

E-gaming FDI rules set to be eased

Distinction likely between game of skill & chance

MUKESH JAGOTA
New Delhi, August 20

THE GOVERNMENT IS planning to liberalise and promote foreign direct investment (FDI) in the fast-growing online gaming industry, following Prime Minister Narendra Modi's call to make India a "global gaming hub" by putting local talent

ON THE BOARD

■ New proposals for e-gaming sector part of overall review of foreign investment rules



■ GST norms have stopped differentiating between games of chance & skill

■ Indian gaming has raised **\$2.8 bn** from domestic & global investors in last 5 yrs

■ VC and PE funds invested close to **\$85 mn** in Indian gaming sector last fiscal

into best use for game designing and conduct, official sources said.

The liberalisation could include shifting FDI in the sector to auto-

matic route, and practically allowing 100% foreign ownership of the locally incorporated gaming entities if sought by

overseas investors.

However, the changes would come with a rider, restricting the proliferation of "games of chance", which is perceived to include indiscriminate betting and gambling, according to the sources.

The sources said a note circulated by the department for promotion of industry and internal trade (DPIIT) among different ministries also seeks to distinguish between online 'games of skill' and 'games of chance' for the purpose of FDI.

Continued on Page 11