Sponsors who seek to invest may include team brands as a valuable property since individual streamers can become popular and garner a significant viewership as streamers (Coates & Parshakov, 2016). There has also been a rise in the number of esports games related to traditional sports in recent years, attributed to increased ESL collaborations between video game publishers and traditional sports franchises in creating seasonal tournaments and esports teams for the franchises (Raraport, 2017).

THE DARK SIDE OF ESPORTS AND FUTURE STUDIES

However, just like with anything that grows and offers opportunities, the growth in esports has several problems that it poses (Hattenstone, 2017), including addiction, which has always been a topic of study with gaming, exploitation of players, which due to the young age of many players can cause significant harm; and corruption; which, to the horror, has become rife in the more advanced traditional sports industry. To address these problems, game developers and publishers must engage with gamers to set regulations necessary to create a healthier and safer form of 'esports' (Hollist, 2015).

MALE VERSUS FEMALE ESPORTS PARTICIPATION

Esports has remained primarily associated with male participants; however, in 2019, there was a gradual change. Consumption and participation by females in esports gradually increased, with 22 percent in Esports. Consumers who are female, according to personal identification (Yu et al., 2022). Academic researchers have pointed out the gender differences in earnings within esports,

as there is no female professional gamer among the one hundred highest-paid esports players ranked by earnings up to three hundred (esportsearnings.com, 2022).

However, Yu et al. pointed out that more matchups in significant tournaments with sizeable prizes will make females grow higher in competitive ranks until they develop a solid foundation in the money charts. Indeed, it is expected that not only in the future will the list of leaderboard athletes include females, but also the consumption of Esports will grow (2022).

Yu et al. also employed an online email questionnaire for esports fans of Houston Outlaws. The respondents' responses from the questionnaire provided feedback that showed that, most specifically, women viewed esports for social purposes and the players' interests. In contrast, male fans watched esports to look at aggression and be entertained.

In addition, research has shown a general interest in esports athletes (Yu et al., 2022). One of the study's limitations was that the sample results from a different sample population (the Houston Outlaw fans base). Thus, information was helpful in target markets and gender issues. Specifically, Vitelar targeted the young people who belong to Generation Z and were born between mid-to-late 2000 and 2010. This categorization of esports fans has been born with the internet and social media interlinked with their existence for their whole lives. Thus, learning how Generation Z interacts and engages with esports is important. Thus, throughout the literature review, there is a clear trend toward escalating engagement and fangirlism in esports.

According to Yu et al. (2022), it is for sure that Generation Z is the core target consumer audience of esports, highlighting the earnings aspect of the topic; McLeod et al. observed a rise in female earnings but did not look beyond that data from Esports Earnings.

That is why, instead of the overview of media in the esports ecosystem, evaluating social media interactions would contribute to an improved understanding of how females promote themselves as esports athletes.

However, several efforts have been made to improve export inclusiveness as follows. Existing organizations like the Women's Esports League (WEL) or multiple collegial championships are involved in establishing players' platforms. These measures provide a platform for competitive games and give precedence to the community's support.

CONNECTING WITH GENERATION Z

For members of Generation Z, personal branding on online platforms is the totality of the social self. Vitelar (2019) identified the need for Gen-Z to conceptualize the benefits accruable to him or her in social media and personal branding. In addition, Generation Z should find and optimize an opportunity to build a successful career through their digital outlets. Personal branding is relevant to survival, as we have witnessed in Esports. Despite no mention of esports in Vitelar's article, he does state that one has to advance his/her image for him/her to gain power, opportunities, and a good job. In his study, Vitelar (2019) conducted a quantitative study that sampled 100 Romanian individuals in Generation Z between 18 and 24. Vitelar discovered that 98% of the studied individuals have an Instagram account, 85.7% have a Facebook account, and only 30% have a LinkedIn account, further stressing that Generation Z is aware of the personal brand and that the generation will be the ruler of the near future of esports in terms of participation and consumption. The characteristics of the target market of Vitelar's study can be used to examine the target audience of esports consumers because the presented age group has substantially influenced the development of esports as a proper target consumer audience is Generation Z (2022).

LEGAL FRAMEWORK GOVERNING ESPORTS IN INDIA

Even today, the legal guidelines for esports in India are relatively nascent, and there is no specified law or policy in India for the regulation of esports. Nevertheless, several existing laws and regulatory authorities influence esports.

1. The Indian Digital law that now includes cyber activity such as internet gaming and esports originated from the Information Technology Act enacted in 2000. Nonetheless, the Act contains only a few rules relating to cybercrimes, data protection, and supervision of contents and products accessible through the internet that can be indirectly connected with esports. For example, the IT Act Section 66D legislation outlaws the purporting to be a person with a computer resource. It can also be understood as applying fraudulent activities in esports.

2. The Public Gambling Act of 1867 is still an operative law of British India that bans gambling in India, except in some states where it has been permitted. This Act makes an essential differentiation between games based on skill and games based on chance, and while the latter will be banned, the games that admit skill shall not.

In *RMD Chamarbaugwala v. In Abdul Rehman Antulay v/s Union of India*, 1957, the apex court of India (SC) laid out the breakdown between games of skill and games of chance and judged that in Indian law, gambling does not refer to a game that demands a degree of skill impressive enough. This move sets a precedent for the fledgling esports industry because it may transpire that esports games are legally defined in a specific manner.

3. As BCCI administers Cricket in India, Esports is by the Esports Federation of India (ESFI). A few esports organizations have developed in India, and now Indian professional teams are participating in various international events. Entity Gaming is one organization that has some of the best Indian esports talent and has participated in global events. Since it is an official member body of the International Esports Federation IESF, Global Esports Federation GEF, and the Asian Esports Federation AESF.

CHALLENGES IN REGULATING ESPORTS

The quick growth of esports in India has raised a few legal problems that must be solved to secure the industry's sustainable growth. Esports have a lot of online platforms like streaming, chatting, and playing games to facilitate this. The regulation of such online content will include cyberbullying, hate speech, and cheating, and preventing these would be a considerable challenge. The IT Act and the guidelines set out by the Ministry of Electronics and Information Technology on social media platforms and online intermediaries are crucial in this context. However, the dynamic nature of online gaming asks for even more specific and adaptable regulations. The professionalization of esports has given rise to player agreements, which specify employment conditions, reward payments, sponsorship contracts, and other obligations. Notwithstanding, the lack of unified contracts and the absence of legal guarantees for e-athletes may result in them being exploited and conflicts arising. The legality of non-compete agreements, the safeguarding of minors in esports, and the recognition of esports players as professional athletes should be tackled via legal reforms.

The Karnataka High Court ruled that provisions of the Karnataka Police (Amendment) Act, 2021, which sought to make online gaming illegal, are unconstitutional. The Court ruled that the law that banned online gambling was unconstitutional and, therefore, infringed on the individuals' fundamental rights. The implications of this ruling can be seen in the case of esports regulation, particularly in those states likely to adopt similar bans.

INDIAN GOVERNMENT AND ITS ROLE IN OVERCOMING SUCH CHALLENGES

At a rapid growth as of 2024, there are about 1,718 gaming startups nationwide. The general support required for any form of industry to prosper in the economy cannot be overemphasized, especially government support. With this regard, the newly formed Indian government has initially been friendly towards esports. Very recently the Prime Minister of India, Shri Narendra Modi, recently met with some of the gaming strength of the country to get an insight into the nature of the domain and was reported as saying, "It (esports and gaming) does not require any regulation. it must remain free, only then it will boom".

Especially recently, one of the breakthroughs that has provided the sector with the necessary impetus is the inclusion of esports into the *Khelo India* program implemented by the Ministry of Youth Affairs and Sports. These objectives seek to encourage and fund different types of games nationwide and enhance their growing significance and credibility. Moreover, state governments are also fulfilling a significant role here as well. For example, Karnataka and Maharashtra have invited several esports events, suggesting there is a regional attempt involved in the promotion of this industry. Such events also give young talent a starting point while at the same time working towards the goal of changing the perception of people to the fact that eSports is a legitimate career path to pursue.

India has begun developing a coordinated approach to the multifaceted issues arising from the rapid expansionism of the esports sector with the help of a strategic set of policy measures and partnerships. We identified that the Ministry of Youth Affairs and Sports includes esports as part of multi-sports events as an incremental step to institutionalizing esports. In addition to such recognition, the government is also considering establishing more specific laws to address various issues in esports, such as creating laws that address the new platform needs of the industry and coming up with rules and regulations for the conduct of players. Private organizations and esports federations around the globe are negotiating for the standard templates for the players' contracts and covering the freedom from unfair dismissal, fair share of revenues, and sponsorship obligations. The key societal threats, including cyberbullying, hate speech, and cheating, are already tackled by means of the most advanced technological solutions. For instance, social media sites use intelligent filters and machine learning tools to automatically search and eliminate damaging information within the blink of an eye. Procedures to safeguard youths contain firm age-check

protection plans, parental awareness campaigns, and regulatory enforcement of child protection standards.

CONCLUSION

Establishing responsible and legal esports in India still requires a more solution-focused approach for specific issues affecting the esports industry. First, national esports regulating authority must be set up. That type of organization can easily coordinate the agreements of the players, establish ethical norms for the gaming business, and resolve conflicts efficiently, which will always be fair to all parties. Coming up with legislation where esports players will be considered professional athletes would not only improve their quality of social and financial life but would also create enthusiasm and attract talents to the profession. Also, firm measures like restricting specific age group profiles, restrictive settings such as parental control, and mandatory content ratings will save young participants from getting to the wrong side of the stick.

We must also encourage the responsible use of products through public affairs that inform players, parents, and stakeholders about cyberbullying, addiction, and the ethics of the game. Government cooperation with other units, technology firms, and global esports federations can benefit India by allowing it to adopt the global experience while addressing specific local issues. If we employ these schemes accompanied by sophisticated technologies like AI-based moderation and real-time fraud detection, we create an esports environment based on fairness, innovations, and inclusion. At some point, however, this is not so much a problem of regulation but of cultivating a sustainable ecosystem in which players, developers, and fans can all flourish.

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