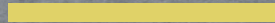


INDIA'S GAMING INDUSTRY: TIME FOR AGE & CONTENT RATINGS?

AUGUST 2024



PREPARED BY
DEDIPYAMAN SHUKLA



In collaboration with our knowledge partner, the **Indian Governance and Policy Project (IGAP)**, AIGDF has developed a comprehensive report with suggestions to both industry leaders and policy-makers on the need for India's own system of content rating for online, video and digital games published and distributed within the country.

BACKGROUND

The online gaming industry in India, while at a nascent stage, has remained a bright spot for the Indian economy, and has already garnered an estimated 425 million domestic gamers, a number second only to China. The Union Government has laid out an ambitious vision for the gaming industry through the creation of an AVGC (Animation, Visual Effects, Gaming and Comics) Task Force and publication of a subsequent report.¹

At present, the demography of Indian gamers includes a large number of participants under the age of 18. The gaming ecosystem offers a wide range of benefits to its younger users, which include opportunities to enhance their creativity, improve problem-solving and cognition, and enhance visual processing.² Simultaneously, digital services like gaming carry potential harms in an unregulated environment, and not all gaming content can be considered appropriate for all age groups. The risks of unregulated cyberspace content to minors have been well documented. Hence, regulated and responsible industry practices across the gaming sector can play a crucial role in ensuring the safety and mental well-being of children.

While other forms of digital content made available to Indian users (such as Over-The-Top/OTT services) have been brought under a content regulation framework by the Union Ministry of Information and Broadcasting (**MIB**), the gaming industry currently lacks a uniform framework. More specifically, no uniform measures have been adopted within the domestic gaming sector to mitigate the risks of inappropriate gaming content to users below the age of 18 years. However, such age-rating frameworks do exist within the gaming industry in other jurisdictions.

1. Available at <https://mib.gov.in/sites>

2. See Granic et al., The Benefits of Playing Video Games, American Psychologist, Vol. 69, No. 1, 66 –78 (January 2014), available at <<https://www.apa.org/pubs/journals/releases/amp-a0034857.pdf>>

REGULATORY DEVELOPMENTS ON CONTENT AND AGE-RATING IN INDIA

With the rapid growth in the number of consumers of online content, the Government of India has rightly recognized the need for an open, safe, trusted and accountable internet for all users. In a recent parliamentary statement, the Ministry for Electronics & Information Technology (**MEITY**) noted that the Government is cognizant of the risks posed by online gaming addiction and also online gaming content that depicts users' harms, including violence. MEITY accordingly made amendments to the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (**IT Rules 2021**) in April 2023.³ The amended IT Rules 2021 provided scope for self-regulatory bodies designated under these rules, to apply measures to safeguard children, including classifying online games through age-rating mechanisms, based on the nature and type of content.⁴ However, the mechanisms proposed under the IT Rules 2021 have not been implemented, as self-regulatory bodies are still to be designated, and there is no clarity on the timelines for enforcement.⁵

Separately, in July 2023, the Government of India (Allocation of Business) Rules, 1961 were amended to bring the regulation of online gaming content under the mandate of the MIB, along with other forms of content and advertising made available online.⁶ In this regulatory environment, MIB is now well-poised to develop a domestic and reliable gaming content rating framework which caters to the unique needs of Indian consumers of gaming content.

3. See Answer by Shri Rajeev Chandrasekhar (MEITY) to Unstarred Question No.467, Lok Sabha (6 December 2023)

4. See Rule 4A(8)(c), Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, available at <<https://www.meity.gov.in/writereaddata/files/Information%20Technology%20%28Intermediary%20Guidelines%20and%20Digital%20Media%20Ethics%20Code%29%20Rules%2C%202021%20%28updated%2006.04.2023%29-.pdf>>

5. See Govt Delays Gaming SRB Plans, Aims For Unified Approach, Inc42 (29 September 2023), available at <<https://inc42.com/buzz/govt-delays-gaming-srb-plans-aims-for-unified-approach>>

6. See Notification S.O. 3412(E), (28 July 2023), available at <<https://egazette.gov.in/WriteReadData/2023/247725.pdf>>

FOREIGN ORIGIN CONTENT RATING SYSTEMS FOR GAMES IN INDIA

In the absence of a domestic system of rating for online games, publishers and operators of various genres of games have adopted alternative foreign-origin rating systems to categorize their content for distribution. Age-rating and content description, while not legally mandated, plays a crucial commercial role in ensuring the widest access and dissemination of a publisher's gaming content among the public. For instance, unrated games listed on Google's Play Store are treated as 'high-maturity' apps for the purpose of parental controls till they obtain a rating. In other words, such games may get filtered out for their targeted demographic, even if the content is appropriate, on account of their failure to rate content.⁷

ORIGINS OF AGE-RATING IN GAMING

The formation of ESRB's rating system took place in as early as 1994, after discussions with a wide range of child development, parents and academic experts. ESRB ratings can be found on both 'boxed' games and online games. While the rating system was set-up to be voluntary, console manufacturers as well as some U.S. retailers and online storefronts require ESRB ratings for the games or apps they offer.

The most widely used foreign rating frameworks for games are the North-American origin Entertainment Software Rating Board (**ESRB**) and the European origin Pan European Game Information (**PEGI**), although some countries in other regions have developed their own content rating systems as per their requirements.⁸ It should be noted that both ESRB and PEGI are self-regulatory organizations which independently assess the appropriate age-ratings for each game, and issue corresponding labels which are affixed on the games.

Both systems have also adopted 'content descriptors', which provide consumers with more context on why a game was accorded a specific rating.

7. Information available at <<https://support.google.com/googleplay/answer/6209544?hl=en>>

8. For instance, game content rating framework as per the Australian National Classification Database is available at <www.classification.gov.au>

ESRB

The ESRB⁹ is an independent self-regulatory organization that provides age and content rating services applicable to the North America region countries. ESRB was established in 1994 under the Entertainment Software Association, which is a trade association for the video-game industry based in the United States. ESRB uses different processes for physically available and digitally available games. ESRB rates video games which are submitted to it by game publishers into one of 5 different categories depending on their suitability. These categories have been created with the help of child-development and academic experts. The categories are: **(i) Everyone, (ii) Everyone 10+, (iii) Teen, (iv) Mature 17+, and (v) Adults Only 18+.**

ESRB follows a consistent and rigorous procedure for evaluating the appropriate category for submitted gaming content and enforces financial penalties on violating game publishers.¹⁰ To illustrate their process, pre-release games to be distributed physically undergo the follow steps to obtain a rating:

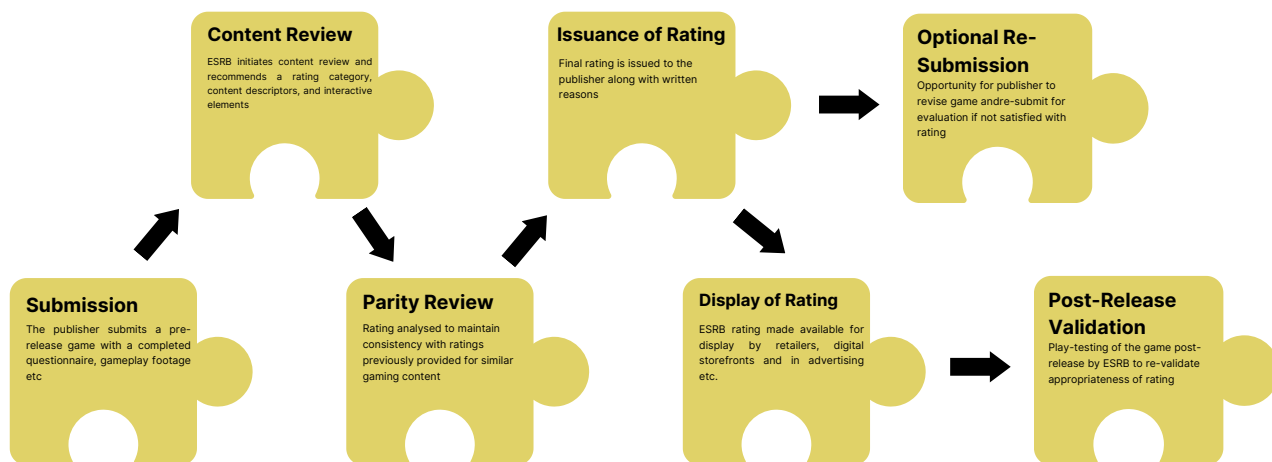


Diagram 1: ESRB Rating Process

9. More information available at <<https://www.esrb.org/>>

10. ESRB may levy fines up to USD 1 million, among other sanctions, on publishers which fail to disclose relevant content during the rating process.

HOW RATINGS APPEAR ON GAMES



Source: ESRB Website

Illustrated Label Use



ESRB Label

The manner of rating label display varies between regions based on the practices of different rating bodies. However, the label designs can be standardized within each region. For illustration, the detailed rating label of ESRB (adopted in North American region) is provided above. Such labels are commonly displayed prominently on the covering face of games to ensure visibility of the rating information to consumers.

PEGI

Similar to ESRB, PEGI¹¹ is also an independent, non-profit self-regulatory body which caters specifically to the European region. It was launched in 2003 and has been adopted as the standard content age-rating system in over 35 European countries. The PEGI framework sorts games into one of 5 categories: **(i) PEGI 3, (ii) PEGI 7, (iii) PEGI 12, (iv) PEGI 16, and (v) PEGI 18**. Similar to ESRB, financial penalties may be levied to ensure compliance with the framework.¹²

To illustrate PEGI's process for pre-release games to be distributed physically, the process is as follows:

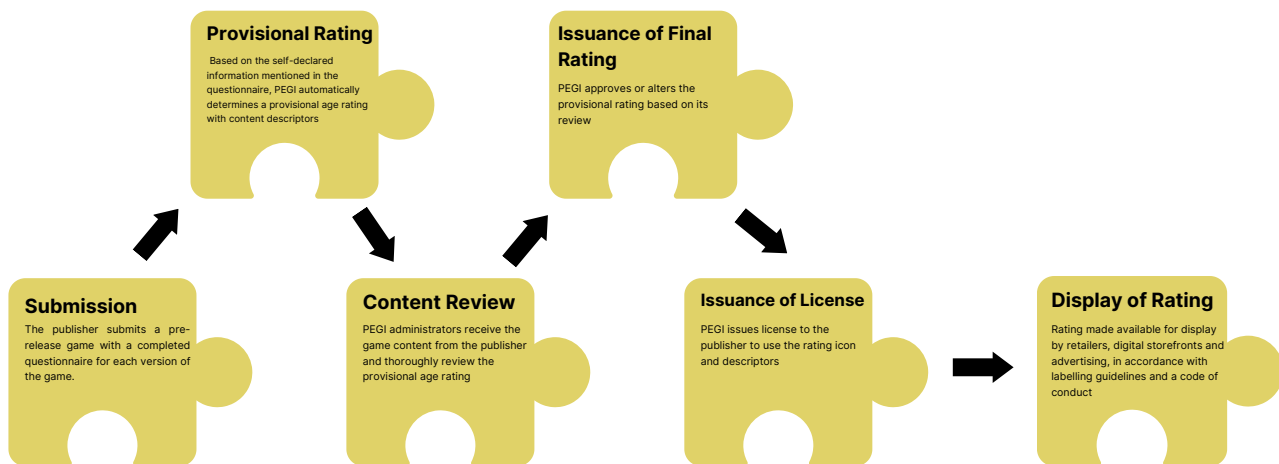


Diagram 2: PEGI Ratings Process

Upon inspection, it is evident that a number of procedural similarities exist for content rating of video games under the ESRB and PEGI systems. An additional comparison of ESRB and PEGI content rating labels and categories has been provided for reference in the **Annexure**.

11. More information available at <<https://pegi.info/>>

12. PEGI may levy fines which may range up to EUR 500,000 among other sanctions, on publishers which fail to disclose relevant content during the rating process, or otherwise violate the code of conduct of PEGI

COMPARISON TABLE: COMMONALITIES BETWEEN ESRB AND PEGI AGE RATING SYSTEMS

Feature	ESRB	PEGI
1. Self-regulation by industry	✓	✓
2. Separate rating process for digital and physically sold games	✓	✓
3. Utilization of IARC system for digital-only products	✓	✓
4. Assignment of interim/provisional rating pending final decision	✓	✓
5. Power to levy fines for violation	✓	✓
6. Expertise of organization members	Working with children, content age rating experience	Parents and consumer organisation representatives, child psychology experts, media experts, age rating experts, lawyers, expert in European minor protection laws, videogame industry experts, academics, other experts in their field
7. Details of game reviewing entity	Anonymous three member committee	Independent institute established under PEGI
8. Number of content rating categories	(i) Everyone (ii) Everyone 10+ (iii) Teen (iv) Mature 17+ (v) Adults Only 18+.	(i) PEGI 3 (ii) PEGI 7 (iii) PEGI 12 (iv) PEGI 16 (v) PEGI 18

ROLE OF THE IARC

Apart from these regional rating bodies, the vital role of the International Age Rating Coalition (**IARC**) should also be noted. The IARC, established in 2013, provides a globally streamlined age classification process for digital games and mobile apps, for consistent access to established and trusted age ratings across game devices and geographies. The IARC provides for an automated rating application process for digitally distributed games globally. It has been set up through close collaboration among participating regional rating authorities,¹³ industry partners and digital storefronts (such as the Google Play, Microsoft Store and PlayStation Store), making its involvement crucial for India-based game developers to have their games rated for global distribution.

The primary purpose of IARC is to simplify the process for achieving age ratings for a new game under the jurisdiction of different regional and national content rating authorities. IARC asks developers to complete its information questionnaire to obtain a rating. Once the questionnaire is completed, IARC assigns the appropriate age rating and content descriptors by region using unique algorithms.

This process is immediate. Even for countries that are not represented by a participating rating authority, IARC suggests age rating¹⁴ as per the following scale, modelled on the PEGI scale:

- (i) Ages 3+,**
- (ii) Ages 7+,**
- (iii) Ages 12+,**
- (iv) Ages 16+, and**
- (v) Ages 18+.**

However, IARC's system is designed to supplement, and not supplant, the age-rating standards and laws (where applicable) in regions around the world. In the event of the development of a domestic ratings framework for games in India, there remains scope for their integration with the existing IARC system.

13. Participating rating authorities include the Australian Classification Board, Classificação Indicativa (ClassInd) – Brazil, ESRB, PEGI, Game Rating and Administration Committee (GRAC) - Republic of Korea, and Game Rating and Administration Committee (GRAC) - Republic of Korea

14. Available at <https://www.globalratings.com/ratings-guide.aspx>

AGE RATING PROPOSAL FOR INDIA

Despite the popularity and wide adoption of these foreign-origin content rating systems, they are unable to replace the utility of a domestic content rating system for gaming. The key advantages of an Indian-origin content rating system for gaming are listed below:

- Compliance with Domestic Laws:** India maintains its own legal standards and regulatory frameworks applicable generally to publicly available content, including the broadcast space through the Cable Television Networks (Regulation) Act, 1995, and the online space through the Information Technology Act, 2000. A national game rating system can be tailored to align with domestic laws, especially those concerning content that might be considered offensive or harmful.
- Regional Sensitivities:** An Indian content rating system allows for the incorporation of region-specific cultural factors when determining the appropriate age rating for a game, ensuring that local sensitivities are respected in gaming content. This is exemplified in previous instances of content regulation, such as the Code of Ethics published under the IT Rules 2021 for OTT content streamed online.



This requires publishers of OTT content to take into consideration India's multi-racial and multi-religious context, and exercise due caution¹⁵ and discretion when featuring the activities, beliefs, practices, or views of any racial or religious group.

15. Available at <<https://mib.gov.in/sites/default/files/IT%28Intermediary%20Guidelines%20and%20Digital%20Media%20Ethics%20Code%29%20Rules%2C%202021%20English.pdf>>



- **Ease of Understanding:** Indian consumers might be more familiar and comfortable with a domestic rating system, which can use locally understood terminology and rating criteria. A domestic system can also play a role in educating both consumers and developers about content standards and expectations within the Indian market.

Given the proven track record of ESRB and PEGI's age rating systems which have respectively informed global gaming content rating standards, a modified framework based on these institutions should be adopted into the Indian context as the primary method of in-game content regulation for game developers and publishers. Some of the key features proposed to be incorporated in a domestic game rating body are listed below:

- **Clear Age Categories:** Defined and distinct age categories (such as 3+, 7+, 12+, 16+, 18+ etc.) considering the developmental and psychological differences among various age groups may be incorporated. The age categorizations shall be in line with Indian cultural norms and expectations regarding child development and maturity. For regulatory consistency, these may be introduced on the lines of the categories for OTT content under the IT Rules 2021, with adequate inputs from child-rights organizations, psychologists and other relevant experts.

For context, the IT Rules require OTT content classification into the following five categories:

(i) **U** : suitable for children as well as people of all ages;

(ii) **U/A 7+** : suitable for persons aged 7 years and above, and can be viewed by a person under the age of 7 years with parental guidance;

(iii) **U/A 13+** : suitable for persons aged 13 years and above, and can be viewed by a person under the age of 13 years with parental guidance;

(iv) **U/A 16+** : suitable for persons aged 16 years and above, and can be viewed by a person under the age of 16 years with parental guidance;

(v) **A** : restricted to adults only.



- **Locally Contextualized Descriptors:** Specific content descriptors indicating the presence of elements like violence, language, sexual content, drug use, and cultural or religious sensitivity may be devised and tailored to reflect the specific cultural, historical, and social contexts relevant to Indian society.
- **Enforcement and Compliance:** The creation of legal, quasi-legal or financial sanctions to enforce compliance with the rating system, with defined penalties for violation may be considered. This may include some form of oversight by MIB as the nodal ministry.
- **Stakeholder Participation in Regulation:** From the analysis of ESRB and PEGI, it may be noted that the self-regulatory nature of these organizations, established under industry bodies, has proved crucial to their continued success. Hence, participation of the relevant industry in the content rating implementation process can significantly increase its effectiveness. An organization responsible for administering the rating system may also include stakeholder representation from the government, child psychologists, educators, and consumer groups.
- **Public Consultation:** The domestic game content rating framework may engage in periodic consultations with the public, experts, and industry representatives to gather feedback and ensure the system remains relevant.

CONCLUSION





The Indian gaming sector continues to grow at a rapid rate and has surpassed 400 million gamers and thousands of games. The young demographic profile of consumers of gaming in the country warrants a robust framework that ensures overall consumer interest. Standardized age-rating practices within the country would be a significant aspect of safeguarding the wellbeing of users against content-related harms. Foreign-origin and inter-regional rating systems such as ESRB and PEGI provide potential solutions for how this objective could be achieved. Both systems indicate the success of a self-regulatory mechanisms in the age-rating process, as well as integration with the global IARC system.

At this stage, it is unclear what a future age-rating framework for Indian gaming may look like. However, such a system would simplify domestic legal compliances and incorporate Indian sensitivities into assessment of gaming content. The involvement of all stakeholders (i.e. government, industry, experts and academia) would be a crucial factor in creating a robust, widely adopted and effective game rating framework in India.

ANNEXURE

COMPARISON OF ESRB AND PEGI CONTENT RATING CATEGORIES AND LABELS:

ESRB Category	ESRB Explanation	PEGI Category	PEGI Explanation
<p>1.</p>  <p>Everyone</p>	<p>Applicable for content that is suitable for all ages, and may contain cartoon, fantasy, violence or mild language to a minimal degree.</p>	 <p>PEGI 3</p>	<p>Applicable for content that is suitable for all ages. Very mild violence in a comical context is considered acceptable. Game should not contain any sounds or pictures that are likely to frighten young children or bad language.</p>
<p>2.</p>  <p>Everyone 10+</p>	<p>Content suitable for ages 10 and up. May contain cartoon, fantasy, violence or mild language to a slightly greater degree along with suggestive themes.</p>	 <p>PEGI 7</p>	<p>Applicable for content that may frighten younger children (those below 7). Very mild forms of violence (implied, non-detailed, or non-realistic violence) are acceptable under this rating.</p>
<p>3.</p>  <p>Teen</p>	<p>Content suitable for ages 13 and up. May contain violence, suggestive themes, crude humour, minimal blood, simulated gambling or infrequent strong language.</p>	 <p>PEGI 12</p>	<p>Applicable to 12 years and up. Violence of a slightly more graphic nature (such as violence towards fantasy characters or non-realistic violence towards human-like characters) is accepted. Sexual innuendo, sexual posturing, and mild language can also be present.</p>
<p>4.</p>  <p>Mature 17+</p>	<p>Content suitable for ages 17 and up. May contain intense violence, blood, gore, sexual content or strong language.</p>	 <p>PEGI 16</p>	<p>Applicable to 16 years and up. Depiction of violence (or sexual activity) reaches a stage that looks the same as would be expected in real life. More extreme language, tobacco use, alcohol or illegal drugs may be present.</p>

<p>5.</p>	 <p>Adults Only 18+</p>	<p>Content suitable for only for adults ages 18 and up. May contain prolonged scenes of intense violence, graphic sexual content or gambling with real currency.</p>	 <p>PEGI 18</p>	<p>Applicable to adults above 18 years. Includes depiction of gross violence, apparently motiveless killing, or violence towards defenceless characters. Also includes glamorisation of the use of illegal drugs and of the simulation of gambling, and explicit sexual activity.</p>
<p>6.</p>	 <p>Rating Pending</p>	<p>No final ESRB rating assigned yet.</p>	<p>No equivalent category</p>	<p>-</p>
<p>7.</p>	 <p>Rating Pending – Likely Mature 17+</p>	<p>No final ESRB rating assigned yet, but game anticipated to be content suitable for ages 17 and up</p>	<p>No equivalent category</p>	<p>-</p>

USE OF CONTENT DESCRIPTORS BY ESRB¹⁶ ALONGSIDE THE CONTENT RATING:

Category of Content	Individual Descriptors
1. Relating to substances	<ul style="list-style-type: none"> • Alcohol Reference (Reference to and/or images of alcoholic beverages) • Use of Alcohol (The consumption of alcoholic beverages) • Tobacco Reference (Reference to and/or images of tobacco products) • Use of Tobacco (The consumption of tobacco products) • Drug Reference (Reference to and/or images of illegal drugs) • Use of Drugs (The consumption or use of illegal drugs)
2. Relating to blood or gore	<ul style="list-style-type: none"> • Animated Blood (Discoloured and/or unrealistic depictions of blood) • Blood (Depictions of blood) • Blood and Gore (Depictions of blood or the mutilation of body parts)
3. Relating to violence	<ul style="list-style-type: none"> • Cartoon Violence (Violent actions involving cartoon-like situations and characters. May include violence where a character is unharmed after the action has been inflicted) • Fantasy Violence (Violent actions of a fantasy nature, involving human or non-human characters in situations easily distinguishable from real life) • Violence (Scenes involving aggressive conflict. May contain bloodless dismemberment) • Violent References (References to violent acts) • Intense Violence (Graphic and realistic-looking depictions of physical conflict. May involve extreme and/or realistic blood, gore, weapons and depictions of human injury and death)





16. Available at https://www.esrb.org/ratings-guide/#int_elems

<p>4. Relating to humour</p>	<ul style="list-style-type: none"> • Comic Mischief (Depictions or dialogue involving slapstick or suggestive humor) • Crude Humor (Depictions or dialogue involving vulgar antics, including “bathroom” humor) • Mature Humor (Depictions or dialogue involving "adult" humor, including sexual references)
<p>5. Relating to language</p>	<ul style="list-style-type: none"> • Language (Mild to moderate use of profanity) • Strong Language (Explicit and/or frequent use of profanity) • Lyrics (Mild references to profanity, sexuality, violence, alcohol or drug use in music) • Strong Lyrics (Explicit and/or frequent references to profanity, sex, violence, alcohol or drug use in music)
<p>6. Relating to nudity</p>	<ul style="list-style-type: none"> • Nudity (Graphic or prolonged depictions of nudity) • Partial Nudity (Brief and/or mild depictions of nudity)
<p>7. Relating to gambling</p>	<ul style="list-style-type: none"> • Real Gambling (Player can gamble, including betting or wagering real cash or currency) • Simulated Gambling (Player can gamble without betting or wagering real cash or currency)
<p>8. Relating to sexuality</p>	<ul style="list-style-type: none"> • Sexual Content (Non-explicit depictions of sexual behavior, possibly including partial nudity) • Sexual Themes (References to sex or sexuality) • Sexual Violence (Depictions of rape or other violent sexual acts) • Strong Sexual Content (Explicit and/or frequent depictions of sexual behaviour, possibly including nudity) • Suggestive Themes (Mild provocative references or materials)

9. **Relating to interactive elements**

- **In-Game Purchases** (Contains in-game offers to purchase digital goods or premiums with real world currency, including but not limited to bonus levels, skins, music, virtual coins and other forms of in-game currency, subscriptions, season passes and upgrades)
- **In-Game Purchases (Includes Random Items)** (Contains in-game offers to purchase digital goods or premiums with real world currency for which the player doesn't know prior to purchase the specific digital goods or premiums they will be receiving (like loot boxes, item packs, mystery awards).
- **Users Interact** (Indicates possible exposure to unfiltered/uncensored user-generated content, including user-to-user communications and media sharing via social media and networks)
- **Shares Location** (Includes the ability to display the user's location to other users of the app)
- **Unrestricted Internet** (Provides unrestricted access to the internet)

DESCRIPTORS USED BY PEGI ALONGSIDE THE CONTENT RATING:

PEGI Descriptor	Explanation
<p>1.</p>  <p>Violence</p>	<p>Used when a game contains depictions of violence. In games rated PEGI 7 this can only be non-realistic or non-detailed violence. Games rated PEGI 12 can include violence in a fantasy environment or non-realistic violence towards human-like characters, whereas games rated PEGI 16 or 18 have increasingly more realistic-looking violence.</p>
<p>2.</p>  <p>Bad Language</p>	<p>Used when a game contains bad language. This descriptor can be found on games with a PEGI 12 (relating to mild swearing), PEGI 16 (relating to sexual expletives or blasphemy) or PEGI 18 rating (relating to sexual expletives or blasphemy).</p>
<p>3.</p>  <p>Fear</p>	<p>Used when a game with PEGI 7 contains pictures or sounds that may be frightening or scary to young children, or on higher-rated games that contain moderate (PEGI 12) or intense and sustained (PEGI 16) horror sequences or disturbing images, not necessarily including violent content.</p>
<p>4.</p>  <p>Gambling</p>	<p>Used when a game contains elements that encourage or teach gambling. These simulations of gambling refer to games of chance that are normally carried out in casinos or gambling halls.</p>

5.



Sex

This content descriptor can accompany a PEGI 12 rating if the game includes sexual posturing or innuendo, a PEGI 16 rating if there is erotic nudity or sexual intercourse without visible genitals or a PEGI 18 rating if there is explicit sexual activity in the game. Depictions of nudity in a non-sexual context do not require a specific age rating, and this descriptor would not be necessary.

6.



Drugs

Used when a game refers to or depicts the use of illegal drugs, alcohol or tobacco. Games with this content descriptor are always PEGI 16 or PEGI 18.

7.



Discrimination

Used when a game contains depictions of ethnic, religious, nationalistic or other stereotypes likely to encourage hatred. This content is always restricted to a PEGI 18 rating.

8.



In-game Purchases

Used when a game offers players the option to purchase digital goods or services with real-world currency. May include additional upgrades (such as to disable ads), subscriptions to updates, virtual coins and other forms of in-game currency.

WHAT IS AIGDF ?

The All India Game Developers' Forum (AIGDF) is a not-for-profit collective representing the interests of Indian game developers. AIGDF is committed to greater representation of Indian game developers as a key stakeholder of the AVGC sector. AIGDF endeavors to be an active contributor in shaping centers of excellence, technology labs and hubs, and dedicated coursework for game development. It also aims to be active in creating a healthy ecosystem of game developers and enablers.

WHAT IS IGAP ?

The Indian Governance And Policy Project (IGAP) is an emerging think tank focused on driving growth, innovation, and development in India's digital landscape. Specializing in areas like AI, Data Protection, FinTech, and Sustainability, IGAP promotes evidence-based policymaking through interdisciplinary research. By working closely with industry bodies in the digital sector, IGAP provides valuable insights and supports informed decision-making. Core work streams include policy monitoring, knowledge dissemination, capacity development, dialogue and collaboration,