

## ALL THINGS ESPORTS

### 1. OVERVIEW

- a. Globally, esports is a USD 1.65 billion industry with an audience exceeding 500 million<sup>1</sup>. Esports, short for “electronic sports”, refers to organized, competitive video gaming, where individuals or teams compete against each other in multiplayer video games. These competitions can take place in various formats—ranging from casual online tournaments to large-scale professional leagues and international championships—often watched by millions of fans both online and in physical arenas. Esports covers a wide variety of game genres, including:
  - (i) Multiplayer online battle arenas (MOBAs) like *League of Legends* or *Defense of the Ancients (Dota) 2*;
  - (ii) First-person shooters (FPS) like *Counter-Strike: Global Offensive* or *Valorant*;
  - (iii) Sports simulations like *FIFA* or *NBA 2K*;
  - (iv) Real-time strategy (RTS) games like *StarCraft*;
  - (v) Battle royale games like *Fortnite* or *PUBG*.
- b. The earliest known video game competition took place on October 19<sup>th</sup>, 1972 at Stanford University for the game *Spacewar*. Stanford’s students were invited to an “Intergalactic Spacewar Olympics” whose grand prize was a year’s subscription for *Rolling Stone*. The Golden age of arcade video games was heralded by Taito’s *Space Invaders* in 1978, which popularized the use of a persistent high score for all players. Several video games in the next several years followed suit, adding other means of tracking high scores such with high score tables that included the players’ initials in games like *Asteroids* in 1979, which became a popular activity and means of competition and a mainstream hobby. Besides establishing the competitive nature of games, these types of promotional events all formed the nature of the marketing and promotion that formed the basis of modern esports.<sup>2</sup>
- c. The fighting game *Street Fighter II* (1991) popularized the concept of direct, tournament-level competition between two players. Previously, video games most often relied on high scores to determine the best player, but this changed with *Street Fighter II*, where players would instead challenge each other directly, “face-to-face”, to determine the best player, paving the way for the competitive multiplayer and deathmatch modes found in modern action games.<sup>3</sup> Esports evolved through various tournaments as follows:
  - (i) 1990s: Nintendo World Championships; Fatal Fury; Art of fighting;
  - (ii) 1993: Doom;
  - (iii) 1994: NBA Jam and Virtua Racing;
  - (iv) 2000: Ministry of Culture, Sports & Tourism (Korea) formed and regulated E-sports;

<sup>1</sup> <https://www.nomuraconnects.com/focused-thinking-posts/the-rise-of-esports-an-already-growing-ecosystem-now-accelerated-by-current-events/>

<sup>2</sup> Borowy, Michael; Jin, Dal Yong (2013). "Pioneering E-Sport: The Experience Economy and the Marketing of Early 1980s Arcade Gaming Contests". *International Journal of Communication*. 7: 2254–2274. ISSN 1932-8036.

<sup>3</sup> Matt Barton; Bill Loguidice (2009). *Vintage games: an insider look at the history of Grand Theft Auto, Super Mario, and the most influential games of all time*. Boston: Focal Press/Elsevier. pp. 239–255. ISBN 978-0-240-81146-8.

- (v) 2004: Evolution Championship Series 2004;
  - (vi) 2005 – 2008: The United States channel ESPN hosted Madden NFL competitions in a show called Madden Nation from 2005 to 2008;
  - (vii) 2006 – 2009: G7 Teams federation founded;
  - (viii) 2007 – 2009: The United Kingdom satellite television channel XLEAGUE.TV broadcasted E-sports competitions;
  - (ix) 2011: Twitch was launched – League of Legends and DOTA;
  - (x) 2011 onwards: various games, scholarship programs and prizes, sports arenas were introduced.
- d. Over the past decade, esports has gained significant recognition as a legitimate sport by various international federations and governments. Countries such as South Korea, Germany, Denmark, Russia, Brazil, and South Africa have formally classified esports as a sport, offering benefits like athlete visas, regulatory frameworks, and financial incentives, similar to traditional sports. On the global stage, esports have been increasingly integrated into multi-sport competitions. It was first featured as a demonstration event at the 2018 Asian Games, where India won a bronze medal<sup>4</sup>, and later elevated to a full medal event at the 2022 Asian Games, held in Hangzhou, China in 2023 (postponed due to COVID-19)<sup>5</sup>. Titles like *PUBG Mobile*, *Dota 2*, and *Hearthstone* were among eight medal events, and importantly, the medals counted toward the official standings.
- e. Esports was also showcased at the 2022 Commonwealth Games, under the banner of the Commonwealth Esports Championship<sup>6</sup>, further cementing its status in the international sports framework. Additionally, the Olympic Esports Virtual Series was held in 2021 as a pre-event to the Olympics<sup>7</sup>, marking it the first time esports linked formally with the International Olympic Committee (IOC). Events like the 31<sup>st</sup> Southeast Asian Games (Hanoi 2021) and support from the Olympic Council of Asia highlight the growing institutional acceptance of esports worldwide.
- f. The first-ever Olympic Esports Games, a landmark event for both the esports industry and the Olympic Movement, is set to be held in 2027 in Riyadh, Saudi Arabia. This historic initiative was officially approved during the 142nd IOC Session in July 2024, with the IOC partnering with the Saudi Olympic and Paralympic Committee to organize and deliver the games<sup>8</sup>.
- g. In India, the momentum is mirrored by a rapidly expanding ecosystem. The COVID-19 pandemic significantly accelerated interest in competitive gaming, with many youth aspiring to become professional players. Prominent tournaments such as the ESL India Premiership, COBX Masters, and UCypher have played a pivotal role in shaping the local scene. These developments point to esports not only as a booming digital entertainment sector but also as a potential medal-winning opportunity for India on the global stage.

<sup>4</sup> <https://www.olympics.com/en/news/tirth-mehta-indian-esports-gamer-interview>

<sup>5</sup> <https://olympics.com/en/news/fifa-pubg-dota-2-esports-medal-events-asian-games-2022>

<sup>6</sup> <https://www.olympics.com/en/news/commonwealth-esports-championships-birmingham-2022-india-medal-winners>

<sup>7</sup> <https://www.olympics.com/ioc/news/international-olympic-committee-makes-landmark-move-into-virtual-sports-by-announcing-first-ever-olympic-virtual-series>

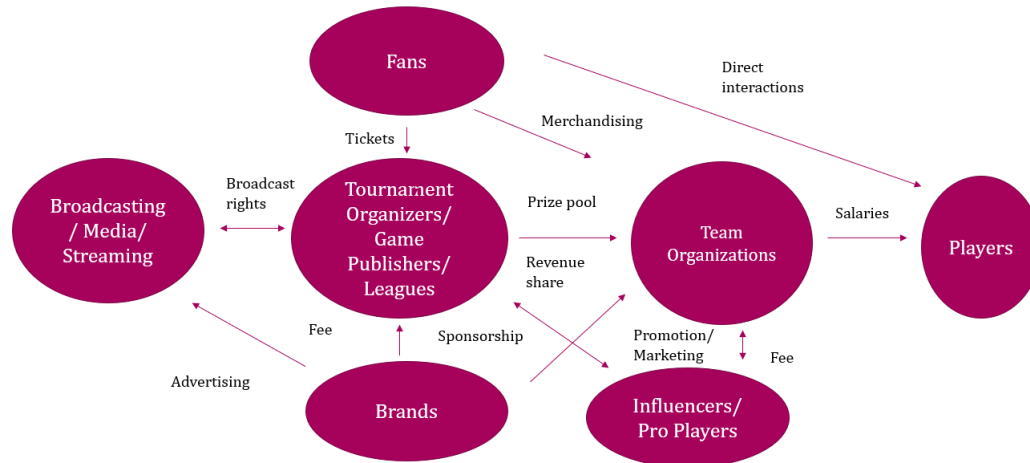
<sup>8</sup> <https://www.olympics.com/ioc/olympic-esports-games>

**h. COVID-19 Pandemic – Boon for the Esports Industry:**

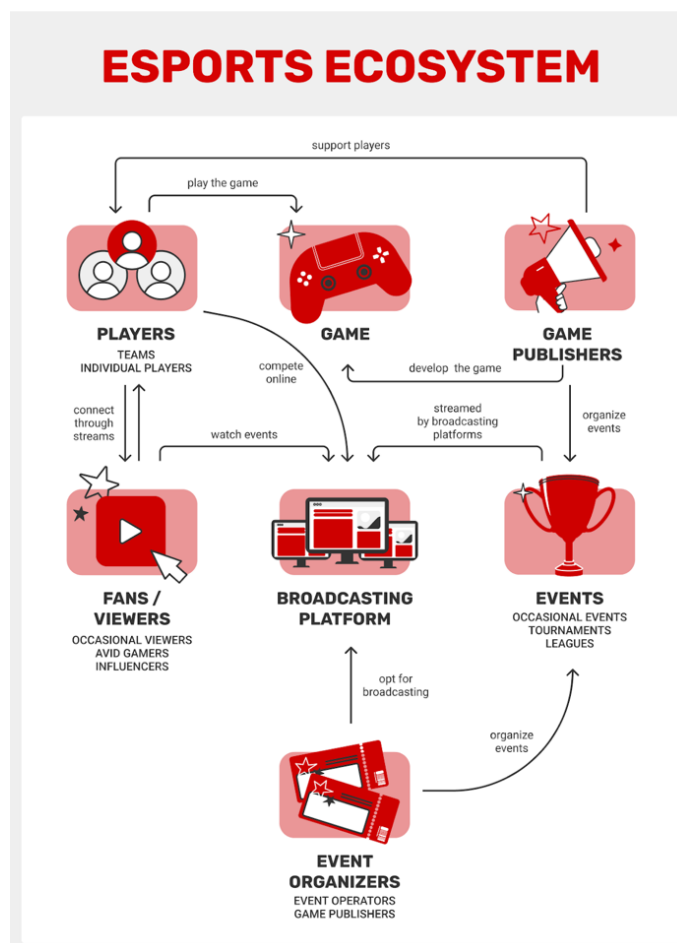
The COVID-19 pandemic brought traditional live sports to a near standstill globally, with stadiums emptied, tournaments postponed, and revenues sharply impacted due to the absence of spectators. In stark contrast, esports experienced a surge in visibility, engagement, and investment during the same period, emerging as one of the few competitive formats that could continue seamlessly in a remote, digital environment. While esports was already a billion-dollar industry by 2019, the pandemic accelerated its growth trajectory, driving increased viewership on platforms like YouTube and Twitch, rising sponsorship interest, and the mainstreaming of competitive gaming. Educational institutions, brands, and even traditional sports franchises began exploring esports as a viable digital alternative. Although the peak pandemic momentum has stabilized post-2022, the sector has retained a significant portion of its expanded audience base and continues to grow steadily, cementing its position as a resilient, future-ready pillar of the global sports and entertainment economy.

## 2. STAKEHOLDERS

### a. Eco-system:



### b. Who does what:



c. **Publishers / Developers / Studios:**

At the heart of the esports ecosystem are game publishers and developers – companies like Riot Games, Valve Corporation, Activision Blizzard, and Krafton—who own the intellectual property (IP) of the games themselves. Developers build the game software, while publishers handle its distribution, marketing, competitive structure and monetization, much like production houses and distributors in the film industry. In many cases the publisher and developer are the same entity, giving them complete control over how the game is played, showcased and commercialized. Anyone who wants to organize a tournament must first secure a license or formal approval from the publisher. These licenses typically cover gameplay rights, streaming rights, branding usage (logos, characters), and commercial elements like ticket sales and sponsorships. Some publishers also run their own flagship events—such as the *Valorant Champions Tour* or *The International*—with full control over rules, media distribution and revenue. In addition to licensing esports rights or organizing their own tournaments, publishers generate revenue through game sales, media rights, in-game purchases such as skins and battle passes, and sponsorships integrated into the games or in the tournaments. Some of the top global game publishers are as follows<sup>9</sup>:

Publishers	Titles/Games
Riot Games	a. League of Legends (created the League of Legends World Championship) b. Valorant
Valve	a. Dota 2 b. Counter Strike
Activision Blizzard	a. StarCraft b. Overwatch (created Overwatch Champions Series) c. Hearthstone
Electronic Arts (EA) Sports	a. FC24 (formerly known as FIFA) b. Madden c. NFL d. Apex Legends
Tencent Games	a. PUBG Mobile b. Honor of Kings
Epic Games	a. Fortnite (created the Fortnite World Cup) b. Rocket League
Rockstar Games	a. Grand Theft Auto I, II, III, IV, V and VI (coming in 2026) b. Red Dead Redemption I and II

<sup>9</sup> <https://www.pwc.com/m1/en/publications/2025/docs/game-publishers-the-cornerstone-of-esports.pdf>

Naughty Dog Games	<ul style="list-style-type: none"> <li>a. The Last of Us I and II</li> <li>b. Uncharted</li> <li>c. Intergalactic: The Heretic Prophet (Launch date unannounced)</li> </ul>
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d. **Event organizers:**

Event organisers can be private companies, individuals or federations who host tournaments and leagues by either partnering with or licensing content from the publisher. Their revenue typically comes from sponsorship deals, ticketing for live events, and—if allowed—media rights or sublicensing of broadcasting. Organizers also handle logistics, venue setup, live production and player coordination, playing a key role in growing the ecosystem.

e. **Teams / Franchises:**

Esports teams/franchises are professional, structured organizations that field competitive rosters across multiple titles. These teams resemble traditional sports franchises, complete with players, coaches, analysts, scouts, psychologists, content creators and commercial managers. Their earnings are generated through tournament prize winnings, brand sponsorships, merchandise sales and digital content monetization on platforms like YouTube and Twitch. However, because the game footage belongs to the publisher, teams / franchises often need additional permissions to use gameplay highlights for commercial purposes, making media rights a negotiated space.

f. **Players:**

Professional esports athletes are contracted by these teams and often undergo structured training, participate in bootcamps, and are expected to maintain brand values and high performance standards—similar to athletes in conventional sports. Star players also build personal brands through streaming, endorsements, and social media presence.

g. **Broadcasters and streaming platforms:**

Platforms like Twitch, YouTube Gaming, Facebook Gaming, Rooter and Loco, require publisher permissions to stream official esports tournaments. These platforms monetize through ads, subscriptions, tips / donations from fans, and sometimes exclusive content licensing deals. Their role is central to scaling audience reach and maintaining fan engagement.

h. **Influencers and content creators:**

Persons, many of whom are current or former professional players, generate game-related content such as tutorials, reaction videos, or live gameplay streams. While casual content is generally permitted, individuals creating commercial-scale content must adhere to the publisher's terms. Many operate under official affiliate programs like Twitch Partner or YouTube Partner, allowing them to earn ad revenue and gain access to exclusive tools.

i. **Sponsors and advertisers:**

They range from tech brands like Intel and Logitech to consumer brands like KFC and Red Bull investing heavily in esports by integrating their presence across tournaments, team jerseys, social content and even in-game assets. However, publishers sometimes place

restrictions on certain sponsor categories (e.g., alcohol, betting) depending on the game's rating and audience demographic. Brand deals in high-tier tournaments, especially publisher-owned events, are tightly controlled and often exclusive.

j. **Audience:**

Typically under 25, tech-savvy, and highly engaged, is the economic engine of esports. Viewers watch live streams, buy in-game content, follow their favourite teams and players and consume esports-related merchandise and media with passion similar to mainstream sports fans. Their engagement drives advertising value, platform traffic and commercial appeal.

k. Some of the larger players in the market are as follows:





### 3. DIFFERENCE WITH OTHER FORMS OF SPORT AND GAMING

#### a. **Traditional Sports and Esports:**

- (i) Traditional sports require the players to be present physically, competing with each other in a stadium/ field. However, an esports' tournament, happens virtually, requiring the players/ gamers to have an internet connection. Although, with the commercial evolution of esports, esports' tournaments take place in an arena, with live audience and streaming.
- (ii) *Ownership and IP:*  
In traditional sports, there is no copyright in the 'sport' *per se*, and hence, no particular organization owns the sport itself. In simple words, traditional sports have no ownership, of any form, over the 'sport' itself (e.g., no one owns the game or format of football) i.e., the national federations do not own the game itself but own the rights to the name of the event or the rights for the conduct of the event and license such rights to the event organizers based on certain terms and conditions. However, in esports, the game being played has several IP elements attached to itself and typically, the ownership of the 'game' *per se* lies with the game publisher (or the game developer). Each esports title—such as *Dota 2*, *Valorant*, *League of Legends*, *FIFA*, or *PUBG*—is a proprietary digital product owned by a specific game publisher or developer, who holds exclusive rights under multiple branches of IP law i.e., (i) Copyright protects the game's source code, graphics, soundtrack, user interface, characters, and storyline – this includes artistic works (images), musical work (sound recording) and literary work (source code); (ii) Trademark covers the game's name, logos, team branding and merchandise; (iii) Patents may apply to unique game mechanics or technological innovations in user interaction; (iv) Trade secrets often protect internal algorithms, matchmaking codes, and proprietary anti-cheat systems. Together, these protections under various forms of IP rights give publishers full control over how each game is used, monetized, and regulated in the competitive ecosystem.
- (iii) In traditional sports, each sport (this is true for all Olympic sports) is governed by a recognized international authority or federation which *inter alia* adopt a uniform set of rules of play – such as FIFA for football or ICC for cricket— which regulates rules, competitions, and athlete eligibility globally. In esports, however, there is no single governing body and each game is governed independently by its publisher since the IP is owned by the publisher and the rules of each game differ. Moreover, unlike traditional sports where clubs usually focus on a single sport (e.g., Real Madrid in football), in esports, a single organization (like Team Liquid or Fnatic) can operate competitive teams across multiple unrelated games, such as *League of Legends*, *Valorant* and *Counter-Strike*, because each game functions as a separate sport with its own rules and ecosystem.
- (iv) In traditional sports, broadcasting is primarily centralized, with viewership focused on the official broadcaster (e.g., Star Sports, Sony). However, in esports, viewership is fragmented across multiple streams (at least 4 in almost each case)



such as: Official tournament broadcaster, organizers' streaming channel, individual players' personal streaming channels and fans and influence streaming channels / fan-hosted watch parties. This creates a more decentralized and interactive viewing experience.

(v) *Summary:*

Aspect	Traditional Sports	Esports
<b>Mode of Play</b>	Requires physical presence and bodily movement (e.g., running, jumping, throwing); played on physical fields or courts.	Played virtually on digital platforms; may take place remotely or in LAN setups with live audiences.
<b>Player Engagement</b>	Involves physical skill, stamina, and athleticism.	Involves fine motor skills, hand-eye coordination, reflexes, multitasking, and strategic thinking.
<b>Venue</b>	Stadiums, courts, tracks, arenas.	Online servers, gaming arenas, broadcast studios with streaming setups.
<b>Ownership of the Game</b>	No single entity owns the sport; rules and structure are in the public domain.	Each game (e.g., Valorant, League of Legends, DOTA 2) is privately owned and protected by copyright, trademark, and other IP laws.
<b>Governance</b>	Regulated by international and national sports federations (e.g., FIFA, ICC, FIA), often under Olympic frameworks.	No unified governing body; control rests with game publishers who decide rules, formats, and competition access.
<b>Team Structure</b>	One club usually participates in one sport (e.g., Real Madrid in football)	One esports organization can field teams across multiple titles (e.g., Team Liquid in DOTA 2, Valorant and CS:GO).
<b>Broadcasting</b>	Centralized through official broadcasters with exclusive media rights	Decentralized and open—streamed via official channels, player streams, fan watch parties, and platforms like Twitch, YouTube.
<b>Revenue Streams</b>	Ticket sales, sponsorships, media rights, merchandise	Game sales, in-game purchases (e.g., skins), publisher-run events, licensing, sponsorships, streaming, and team/creator content.

<b>Recognition</b>	Recognized as “sport” under international law and national policies	In many countries still classified as “entertainment” or “digital gaming”; evolving recognition as a competitive sport.
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**b. Esports and Internet Gaming (or real money online gaming including, but not limited to poker, rummy and fantasy sports gaming):**

*(i) Esports and Fantasy Sport Gaming*

- a. Fantasy Sport Gaming are recreational online prediction games where the players/users playing the said game construct a virtual team of real sports’ players, such as players from the Indian Premier League (IPL), English Premier League (EPL) the National Basketball Association (NBA), etc., pay an entry fee to enter a contest (the prize money for which is predetermined by the platform providing such games), and earn points based on real-life statistics such as the runs scored by a batsman, wickets taken by a bowler and catches/run-outs inflicted by a fielder.
- b. In esports, the player is required to show his ability to control the virtual character he represents in the esports tournament, however, in fantasy sports gaming, the player has no control on the performance or skill of the selected athlete/sportsperson.
- c. Summary:

Aspect	Fantasy Sports Gaming	Esports
<b>Nature of Gameplay</b>	Prediction-based; players build virtual teams of real-world athletes and earn points based on their live performances.	Direct participation; players control in-game avatars in real time against other competitors.
<b>Skill Element</b>	Depends on sports knowledge, player stats, and prediction ability.	Requires real-time strategy, teamwork, hand-eye coordination, reflexes, and hours of practice.
<b>Outcome Control</b>	Player has no control over real athletes’ performances.	Player directly controls the outcome of the game through skill and strategy.
<b>Training Environment</b>	No physical or team-based training; knowledge-based participation.	Structured training environments, scrims, coaching, review of game footage, and physical/mental fitness support.
<b>Team Dynamics</b>	Typically played solo; no team training.	Team-based structures; players often live and train together, like traditional sports teams.

<b>Revenue Model</b>	Entry fees, platform commissions, and winnings.	Prize pools, team salaries, sponsorships, media rights, and in-game monetization.
<b>Legal Classification in India</b>	Usually classified as “game of skill” under certain high court rulings; covered by state-specific gaming laws.	Still evolving; not uniformly classified; some states consider it a game of skill, others regulate it under digital entertainment.

- (ii) *E-sports and Real Money Games (other than Fantasy Sports - such as Rummy, Poker, etc.):*
- Real Money Games, other than fantasy sport gaming, such as Rummy, Poker, etc., are card-based recreational and entertainment games that are typically played online often for real-money, on the website or the mobile application offered by the operators of such games. The players are dealt with cards by the operator’s server on its platform based on the RNG (Random Number Generator) software and thus, such dealing is based on luck.
  - Esports, on the other hand, depends solely on the players’ skill, practice and strategies and his ability to control the virtual character he represents in the esports tournament. As against the principle of preponderance of skill over chance in the event of a game being classified as a ‘game of skill’ (such as the online real money games) where the result of such real money card game competitions is based partially on skill and partially on chance, esports almost minimises the element of chance and is purely based on the training, know-how and dexterity of the player in achieving the outcome of the said esports tournament.
  - Summary:

Aspect	Real Money Games (RMG)	Esports
<b>Nature of Gameplay</b>	Card-based games played online, typically involving real money; outcomes often depend on chance.	Competitive video games where outcomes are determined by players' skill, reflexes, and strategies.
<b>Element of Chance</b>	RNG (Random Number Generator) governs gameplay; outcome is partly based on luck.	Minimal to no element of chance; almost entirely skill-based.
<b>Skill vs Chance Legal Test</b>	Must meet “preponderance of skill” test to avoid classification as gambling.	Generally meets this standard more clearly, especially at professional levels.
<b>Player Control</b>	Limited control once cards are dealt; outcome depends on drawing probabilities and partial decision-making.	Full control over avatar or game character; outcome depends entirely on decisions and execution.

<b>Team Play &amp; Training</b>	Played individually or in pairs; no structured team environment.	Team-based practice, professional coaching, scrimms, and tournament preparation.
<b>Monetization Model</b>	Platform charges rake/entry fees; players win or lose money.	Earnings through contracts, prize pools, sponsors, ad revenue, and licensed competitions.
<b>Gambling Risk</b>	Higher scrutiny under gambling laws; heavily regulated or restricted in many jurisdictions.	Generally avoids gambling classification due to direct skill element; but IP and licensing make it publisher-dependent.

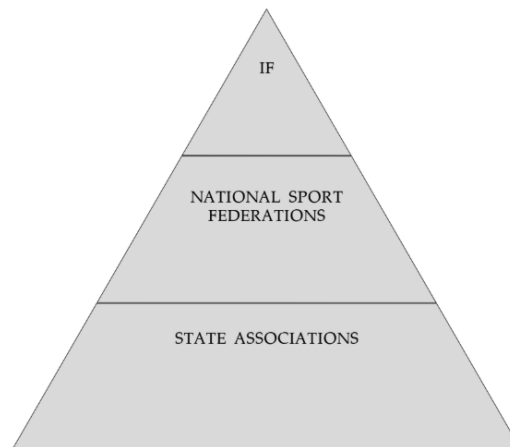
c. **Skills involved in esports:**

- (i) Problem solving;
- (ii) Inductive skills;
- (iii) Spatial imagination;
- (iv) Eye-hand coordination;
- (v) Social competencies;
- (vi) Sensori-motor control;
- (vii) Cognition;
- (viii) Media literacy;
- (ix) Interaction & communication;
- (x) Multi-tasking.

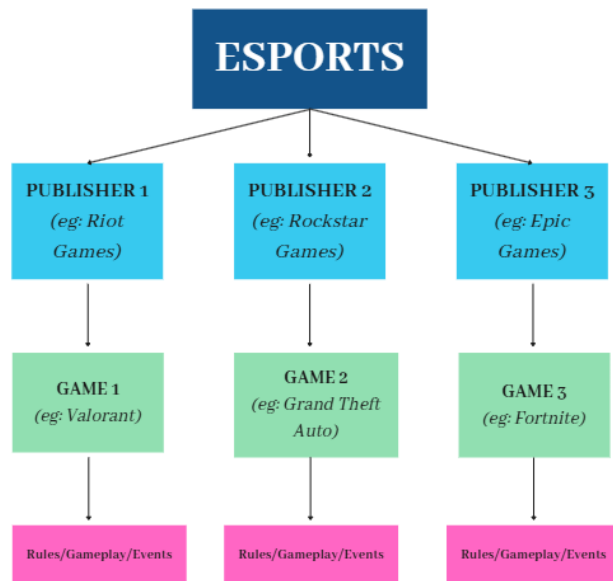
#### 4. GOVERNANCE AND CHALLENGES

##### a. Challenges in Governance:

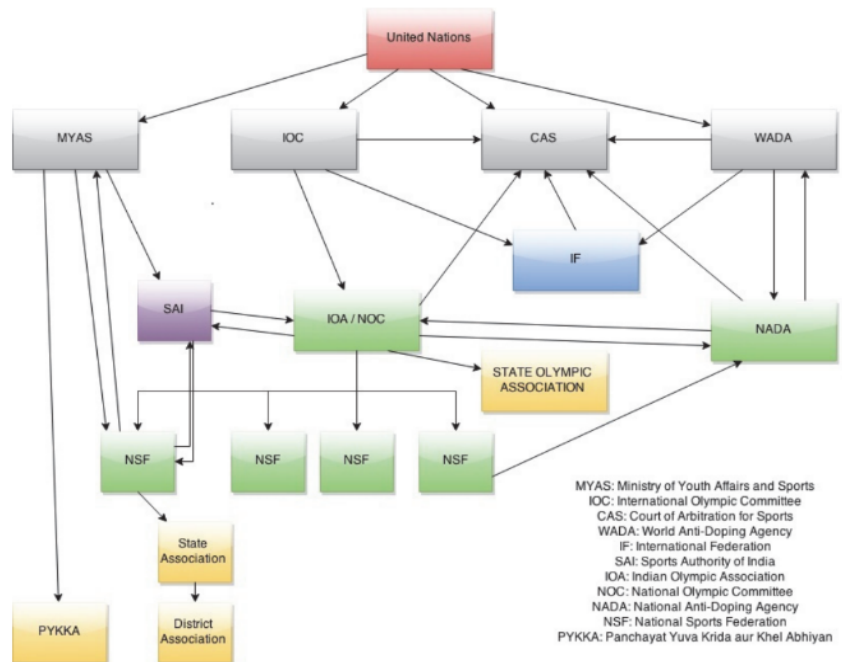
- (i) In traditional sports, governance is typically overseen by a single federation at the top of the pyramid structure. The role of an International Federation (**IF**) and a National Sports Federation (**NSF**) affiliated to such IF is predominantly to govern, manage, operate and develop the sport, internationally and nationally, respectively, by creating disciplines and regulations alongside the stakeholders of the ecosystem for a fair and clean competitive space of that particular sport. However, the structure of esports is such that the game publisher is in ultimate control – the publisher decides the rules & regulations, the licensing and development of the game. Like each form of traditional sport differs from one another (cricket from baseball, basketball from volley ball, lawn tennis from table tennis), similarly esports has several games within its ambit, with each of them having different set of rules. Further, a single publisher can develop numerous esports and there are also different game publishers for different esports. Accordingly, esports is an umbrella wherein each game (developed and published) is different from the other. Thus, to the extent that an approach of one federation seeking to address all esports together, it is, in effect challenging, as it is similar to trying to have one governing body i.e., IF or NSF structure for all traditional sports.



- (ii) In fact, if one publisher chooses to work with an industry regulatory body, it might actually discourage other publishers from joining the same body—especially if they see it as favouring a competitor. This creates a major problem for establishing any unified governing structure, since the involvement of one publisher can end up keeping others away.



- (iii) The lack of standardization, as detailed hereinabove, creates several problems:
- Difficulty in enforcing uniform codes of conduct or athlete welfare guidelines;
  - Limited coordination in anti-doping, integrity, or dispute resolution mechanisms;
  - Barriers to Olympic or multi-sport inclusion due to inconsistent eligibility and governance standards;
  - Challenges for national governments in recognizing or regulating esports federations.



**b. Existing Regulatory Mechanism:**

Despite the foregoing attempts have been made to establish a regulatory structure, some of which are as follows:

(i) *International Bodies:*

International bodies like the International Esports Federation (IESF) and the Global Esports Federation (GEF) have been established and aim to provide structure and standardization, however they lack universal recognition and often operate in parallel, creating overlapping jurisdictions. Game publishers continue to act as de facto regulators – hosting tournaments, enforcing player conduct rules, and controlling monetization. This model, while commercially efficient, limits the establishment of common disciplinary codes and athlete protections across the global ecosystem.

Headings	International Esports Federation (IESF)	Global Esports Federation (GEF)
Established	2008	2019
Headquarters	South Korea	Singapore
Members (national federations)	151 members federations	175 plus members
Recent Tournaments / Competitions conducted	World Esports Championship 2024 World Esports Summit 2024 Regional Qualifiers 2023 World Esports Championship 2023 World Esports Summit 2023	Champions Circle Riyadh 2023 Global Esports Games Pan American Esports Championship 2023 European Games Esports Championship 2023
Website	<a href="https://iesf.org/">https://iesf.org/</a>	<a href="https://www.globalesports.org/">https://www.globalesports.org/</a>

(ii) *International Olympic Committee:*

The IOC has also played an increasingly active role in shaping the future of esports as part of the Olympic movement:

- The rise of the popularity of esports during COVID-19 was such that the IOC ended up expressing interest in making esports a medal event. The IOC thereafter launched a slate of Olympic sponsored esports events.<sup>10</sup>
- In 2021, the IOC launched the Olympic Virtual Series<sup>11</sup>, its first official engagement with digital competition. While it did not include mainstream esports titles due to concerns over violent content, it featured virtual adaptations of traditional sports, including baseball and cycling.

<sup>10</sup> <https://www.washingtonpost.com/video-games/esports/2021/04/22/ioc-olympics-esports/>

<sup>11</sup> <https://esportsinsider.com/is-esports-in-the-olympics>



- c. In June 2023, the IOC hosted the first-ever Olympic Esports Series (OES) in Singapore as part of the broader Olympic Esports Week<sup>12</sup>. This global event, organized in collaboration with game publishers and international federations, invited both professional and amateur players to participate in qualification rounds. A total of 9 IFs partnered with IOC to represent their sport.

Sport	International Federation	Esports
Archery	World Archery Federation	Tic Tac Bow
Baseball	World Baseball Softball Confederation	WBSC eBaseball™: POWER PROS
Chess	International Chess Federation	Chess.com
Cycling	Union Cycliste Internationale (UCI)	Zwift
Motorsport	Fédération Internationale de l'Automobile (FIA)	Gran Turismo
Sailing	World Sailing	Virtual Regatta
Taekwondo	World Taekwondo	Virtual Taekwondo
Tennis	International Tennis Federation	Tennis Clash
Dance	World Dance Sport Federation	Just Dance

- d. In 2023, the IESF and GEF also signed a Memorandum of Understanding (**MoU**), resulting in the formation of the Esports Leadership Group (**ELG**) in January 2024. Chaired by the IOC, the ELG aims to align the activities of these two major bodies and facilitate collaboration across the global esports movement.
- e. Building on this momentum, the IOC announced in July 2024 the launch of the Olympic Esports Games, in partnership with the Saudi Olympic and Paralympic Committee (**SOPC**) and the Esports World Cup Foundation (**EWCF**)<sup>13</sup>. The first edition of these Games is scheduled to take place in Riyadh in 2027<sup>14</sup>, marking a historic convergence of traditional Olympic values with competitive digital gaming. This initiative aims to bridge the gap between

<sup>12</sup> <https://www.olympics.com/en/esports/olympic-esports-series/>

<sup>13</sup> <https://www.olympics.com/ioc/news/inaugural-olympic-esports-games-to-be-held-in-riyadh-in-2027-road-to-the-games-to-start-this-year>

<sup>14</sup> <https://www.olympics.com/ioc/olympic-esports-games#>

mainstream sports and esports, while expanding competitive opportunities for athletes representing their nations.

(iii) *Esports Integrity Commission (ESIC)*<sup>15</sup>:

- a. As the esports industry has grown in scale and professionalism, concerns around competitive integrity—including match-fixing, doping, and cheating—have become more prominent. To address these issues, the ESIC was established in 2016 as an independent, not-for-profit body focused on maintaining fair play and safeguarding the integrity of esports competitions worldwide.
- b. ESIC was formed in association with organisations such as Electronic Sports League (ESL), International Centre for Sport Security (ICSS) and Sport Integrity Global Alliance (SIGA). Their mission statement is: *“to be the recognised guardian of the sporting integrity of esports and to take responsibility for disruption, prevention, investigation and prosecution of all forms of cheating, including, but not limited to, match manipulation and doping”*.
- c. ESIC works across multiple stakeholders—tournament organizers, game publishers, regulators, teams, and betting companies—to detect, investigate, and prosecute integrity violations. Its mandate includes tackling match manipulation, use of cheat software, account sharing, performance-enhancing drug use, and betting-related misconduct. It has developed a Standard Code of Conduct and Anti-Corruption Code, which several tournaments and federations voluntarily adopt to bring their events in line with international best practices.
- d. ESIC has also partnered with global betting regulators such as the UK Gambling Commission, and companies like Betway and Skybet, to monitor suspicious betting patterns in real time. Their investigations have led to several high-profile bans and suspensions across games such as CS:GO, Dota 2, and Valorant, sending a strong deterrent signal to players and teams. ESIC made its first public statement about exploitation of a spectator bug in CS:GO. Among the first three coaches sanctioned at the end of August 2020 was then Heroic coach, Nicolai “HUNDEN” Petersen (“Mr. Petersen”), who was banned for a duration of 2 years comprising the time between the dates 25 August 2021 and 24 August 2023 for his exploitation of the spectator bug during professional play. ESIC investigated an incident involving Lim Vi Ron (playing, in this instance, as “Hiroshi”, but having been banned for offences committed while playing as “NAMIERURO\_YT”) breaching the conditions of his active ban under previous sanctioning action by attempting to participate in an ESIC member event under an alias. As a result of this offence, Lim Vi Ron has been issued with a further sanction of a one-year ban, in addition to his pre-existing sanction.
- e. Importantly, ESIC also supports education and awareness initiatives to help players, coaches, and team managers understand and comply with integrity norms.

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<sup>15</sup> <https://esic.gg/about/>

(iv) *Current Situation:*

While these developments represent the beginning of a more structured global esports governance ecosystem, the path to a unified, sport-like regulatory architecture will require continued collaboration between publishers, federations, governments, and international sporting bodies. Several efforts are being made to improve coordination—such as the ELG being formed under the guidance of IOC—a clear path to global regulatory convergence remains elusive, which leads to several challenges in the form of integrity issues.

(v) *Integrity issues:*

a. **Doping**

(i) Unlike traditional sports, there is no one standard regulation adopted to curb the use of performance-enhancing drugs in esports. Different regulations apply to different esports competitions. For instance, all members of the ESIC are subject to the ESIC Anti-Doping Policy<sup>16</sup>. The IESF has established its anti-doping regulation in collaboration with the World Anti-Doping Agency (WADA) called the IESF Anti-Doping Rules<sup>17</sup>.

(ii) Energy drink companies have played a major role in boosting the esports economy. Several energy drinks containing a large amount of sugar and caffeine have secured various partnerships in the esports industry. These energy drinks have been reported to enhance the stamina, performance, and concentration of esports players. This, however, creates a complicated situation for the esports community, which struggles to effectively regulate the use of substances that may enhance performance. As a result, addressing anti-doping concerns in esports has become particularly complex and difficult to manage.

b. **Cheating**

(i) In addition to performance enhancing substances, cheating in esports is where a user is involved in manipulating or fixing either software or hardware for beneficial results or to gain an unfair advantage within a game. The most prominent forms of cheating software include<sup>18</sup>:

- a. Aimbots: automatically align the reticle with the opponent's head the moment he is seen. If coupled with another hack known as triggerbot, the shot will be automatically fired once the reticle is aligned. Some aimbots are able to track opponents despite walls and obstacles.
- b. Scripting: use of a command to automate certain actions or behaviours upon being triggered. The computer is told to automatically execute an action (or, for that matter, a series of actions) upon the occurrence of an event. This results in extremely quick reactions, quicker than the average human

<sup>16</sup> <https://esic.gg/codes/anti-doping-code/>

<sup>17</sup> <https://iesf.org/anti-doping/>

<sup>18</sup> <https://www.richardweechambers.com/esports-law-meta-edoping-the-plague-in-esports-part-1/>

being, thereby giving the player an advantage over the opponents.

- c. **Stream Sniping:** In tournaments, especially if a popular team is playing, matches are usually broadcast through online streaming platforms such as Twitch and YouTube. These broadcasts usually have a delay so as to avoid cheating. Stream sniping is when a player, who is playing in that particular broadcast match, is at the same time watching the broadcast on another medium, like a phone or another computer. As these broadcasts usually have an unobstructed topographic view and can see everything that is happening in-game, players can gain valuable information not available while playing and plan their strategies accordingly, giving them an advantage over their opponents.
  - d. **DDoS:** A Distributed Denial of Service (DDoS) attack is when an overflow of information packets is sent to the target's IP address, essentially overloading the connection and effectively either slowing down the connection or causing the connection to be blocked.
- (ii) In response to concerns around cheating, several esports publishers have taken independent steps to curb cheating through advanced anti-cheat technologies. For instance, Valve Corporation introduced its proprietary Valve Anti-Cheat (VAC) system, which monitors system logs to detect unauthorized third-party software. Similarly, Ubisoft strengthened its capabilities by acquiring GameBlocks, the developer behind FairFight, a real-time anti-cheat and performance monitoring solution. While these initiatives reflect a proactive stance by industry leaders, the broader esports ecosystem continues to suffer from the absence of a unified regulatory framework to govern and enforce anti-doping measures. As a result, the development of a consistent and enforceable regime remains a critical challenge for the integrity of competitive esports.
- c. **Match-Fixing:**
- (i) Match-fixing is another significant issue in esports wherein players intentionally lose their matches, intending to gain unjustifiable financial benefits.
  - (ii) The esports industry has seen its fair share of match-fixing incidents, which continue to raise serious concerns about competitive integrity. In one notable case, three Korean esports coaches and players got arrested and permanently banned from all future StarCraft events following their involvement in orchestrating fixed matches<sup>19</sup>. Similarly, Valve Corporation took decisive action by issuing bans against seven professional players, effectively barring them from participating in any future Counter-Strike: Global Offensive (CS:GO) tournaments<sup>20</sup>.

<sup>19</sup> <https://www.gamesindustry.biz/12-arrested-in-esports-match-fixing-scandal-report>

<sup>20</sup> <https://www.gamesindustry.biz/valve-bans-alleged-esports-match-fixers>

- (iii) In response to a series of corruption scandals, the esports industry has started taking meaningful steps to protect the integrity of the game. ESIC introduced an Anti-Corruption Code that applies to its members<sup>21</sup>. Game publishers are also stepping up, for example, Activision Blizzard partnered with Sportradar to help monitor and prevent betting-related corruption in the Overwatch League and Call of Duty League<sup>22</sup>. While corruption is still a real concern, these efforts have shown that the esports community is beginning to take the issue seriously and is moving towards building a more transparent and accountable competitive environment.

(vi) *Safeguarding:*

In light of the foregoing, there is major need to safeguard youth participation.

- a. The critical need for the safeguarding of children has been an important issue for esports regulatory bodies and child protection organisations. Safeguarding in esports is far less advanced than in more established industries, both on a national and international level. In August 2019, ESIC published introductory guidance on *the Importance of Child Protection in esports (Guidance)*. The Guidance highlights the emotional, physical, financial and sexual consequences of the light-touch approach to safeguarding which esports organisations are currently taking. The Guidance flags the areas which pose “a foreseeable risk of harm to children”, ranging from the direct and unsupervised access coaches have to children, to unsupervised communication platforms, and the relaxed stance many esports organisations are taking to the age restriction of games. The Guidance then suggests steps which can be taken to safeguard against those risks.
- b. UNICEF has also committed a great deal of resources to understanding the issues unique to young people on the internet and providing recommendations to organisations operating in this space. International Safeguards for Children in Esports was launched in June 2025<sup>23</sup>, a framework aimed at ensuring the safety and wellbeing of children and young people participating in esports worldwide. Developed by a coalition of leading global organisations including the British Esports Federation, Canterbury Christ Church University, the Global Esports Federation and the International Safeguards for Children in Sport, this framework establishes a comprehensive set of benchmarks to help organisations safeguard children and young people involved in esports. The framework is built on eight core safeguards which align with the United Nations Convention on the Rights of the Child and reflect international best practices to ensure every child can participate in esports in a safe, supportive, and enjoyable environment.

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<sup>21</sup> <https://esic.gg/codes/>

<sup>22</sup> <https://www.sportsbusinessjournal.com/Daily/Issues/2020/05/08/Technology/activision-blizzard-esports-sportradar-betting/>

<sup>23</sup> <https://www.safesportinternational.com/2025/06/launch-of-the-international-safeguards-for-children-in-esports/>

## 5. INDIA

- a. The Indian esports market was valued at approximately INR 300 crore in FY 2021 and was projected to reach INR 1,100 crore by FY 2025, driven by a compound annual growth rate (CAGR) of 46%. The number of professional esports players was expected to increase tenfold—from 150,000 in 2021 to 1.5 million by 2025, with corresponding growth in esports teams, which were projected to rise from 60,000 to 250,000 during the same period. In terms of audience, viewership hours were expected to increase fivefold from 17 million in FY 2021 to over 85 million by FY 2025 across more than 20 broadcast platforms. Additionally, the total prize pool in India was estimated to reach INR 100 crore by FY 2025, and the broader esports economy was expected to generate INR 10,000 crore in economic value, including investments, advertising, merchandise and in-app purchases. The industry was also expected to create over 11,000 direct and indirect jobs, spanning event management, broadcasting, game development, data analytics, and team operations.<sup>24</sup> While these were aggressive trends which were expected on account of the acceleration provided during the COVID-19 pandemic, the industry in 2025 has not achieved these numbers on account of a slump over the last couple of years (recent detailed studies are not available in terms of numbers at this point), however the numbers to indicate the potential the industry has in the near future as the perception has moved from esports not being just a digital pastime—to being touted as a fast emerging and high-growth industry that aligns with India's digital, creative, and youth-focused development goals..
- b. With respect to governance, India officially recognised esports as part of the "multi-sport" category through a gazette notification dated December 23, 2022. With this, the Ministry of Youth Affairs and Sports (**MYAS**) was designated as the nodal ministry responsible for overseeing esports in the country. However, India currently does not have a recognized NSF for esports. As per the provisions of the National Sports Development Code, 2011 (the "**Code**"), there are a number of requirements which have to be met before a Sports Association is recognized as a National Sport Federation (**NSF**). As per the Code, NSFs need to apply to the MYAS for recognition, which is typically granted on an annual basis. However, there is an exception; if an NSF does not receive any government grants, it may be granted permanent recognition instead of needing to apply every year. The Code also lays down specific criteria that an association must meet in order to be recognized as an NSF. These criteria vary depending on the nature of the sport for instance, whether it is an Olympic sport, a non-Olympic sport, or an indigenous/traditional Indian sport. Recognition by MYAS is essential for an NSF to officially represent a sport at the national level, access government support, and select teams for international events.
- c. Owing to an increased scale in the business potential of esports in India and lack of a centralised governing body, several esports associations have emerged in India over the last few years to fill the void. The three known established associations are as follows:

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<sup>24</sup> <https://www.slideshare.net/slideshow/ey-report-on-esports-in-india-2021/249532805>



Headings	Esports Federation of India (ESFI)	Federation of Electronic Sports Association India (FEAI)	Skill Hub Online Games Federation (SOGF)
Established	2016	2021	2023
Type of Entity	Not-for-profit organization established under Section 7(2) of the Companies Act, 2013.	Company limited by guarantee (typically non-profit organisations)	Company limited by share capital, not for profit, established under Section 8 of the Companies Act.
Membership (international federations)	IESF; Global Esports Federation; Asian Electronic Sports Federation	N/A	IESF; Global Esports Federation; International Mind Sports Association
Website	<a href="https://esportsfederation.in/">https://esportsfederation.in/</a>	<a href="https://feai.in/">https://feai.in/</a>	<a href="https://sogfederation.com/">https://sogfederation.com/</a>
Integrity Measures	N/A	Reference for Fair Play and Anti-doping regulations has been made on the website.	Financial Committee; Legal and Ethics Committee; Anti-Doping Committee.

- d. Additionally, the absence of formal recognition of any esports association as a NSF has significant implications for India's international representation. Participation in events such as the Asian Games or IESF World Championships often relies on ad hoc arrangements, including crowd-funding or private sponsorship, rather than institutional support. Further, without official NSF status, Indian esports athletes and teams are denied access to key athlete privileges such as visas under the "sportsperson" category, insurance coverage, retirement benefits, and anti-doping mechanisms.
- e. Some of the other challenges that esports have faced in India are as follows:
- In 2018, ESFI came under scrutiny for entering into a unilateral contract, which were heavily in favour of ESFI<sup>25</sup>.
  - In September 2020, the renowned gaming application, PUBG Mobile, amongst several other applications with apparent links to China, were banned by the Central Government, amid growing national security and data privacy concerns owing to the military standoff between the two nations.
  - On account of PUBG's extreme popularity, within a span of ten months, Krafton Inc., the publisher of PUBG, on July 2nd, 2021 launched in India, a similar online

<sup>25</sup> [https://www.espn.in/esports/story/\\_/id/23736148/three-lawyers-weigh-esports-federation-india-player-contract](https://www.espn.in/esports/story/_/id/23736148/three-lawyers-weigh-esports-federation-india-player-contract)



battle royale game, Battlegrounds Mobile India (BGMI), believed to be a rehashed version of PUBG Mobile for the Indian market. After a successful of a little over a year, on July 28, 2022, BGMI too suffered the same fate, following an order by the Ministry of Electronics and Information Technology (MEITY), Government of India, invoking powers under Section 69A of the Information Technology Act, 2000 (IT Act), and was delisted from the Apple App Store and the Google Play Store. The ban was eventually lifted on May 26<sup>th</sup>, 2023.

- (iv) In 2025, ESFI has been blamed for India's absence in the women's category for CS2 at the World Esports Championship 2025<sup>26</sup>.
- f. Addressing the current funding and recognition bottlenecks through a structured national policy and formal recognition of a central esports federation will be critical for India to develop organized talent pipelines, compete effectively at international tournaments, and emerge as a serious global contender in esports.
- g. Despite the foregoing, the Indian contingent has performed well in several esports tournaments. Bhuj's Tirth Mehta won the bronze medal in the 2018 Asian Games in the game HearthStone. Adding on to it, the Indian DOTA 2 team clinched the bronze medal at the Commonwealth Esports Championship. Furthermore, India secured a silver medal in Tekken 8 at the BRICS Esports Championship<sup>27</sup> and Pavan Kampelli won a bronze medal in the e-football event at the 2024 Asian Esports Games in Bangkok, Thailand<sup>28</sup>.
- h. While the Indian esports industry has faced periodic challenges, its strong popularity among the youth has made India an attractive sponsorship market for major brands. In recent years, prominent companies such as Mountain Dew, Poco, Qualcomm, Logitech, Airtel, Dell, Acer, Coca-Cola, and Oppo have actively sponsored esports tournaments and teams, underscoring the growing commercial appeal of the sector<sup>29</sup>. In 2020, Airtel announced a partnership with Esports industry leader, NODWIN Gaming. The partnership kicked off with the launch of Airtel India Esports Tour, with plans to have a national ranking and awarding system for Indian Esports players based on their year-long performance across top tournaments.<sup>30</sup> In addition to naming rights and sponsorships, esports has also evolved interest from the leading broadcasters of the nation. Star Sports partnered with Nodwin Gaming to live telecast Esports matches on TV. In 2022, the first of its kind move in the country involved the broadcast the Battlegrounds Mobile India (BGMI) Masters Series tournament held between June 24 to July 17, 2022<sup>31</sup>. Nodwin Gaming has been appointed as the media rights distribution agency for South Asia for the Esports World Cup taking place from July 7, 2025 to August 24, 2025 in Riyadh, Saudi Arabia.

<sup>26</sup> <https://www.dust2.in/news/61603/esfi-blamed-for-indias-absence-in-womens-cs2-at-world-esports-championship-2025>

<sup>27</sup> <https://varindia.com/news/2024-a-landmark-year-for-indian-esports-with-government-support-and-global-wins#:~:text=With%2013.85%20crore%20gamers%20and%20an%2011.82%25,eFootball%20at%20the%20Asian%20Esports%20Games%202024.>

<sup>28</sup> <https://utkarsh.com/current-affairs/pavan-kampelli-wins-historic-maiden-medal-at-asian-esports-games#:~:text=Pavan%20Kampelli%20won%20the%20first,in%20the%20Asian%20Esports%20Games.>

<sup>29</sup> [https://economictimes.indiatimes.com/tech/technology/esports-is-the-new-rage-in-the-indian-arena/articleshow/81264355.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/tech/technology/esports-is-the-new-rage-in-the-indian-arena/articleshow/81264355.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

<sup>30</sup> <https://www.airtel.in/press-release/05-2020/nodwin-gaming-and-airtel-announce-partnership-to-take-esports-in-india-to-the-next-level>

<sup>31</sup> [https://economictimes.indiatimes.com/industry/media/entertainment/media/star-sports-partners-with-nodwin-gaming-to-foray-into-esports-telecast/articleshow/92274656.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/media/entertainment/media/star-sports-partners-with-nodwin-gaming-to-foray-into-esports-telecast/articleshow/92274656.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

Nodwin will handle media rights sales and distribution across key markets including India, Bangladesh, and Nepal<sup>32</sup>.

- i. Some of the initiatives in this domain have been:
  - (i) Two days after the PUBG ban, actor Akshay Kumar, a Bollywood superstar, announced the launch of a new multiplayer mobile game, FAU-G: Fearless and United Guards, developed by nCORE Games. Apart from the entertainment, the mobile game was proposed to give players the opportunity to learn about the sacrifices of our soldiers and 20% of the net revenue generated from FAU-G would be donated to the 'Bharat Ke Veer Trust'.
  - (ii) UltimateE, an Esports racing series ideated during the lockdown, organized Esports racing events on weekends, which not only invited the public at large to participate, but also saw participation from motorsports racers Narain Karthikeyan, Arjun Maini and Karthik Tharani.
  - (iii) The Education Ministry announced a national level hackathon on 'online games' to showcase the talent of Indian students and generate employment opportunities for gamers.<sup>33</sup>
  - (iv) The state government of Rajasthan released a draft bill, Rajasthan Virtual Online Sports (Regulation) Bill, 2022. The bill defines virtual online sports to include "esports competitions, fantasy sports, and derivative formats as provided by the sports engagement platforms", thereby taking Esports under its wing. Further, the bill envisions the formation of the Rajasthan Virtual online sports commission and a self-regulatory body for implementing a governing structure. A licensing regime is also proposed to be implemented through the bill, which would require all virtual online sports providers to obtain a license before providing any such sport within the state. While it can be seen as a positive step, especially since such governance has been missing in the past. Offering common regulations for Esports and fantasy sports can be problematic, as these are 2 extremely distinct genre of sports. Even the ESFI questioned the inclusion of Esports in the bill and the clubbing of the same with fantasy sports. The ESFI stated that this would be detrimental to the growth of Esports in India and urged that Esports not be made a part of the bill.<sup>34</sup>
  - (v) In the 2022-2023 Union Budget, the Government of India acknowledged the immense potential of the Animation, Visual Effects, Gaming and Comics (AVGC) sector as a driver of youth employment and creative entrepreneurship. The Finance Minister, Nirmala Sitharaman announced the formation of an AVGC Promotion Task Force comprising industry stakeholders, which would be tasked with recommending strategies to build domestic capacity to serve both Indian and global markets. This marked a pivotal policy-level recognition of gaming and esports as part of India's broader digital economy and skill development agenda.

<sup>32</sup> <https://www.sportcal.com/media/nodwin-gaming-in-as-south-asian-media-rights-partner-for-ewc/>

<sup>33</sup> 'Indian students to get job opportunities in online gaming', Economic Times, <https://hr.economictimes.indiatimes.com/news/workplace-4-0/learning-and-development/indian-students-to-get-job-opportunities-in-online-gaming/77735145>

<sup>34</sup> <https://www.medianama.com/2022/06/223-summary-gaming-esports-bill-rajasthan/>

- (vi) SRM University, Chennai hosted the All-India University E-Sports (M&W) Tournament – 2018-19, organized by AIU<sup>35</sup>. The event was also in collaboration with Elite Esports of India (EEI). EEI is a subset of Elite Sports India, Inc. and has exclusive long-term broadcast and commercial rights to all AIU eSports league play. The Company established the first sanctioned university eSports tournament through its established business relationships with the AIU sports program athletic directors. All-India University E-Sports (M&W) Tournament – 2019-20<sup>36</sup> were again scheduled to be hosted by SRM University, Chennai. However, the same got postponed and further details are unavailable on the website.
- (vii) Esports was included as a demonstration sport at the Khelo India Youth Games 2025 held in Bihar where a total of eight states participated in the demonstration event, competing in disciplines such as BGMI, Chess, Street Fighter 6 and eFootball<sup>37</sup>.

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<sup>35</sup> <https://www.srmist.edu.in/srm-ist-hosts-all-india-inter-univ-esports-tournament>

<sup>36</sup> AIU, Events Calendar, available at <https://www.aiu.ac.in/documents/events/Sports%20Calendar%20%202019-20.pdf>

<sup>37</sup> <https://www.olympics.com/en/news/bihar-leads-charge-as-esports-makes-historic-khelo-india-youth-games-debut-as-demonstration-event>

## 6. GLOBAL EXAMPLES

### a. **South Korea:**

- (i) The South Korean Esports market is one of the largest esports markets in the world, amounting to 13.1% of the global esports industry.<sup>38</sup> South Korea is recognised worldwide for its government-led initiatives and infrastructure that supports and promotes a grassroots esports development model. The Korean government has invested in multiple esports-specific arenas, including the Busan Esports Arena<sup>39</sup>.
- (ii) The Korean Esports Association (**KeSPA**), established in 2001, has been at the helm of the development of esports. The association has systematized athlete management, rules, and competition methods, leading to the popularization of esports and is backed by the Ministry of Culture, Sports and Tourism. It also manages the broadcasting of competitions such as the annual KeSPA cup.
- (iii) In 2012, the National Assembly passed the Act on Promotion of Esports<sup>40</sup>, which sought to “establish infrastructure for the culture and industry of esports, enhance competitiveness in esports, and contribute to increasing people’s opportunities to enjoy leisure time with esports and the robust development of the national economy by providing for matters necessary to promote esports”, including public funding for esports stadiums in Korean cities outside of Seoul. According to Article 12 of the Act on Promotion of Esports<sup>41</sup>, an institution responsible for the selection of games can be designated, to select and support several esports games as ‘specialized games’, including League Of Legends and FIFA Online. KeSPA is designated as such a relevant institution. According to Article 14, in order to promote international exchange of esports, the government may provide necessary assistance to the International Esports Federation and others relating to esports<sup>42</sup>.
- (iv) The Ministry of Culture, Sports and Tourism hosted an Esports Association Global Forum in November 2024 to promote the sector's growth<sup>43</sup>.

### b. **China:**

- (i) In China, esports has been recognized as an official sport since 2003 by China’s General Administration of Sports. This move resulted in the Sports Ministry including esports in the list of 99 officially recognized sports in China. In 2004, the First China Esports Games were also launched by the Ministry. In 2019, China’s Ministry of Human Resources and Social Security included esports operators and esports professionals as a type of profession. Through this move, esports is not just seen as a hobby but rather as a full-fledged profession to be pursued<sup>44</sup>.
- (ii) Esports event participants are required to obtain qualifications and licences to engage in industry-related activities in mainland China. Games eligible for esports events shall be those that can be legally published and operated in mainland China

<sup>38</sup><https://www.korea.net/AboutKorea/Culture/Koreas-Rise-in-e-Sports#:~:text=Currently%2C%20Korea%20has%20the%20largest,for%20their%20e%2Dsports%20prowess.>

<sup>39</sup><https://esportsinsider.com/2023/07/esports-around-the-world-south-korea>

<sup>40</sup>[https://elaw.klri.re.kr/eng\\_mobile/viewer.do?hseq=60289&type=part&key=17](https://elaw.klri.re.kr/eng_mobile/viewer.do?hseq=60289&type=part&key=17)

<sup>41</sup>[https://passle-net.s3.amazonaws.com/Passle/5c61908fabdf912ccc9057c/MediaLibrary/Document/2020-04-14-17-51-57-575-A03400\\_EsportsoftheWorld\\_Booklet\\_Report\\_V71.pdf](https://passle-net.s3.amazonaws.com/Passle/5c61908fabdf912ccc9057c/MediaLibrary/Document/2020-04-14-17-51-57-575-A03400_EsportsoftheWorld_Booklet_Report_V71.pdf)

<sup>42</sup>[https://passle-net.s3.amazonaws.com/Passle/5c61908fabdf912ccc9057c/MediaLibrary/Document/2020-04-14-17-51-57-575-A03400\\_EsportsoftheWorld\\_Booklet\\_Report\\_V71.pdf](https://passle-net.s3.amazonaws.com/Passle/5c61908fabdf912ccc9057c/MediaLibrary/Document/2020-04-14-17-51-57-575-A03400_EsportsoftheWorld_Booklet_Report_V71.pdf)

<sup>43</sup><https://www.korea.net/NewsFocus/Culture/view?articleId=261534>

<sup>44</sup><https://thelawtree.akmlp.com/lawtitude/global-recognition-of-esports-and-laws-and-regulations-all-over-the-world/>

with a game publication number (ISBN) and an approval number. Game publishers are required to obtain an Online Publishing Service Licence, and game operators are required to obtain a Value-added Telecommunications Business Licence, among others<sup>45</sup>.

- (iii) International esports events hosted or co-organised by the Sports Information Centre of the General Administration of Sport of China (CSIC) are regulated using a class-based approach, and a filing should be submitted to the CSIC in advance. In the case of events (international or national) hosted by entities other than the CSIC, the obligations to submit filings or obtain approval vary across different regions.
- (iv) Similarly, esports live streaming platforms, clubs and players are required to obtain relevant licenses and registrations. Unregistered esports clubs and players are not allowed to participate in international, national and regional esports events approved by the CSIC, the All-China Sports Federation, and sports authorities at all levels across the country.
- (v) In addition to the necessary licences/qualifications required for the distribution/operation of games and the holding of e-sports events, the content, publicity and promotion of games and events should comply with laws and regulations, and the operators of games and events should focus on provisions and requirements related to the collection and use of personal information and the protection of minors, conduct necessary content review and classification in accordance with relevant laws and regulations, establish management systems and protection mechanisms, and take necessary technical measures.

**c. United Kingdom:**

- (i) The British Esports is the national body for esports in the UK. They are a recognised member of the GEF for Great Britain and Northern Ireland, and a founding member of the IOC Esports and Gaming Liaison Group. British Esports signed an MOU with the Saudi Esports Federation in 2023. The collaboration was signed at the same time as the UK Department for Business and Trade took its first Esports Trade Mission to the Kingdom of Saudi Arabia with the aim of fostering connections and exploring opportunities in the Saudi Arabian esports landscape<sup>46</sup>.
- (ii) The UK government has acknowledged the importance of esports as a pillar of strength for the country and has accordingly provided tax relief to the esports industry in the name of the Video Game Tax Relief (VGTR)<sup>47</sup> scheme. VGTR is a tax relief incentive designed to support UK-based game developers. It is available for games that were in production before 1 April 2025. This means that Video Game Development Companies (VGDCs) can claim back some of their UK development costs at the end of their accounting period and receive either a cash credit or money off their tax bill. VGDCs can claim back 20% of their core costs, assuming the expenditure is incurred in the UK or the European Economic Area (EEA). Core costs include spending on designing, developing and testing the game, once the project has been "green-lit". Game developers can claim VGTR on whichever is lower - 80% of the total core expenditure and the actual EEA core

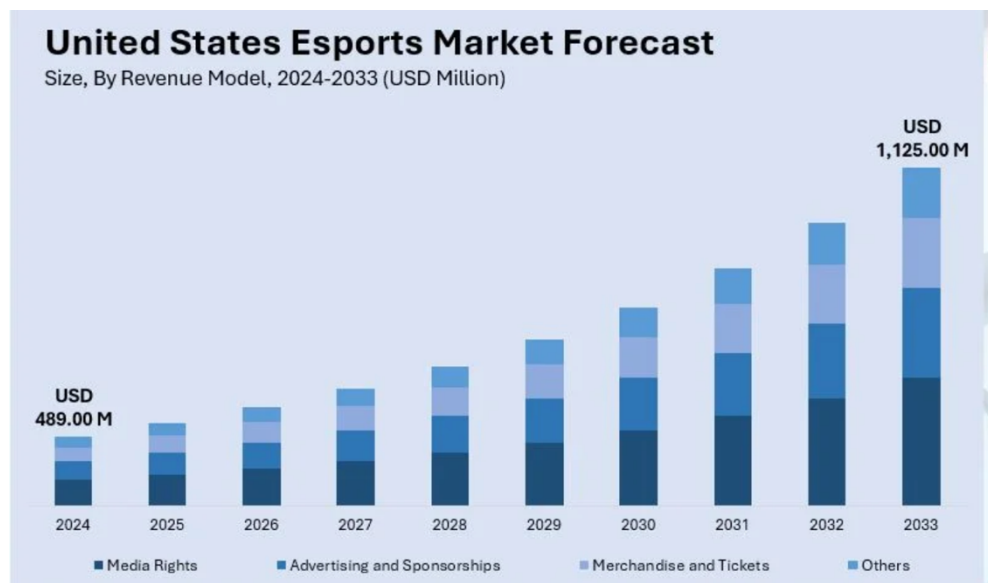
<sup>45</sup><https://law.asia/esports-regulations-permits-intellectual-property-china/>

<sup>46</sup><https://britishesports.org/the-hub/press-releases/saudi-esports-agreement/#:~:text=About%20British%20Esports,and%20inspiring%20future%20esports%20talent>

<sup>47</sup><https://www.myriadassociates.com/services/creative-tax-reliefs/video-games-tax-relief/>

expenditure incurred. If the game is profitable, VGTR can be used to reduce a Corporation Tax bill. If the video game makes a loss, claimants can receive a cash payment from the tax authority at a rate of 25%. Video games are eligible, no matter what device they can be played on. Games played on PCs, smartphones, tablets and video consoles are all potentially qualifying. However, games designed for advertising, gambling or with extreme material cannot be claimed. Qualifying games must be intended for the general public and must be certified as "British" by the British Film Institute by passing the Cultural Test. VGDCs also need to spend at least 25% of core costs of development within the UK or EEA to claim costs for a game.

d. **United States of America:**



- (i) A key turning point came in 2013 when the United States officially recognised Esports as a professional sport. This allowed players to be classified as athletes and qualify for P1A visas, the same type used by traditional sports professionals.
- (ii) The esports commercial market in the USA is the second largest in the world, behind China, however the country leads when it comes to industry investment. Owing to its market size, rich and highly developed economy, formative and dominant role in the tech industry, and its resultantly high esports penetration, US-based esports organisations field leading teams across most major esports. There has been a push towards creating esports hubs around the US, driven by both public and private actors. Notably, the Activision-Blizzard owned Overwatch League (OWL) and Call of Duty League (CDL) are geo-located esports franchises largely focused on the USA, akin to the typical USA franchised sports model of teams representing a city or state.



- (iii) The Network of Academic and Scholastic Esports Federations (**NASEF**)<sup>48</sup>, began several years ago as a pilot program to leverage youth interest in esports to teach STEM and career skills. The United States Esports Federation (**USEF**), serves as the competition arm of the NASEF. Through the USEF, NASEF provides opportunities for elite esports athletes to represent the U.S. in international tournaments. In July 2024, the USEF was selected as the exclusive designated competitive federation for the USA by the GEF<sup>49</sup>.
  - (iv) Due to its strong tradition in collegiate sports, the USA is home to arguably the most substantive collegiate esports infrastructure of any country. Hundreds of schools are part of the National Association of Collegiate Esports (**NACE**), offering varsity-level esports programmes and scholarships. Many of those offer substantial scholarships to students<sup>50</sup>.
- e. Saudi Arabia:**
- (i) Saudi Arabia is quickly becoming a key player in the global gaming and esports scene. The Kingdom is backed by a young and passionate population, coupled with strong digital infrastructure and well-placed investments, and is laying the groundwork for lasting growth in the industry. With around 23.5 million people actively gaming, which is about 67% of its population, it's clear that esports has a solid base in the country. Events like the Esports World Cup and the upcoming Olympic Esports Games highlight Saudi Arabia's serious push to become a global hub for competitive gaming.<sup>51</sup> The Kingdom has even established a Saudi Arabian Esports Federation, and has partnered with gaming industry leaders such as ESLFACEIT<sup>52</sup>, Savvy Games Group (both of which are owned by the Public Investment Fund which is Saudi Arabia's sovereign wealth fund), and PUBG Mobile to develop a robust esports ecosystem.<sup>53</sup>
  - (ii) The Kingdom established a National Gaming and Esports Strategy in 2022) with a vision to create Saudi Arabia as a global centre of esports by 2030. Through this strategy, the Kingdom is:
    - a. Inviting everyone to play;
    - b. Leveling up the sector;
    - c. Unlocking the new career opportunities;
    - d. Creating economic opportunities; and
    - e. Becoming a global hub of gaming and esports.<sup>54</sup>
  - (iii) As Saudi Arabia is hosting the Esports World Cup in 2025 and prepares to host the Olympic Esports Games in 2027, these global milestones offer a rare opportunity to reimagine the Kingdom's gaming and digital entertainment landscape. Beyond the competitions themselves, there is a chance to bring together tourism, hospitality, and entertainment to create experiences that reflect both Saudi Arabia's heritage and cutting-edge innovation. From gaming cafés to esports

<sup>48</sup><https://www.nasef.org/blog/usef-gg-selected-as-official-u-s-competitive-organization-by-the-global-esports-federation#:~:text=Organization%20History&text=USEF.GG%20serves%20as%20the,by%20NASEF%20since%20April%202023.>

<sup>49</sup><https://www.usef.gg/blogs/usef-gg-selected-as-official-u-s-competitive-organization-by-the-global-esports-federation>

<sup>50</sup><https://esportsinsider.com/2023/04/esports-around-the-world-usa>

<sup>51</sup><https://www.pwc.com/m1/en/media-centre/articles/saudi-arabia-economic-potential-in-the-gaming-and-esports.html>

<sup>52</sup>[https://nges.sa/static/media/NGES\\_Strategy\\_En.ddf4b1e3bf1f91d6a71a.pdf](https://nges.sa/static/media/NGES_Strategy_En.ddf4b1e3bf1f91d6a71a.pdf)

<sup>53</sup><https://esportsinsider.com/2025/04/saudi-esports-federation-pubg-mobile-mou>

<sup>54</sup>[https://nges.sa/static/media/NGES\\_Strategy\\_En.ddf4b1e3bf1f91d6a71a.pdf](https://nges.sa/static/media/NGES_Strategy_En.ddf4b1e3bf1f91d6a71a.pdf)



zones, the Kingdom is building spaces that not only entertain but also give a new image to the Kingdom.

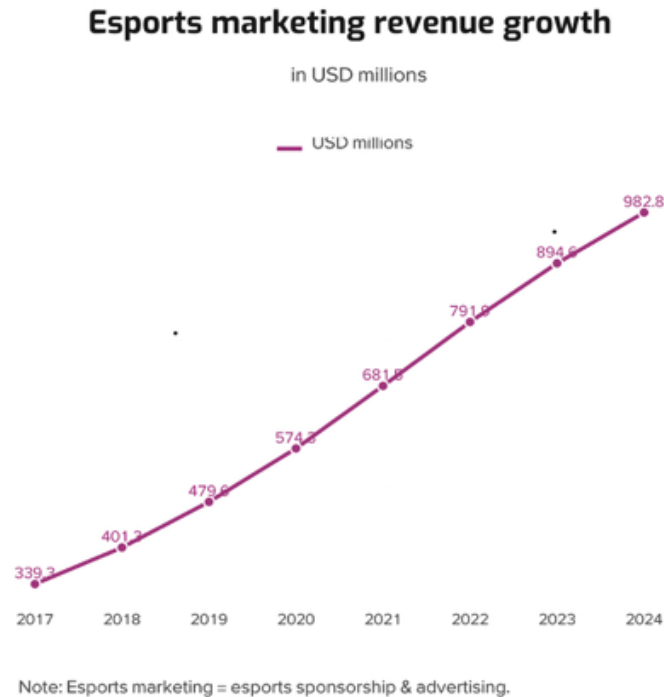
- (iv) The goal of the Kingdom is to build 250 gaming companies by 2030, with an idea of exporting 'Made in Saudi' games and catering to a global audience. The Kingdom is also looking at collaborating with global game developers to take these efforts even further, which will aid in positioning Saudi Arabia as a leader in esports technology. The economic return from such cultural exports is expected to make a meaningful contribution to the Kingdom's GDP.<sup>55</sup>

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<sup>55</sup> <https://www.pwc.com/m1/en/media-centre/articles/saudi-arabia-economic-potential-in-the-gaming-and-esports.html>

## 7. MARKET POTENTIAL OF ESPORTS

- a. Esports has emerged as one of the most dynamic and rapidly monetizing verticals within the digital economy, driven by youth engagement, scalable content distribution, and diverse revenue channels. As more countries recognize esports as a legitimate sport and brands redirect advertising spends toward digital platforms, the sector continues to attract significant global and domestic investment.



### b. Year on Year Growth<sup>56</sup>

Year	Global Esports Revenue (in USD Millions)	YoY Growth (%)	Key Highlights
2017	\$339.3M	—	Early growth phase; rising brand interest in Twitch & YouTube
2018	\$401.3M	+18.3%	Introduction of franchise leagues (e.g. Overwatch, LCS)
2019	\$479.6M	+19.5%	Large offline tournaments expand globally (e.g. ESL One)
2020	\$574.3M	+19.7%	Pandemic boosts online viewership and digital monetization
2021	\$680.1M	+18.4%	Brands increase investments; influencer marketing grows

<sup>56</sup> [https://esportsinsider.com/esports-marketing-statistics#:~:text=In%202017%2C%20total%20revenue%20was,it%20stood%20at%20\\$982.8%20million.](https://esportsinsider.com/esports-marketing-statistics#:~:text=In%202017%2C%20total%20revenue%20was,it%20stood%20at%20$982.8%20million.)

2022	\$791.9M	+16.5%	Esports enters Asian Games (demo); hybrid events emerge
2023	\$894.6M	+13.0%	First full post-COVID year; record-breaking prize pools
2024	\$982.8M	+9.9%	Shift to experiential marketing; focus on creator-led activations
2025*	\$1,080.5M (Projected)	+9.9% (est.)	Immersive fan experiences; rise of APAC & MENA market shares

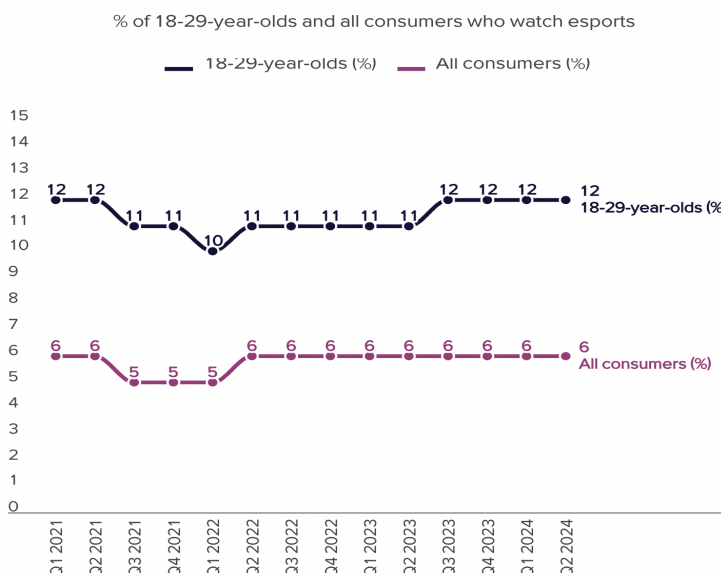
c. **Global Market overview:**

Metric	Value	Source
Long-Term Forecast	USD 48 billion by 2034	<a href="#">Precedence Research</a>
Global Esports Viewers (2025 projected)	640 million	<a href="#">Grand Review Search</a>
Asia-Pacific Share	57% of global viewership	<a href="#">Wikipedia</a>
Largest Prize Pools (2023–24)	USD 23–62 million	<a href="#">Wikipedia</a>
Marketing Revenue (2024)	USD 982.8 million (projected)	<a href="#">ESportsInsider</a>

d. **Market Demographics:**

- (i) In mid-2024, it was reported that 31% of people aged 18–29 are interested in esports, marking a 4% increase from 27% in 2021. Viewership in this age group also remains strong, with 10–12% choosing to watch esports regularly over several years. Further, the interest among all other age groups, in 2024, stood at 19%.<sup>57</sup>

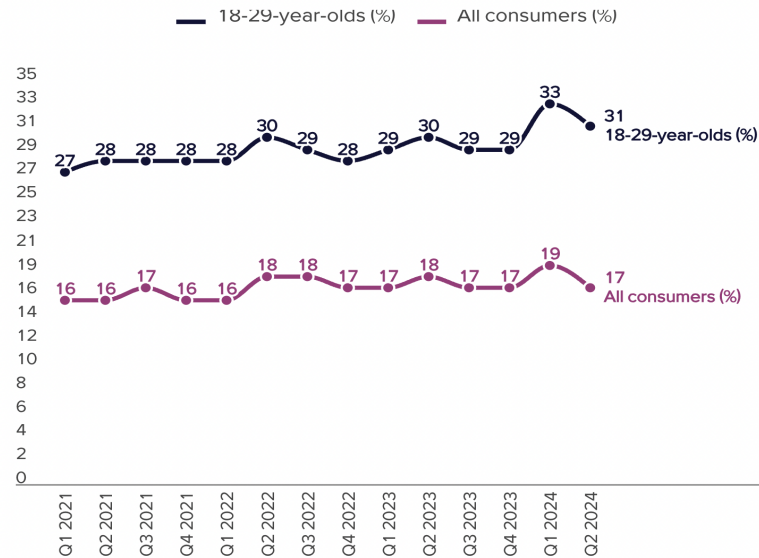
### How esports viewership compares across age groups



<sup>57</sup> <https://esportsinsider.com/esports-marketing-statistics>

## How esports popularity compares across age groups

% of 18-29-year-olds and all consumers who say esports is one of their “top interests” or they are “somewhat interested” in it



### e. Market Partnerships:

The top brand marketing partnerships in 2024 and Q1 2025 include<sup>58</sup>:

Brand	Sector	Esports Partner	Campaign focus	Year
Pepsi	FMCG	Mad Lions KOI	Worlds visibility	2024
ALDI	Retails	Team Viatily (Rising Bees)	Anti-abuse campaign (women in gaming)	2024
Crunchyroll	Entertainment	FURIA	Anime merch	2024
AT&T	Telecom	LCS	Exclusive content access	2024
L'Oreal Men Expert	Cosmetics	BIG	Men's health awareness (#GROWBIG)	2024
November	Tournament Organisation	BLAST	Mental Health partnership (on-site activation)	2024
Psyonix	Sports / Gaming	FIFA	Format expansion with new title	2024

<sup>58</sup><https://esportsinsider.com/esports-marketing-statistics>

Brand	Sector	Esports Partner	Campaign focus	Year
Pepsi	FMCG	Mad Lions KOI	Worlds visibility	2024
Sports Interactive	Sports / Gaming	FIFA	FIFAE expansion into simulation	2024
IOC+ Saudi NOC	Sport / Gov	Olympic Esports Games	12-year event collaboration	2025
ASUS ROG	Tech / Hardware	Team Vitality	Valorant & CS2 gear supply	Q1 2025
Samsung	Tech / Hardware	Vitrus pro	Facility upgrades	Q1 2025
Intel, Acer, Bayes	Tech	ESL FACEIT Group	Long-term platform partnership	Q1 2025
Sony INZONE	Tech / Audio	Riot (Valorant)	VCT Americas support	Q1 2025
Uber	Transport	Riot/LTA	Team logistics support	Q1 2025
KIA Motors	Automobile	Cloud9	Naming rights: Cloud9 KIA	Q1 2025
Melbet	Betting	Eternal Fire	Sponsorship deal	Q1 2025
EstrealaBet	Betting	Vivo Keyd Stars	Sponsorship deal	Q1 2025

## 8. PROPOSED NEXT STEPS

- a. To operationalize India's vision of becoming a global esports leader, a phased and realistic governance approach is essential – one that acknowledges the unique IP-driven nature of esports while ensuring that athlete welfare, integrity standards, and performance pipelines are institutionally supported. The MYAS is best placed to coordinate this ecosystem, especially around doping, cheating, player protection, and international representation.

### b. **Benefits of Government Intervention in Esports:**

Government involvement in esports will offer India a transformative opportunity across multiple policy domains, including digital skilling, employment, youth development, revenue generation, and international recognition. The same is demonstrated hereinbelow:

#### (i) *Digital Skilling, Employment & Innovation:*

- a. Esports is more than competitive gaming – it is a digital economy engine. It creates employment across content creation, broadcasting, event management, production, design, data analytics, and coaching. Roles such as casters, streamers, editors, UI/UX designers, tournament operators, and anti-cheat officials are in high demand. By 2030, India's gaming and esports sector is projected to support 200,000+ direct and indirect jobs. Academic institutions like Whistling Woods and Seamedu now offer formal courses in esports, and government partnerships through NSDC, MESDC, and Skill India can scale these into national skilling pipelines.
- b. Esports also fosters entrepreneurship and homegrown innovation. Startups like Mayhem Studios, Nazara, and JetSynthesys are creating "Made in India" games, while platforms like Rooter and Loco are building streaming infrastructure. Initiatives like MeitY's Gaming Challenge and DPIIT's startup support can unlock scalable Indian IPs in a global market.

#### (ii) *Youth Engagement & Constructive Digital Participation:*

- a. With over 400 million gamers, mostly under the age of 25, esports directly taps into the aspirations of India's digital-native youth. Structured esports pathways – through school and college leagues, talent scouting, and mentorship – can convert casual gamers into professionals or skilled contributors in media, tech, and sport. Integrating esports into Khelo India, Fit India, and state sports policies will ensure that gaming becomes a platform for discipline, teamwork, and life skills, rather than unregulated screen time.

#### (iii) *Revenue Generation for Government:*

- a. Income Tax on prize winnings (TDS under Section 194B);
  - b. GST on sponsorships, advertising, and digital services;
  - c. Corporate tax from teams, platforms, and event firms;
  - d. FDI inflows into Indian game studios and esports ventures;
  - e. Training revenue via accredited skilling programs;
  - f. Venue licensing and sponsorship levies for government-supported events;
- As the industry formalizes, it offers sustainable and growing tax contributions, comparable to other sectors within the AVGC (Animation, VFX, Gaming, Comics) vertical.

- (iv) *Medal Prospects:*
  - a. Esports debuted as a medal sport at the Asian Games 2022, and India fielded national squads across multiple games. The 2026 Asian Games will feature 11 titles, expanding medal opportunities<sup>59</sup>. Further, with the Olympic Esports Games announced for 2027, India must establish a high-performance program—through athlete scouting, coaching, and infrastructure—to compete globally.
  - b. Just as in wrestling or shooting, success in esports requires early-age identification (ages 14–20), specialized coaching, mental conditioning, and international exposure. Government backing through MYAS, TOPS, and SAI will be critical to ensure India does not lag behind nations like South Korea or Saudi Arabia, who are building esports into national medal strategies.
- (v) *Global Influence:*
  - a. India has the numbers, talent, and infrastructure to become a global esports hub. By supporting international events, investing in digital infrastructure, and partnering with global federations like IESF and GEF, India can host Asia-Pacific championships, BRICS Esports Games, and Olympic qualifiers—boosting sports diplomacy, tourism, and soft power.
  - b. Positioning esports under Digital India, Startup India, and Make in India can elevate India's role from being a gaming consumer to a global creator and policy leader in digital sport.

**c. The following next steps are proposed:**

- (i) *Inter-Ministerial Roundtable for Alignment and Coordination:*  
MYAS can convene an inter-ministerial roundtable with MeitY, DPIIT, MIB, and MSDE to create an aligned national vision for esports. This forum may:
  - a. Define jurisdictional roles: MYAS (athletes & governance), MeitY (platforms & data), DPIIT (FDI/IP), MIB (media policy), and MSDE (skilling).
  - b. Integrate esports objectives into national initiatives such as Digital India, AVGC, Startup India, and Skill India.
 A joint working group can be formed to steer implementation, streamline regulatory overlap, and track outcomes.
- (ii) *Draft National Esports Governance Framework (within a set timeframe):*  
Led by MYAS, the Government can release a Draft Esports Governance Framework that recognizes the limited but crucial regulatory scope applicable to esports under Indian law. This framework may:
  - a. Define esports as a multi-sport discipline for policy purposes, distinct from online gaming (as has anyway been done on account of the division between MYAS and MeitY).
  - b. Set criteria for recognizing a national esports federation empowered to oversee:
    - (i) Athlete registration and welfare;
    - (ii) Anti-doping policies (in line with NADA/WADA);

<sup>59</sup> <https://www.olympics.com/en/news/asian-games-2026-esports-medal-events-list>



- (iii) Integrity protocols (match-fixing, cheating, ethics);
    - (iv) Representation in international multisport events.
  - c. Provide model guidelines for tournament accreditation, youth safeguards, and athlete progression.
  - d. Invite public and stakeholder feedback to ensure inclusivity and adaptability.
- (iii) *Adoption of the ESIC Integrity Framework*
- a. As India looks to build a credible and globally aligned esports ecosystem, ESIC offers a ready-made integrity framework that can be customized to suit national needs. By adopting ESIC's standards—either through collaboration with a recognized domestic federation or by incorporating them into a government-backed code of conduct—India can enhance its regulatory credibility, support clean and fair play, and bolster its position for international recognition and the hosting of global esports events.
- (iv) *Stakeholder Consultations with Domestic and Global Ecosystem:*
- b. MYAS and allied ministries can conduct structured consultations with key stakeholders, including:
    - (i) Indian esports operators: NODWIN Gaming, Skyesports, S8UL, Revenant Esports, Loco, Rooter;
    - (ii) Indian and global publishers: Riot Games, Krafton, Valve, EA, Garena;
    - (iii) Legal experts, digital safety bodies, player rights advocates, and anti-doping authorities | bodies: IESF, GEF, AESF.

These discussions will help develop globally aligned, publisher-compatible regulations, ensuring India can support athlete growth while respecting the IP ownership that governs gameplay and competition formats.
- (v) *Pilot Initiative - Government-Endorsed National Esports League:*
- As a testbed for structured policy implementation, MYAS can support a pilot National Esports League—either state-based, university-level, or open-format—in partnership with a soon-to-be-recognized federation and relevant publishers. The league should:
- a. Be licensed appropriately by game publishers;
  - b. Implement standardized player conduct, eligibility, and anti-cheating protocols;
  - c. Offer talent scouting, prize pools, and international progression opportunities;
  - d. Focus on inclusion from Tier 2 and Tier 3 cities to build grassroots momentum.
- This pilot may serve as a proof-of-concept for federated governance, broadcast regulation, and youth engagement—demonstrating how India can build a medal-oriented esports ecosystem under policy supervision.

By executing this roadmap, the Government of India—through MYAS and its inter-ministerial allies—can lay the foundation for a future-proof, legally sound, and globally respected esports ecosystem, focused on athlete welfare, economic opportunity, and national competitiveness, without overstepping the boundaries set by the publisher-owned structure of modern esports.