

CODE OF CONDUCT TEMPLATE FOR SELF-REGULATORY BODIES IN ONLINE GAMING

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OVERVIEW

The Ministry of Electronics and Information Technology (‘MeitY’) released proposed amendments to the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (“Rules”) on 2nd January 2023. The draft amendments bring online gamesⁱ and online gaming intermediariesⁱⁱ within the scope of the 2021 Rules. Specifically, they require online gaming intermediaries to comply with due diligence and additional due diligence requirements, such as creating consumer grievance redressal mechanisms, identifying and verifying users, and informing consumers of their privacy policy, rules, and terms of service.ⁱⁱⁱ

The draft amendments establish a self-regulatory framework for online gaming. They provide for the registration of self-regulatory bodies with MeitY. Self-regulatory bodies are also responsible for registering online games that an online gaming intermediary can list. Additionally, the rules provide for different criteria that such bodies must consider while registering online games, including the conformity of gaming content with constitutional and legal provisions and the inclusion of measures to safeguard children. Additionally, every self-regulatory body for gaming is required to evolve a framework that governs various aspects of the functioning of online gaming intermediaries.^{iv}

The adoption of a self-regulatory framework for online gaming reflects an emerging consensus on the suitability of industry self-regulation for digital technologies. The Indian Government has prescribed self-regulation for several digital market segments, including social media, and publishers of print and digital media. In other countries, self-regulatory bodies have

i. “online game” means a game that is offered on the Internet and is accessible by a user through a computer resource if he makes a deposit with the expectation of earning winnings

ii. online gaming intermediary” means an intermediary that offers one or more than one online game

iii. The Draft Information Technology (intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, <https://www.meity.gov.in/writereaddata/files/IT%20Rules%2C%202021%20with%20proposed%20amended%20texts%20in%20colour.pdf>.

iv. Rule 4B (6), of the Draft Information Technology (intermediary Guidelines and Digital Media Ethics Code) Amendment Rules.

played an important role in protecting consumer interests and maintaining competition in industries such as gaming, broadcast and advertising.^v

Self-regulation is preferred in digital industries as it tends to be more agile and responsive to technological change than government regulation. It also lowers enforcement costs for governments. Moreover, industry participants tend to prefer self-regulation as a result of an innate acceptance of rules they played a role in shaping. As a result, scholars believe that self-regulation can be beneficial for consumers, industry, and the Government when implemented properly.

A range of factors and principles determine the success and effectiveness of industry self-regulation. Studies of previous self-regulatory models indicate that the following factors play an important role in their success and efficacy:

1. **Clarity of roles and objectives:** self-regulatory frameworks with clearly defined objectives, procedures and responsibilities are more acceptable to potential participants, which helps improve their overall efficacy and adoption.^{vi}
2. **Adoption of a participatory and multistakeholder approach:** self-regulatory models work best when governments and civil society work with industry to craft regulations, undertake enforcement, and ensure transparency and accountability as the participation of multiple stakeholders builds trust and accountability.
3. **Industry-led standardisation:** the history of self-regulation suggests that it yields greater success when coalitions of firms, as opposed to individual firms, in the same market work together to create common norms and standards.^{vii} The creation of age-rating mechanisms for video games by the Entertainment Software Rating Board is a leading example of such coalition-led standard setting.

v. MA Cusumano and et al., *Can self-regulation save digital platforms?*, Oxford Industrial and Corporate Change 30(5), 2021, https://questromworld.bu.edu/platformstrategy/wp-content/uploads/sites/49/2021/07/PlatStrat2021_paper_38.pdf

vi. OECD, *Industry Self Regulation: Role and Use in Supporting Consumer Interests* “, OECD Digital Economy Papers No. 247, 2015, <https://www.oecd-ilibrary.org/docserver/5js4krfjqkwh-en.pdf?expires=1675241370&id=id&accname=guest&checksum=C934CDCD2CDE493F8DB13152E0B79C10>

vii. MA Cusumano et al., *Can self-regulation save digital platforms?*, Oxford Industrial and Corporate Change 30(5), 2021, https://questromworld.bu.edu/platformstrategy/wp-content/uploads/sites/49/2021/07/PlatStrat2021_paper_38.pdf

4. **Competition between self-regulatory bodies:** research shows that self-regulation can create barriers to entry for firms where only one or a few bodies are responsible for regulation and oversight. Resultantly, the existence of multiple competing self-regulatory bodies is important for the success of industry self-regulation.^{viii}
5. **Monitoring and transparency:** the regular monitoring of self-regulatory frameworks helps assess their success in meeting stated objectives, thereby building trust and credibility with all stakeholders. Trust and confidence in self-regulation are also bolstered by routine and timely disclosures of the self-regulatory body's policies and actions.^{ix}
6. **Enforcement and sanctions:** While self-regulatory frameworks usually rely on industry self-interest for implementation, their success can depend on credible and transparent enforcement mechanisms to discourage non-compliance.^x

The Esya Centre has, therefore, put together a template code of conduct ("Code") to provide a framework that self-regulatory bodies can adopt to govern their functioning. We suggest procedural timelines for registration and grievance redressal, criteria for game assessment, audit requirements, and transparency norms that self-regulatory bodies can adopt, using the principles identified above. Adoption of a uniform code will make the online gaming environment more standardised without creating excessive compliance requirements and barriers to entry or to innovation. This template also emphasises the need for collaboration, between and within self-regulatory organisations, to ensure that rules and regulations created by them remain responsive to stakeholder needs. Moreover, the transparency and audit requirements included in this template code are aimed to help ensure that self-regulatory bodies remain answerable to governments and citizens.

The procedural timelines, registration criteria, and other requirements contained in the Code are based on rules and codes of conduct that govern

viii. Michael Faure et al., *Curbing Consumer Financial Lossess: The Economics of Regulatory Enforcement*, Law and Policy 31(2), 2009.

ix. IOSCO, *Model for Effective Self-Regulation*, SRO Consultative Committee, 2000, <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD110.pdf>.

x. Michael Faure et al., *Curbing Consumer Financial Lossess: The Economics of Regulatory Enforcement*, Law and Policy 31(2), 2009.

self-regulatory organisations in other sectors, and similar initiatives for gaming self-regulation in other jurisdictions.

Additionally, readers should keep the following factors in mind while perusing this template:

- a. The usage of the term “shall” ordinarily denotes a mandatory obligation. As such, this template does not mandate anything not contained in the IT Rules besides stipulating timelines for certain procedures specified therein. These, in turn, are simply placeholder suggestions that are based on expert inputs.
- b. The usage of the term “must” ordinarily denotes a rule/practice that self-regulatory bodies should ideally comply with but is not specified in rules. Compliance with such rules/practices by self-regulatory bodies can help create a uniform framework, which is essential to successful and effective self-regulation
- c. The usage of the term “may” denotes an optional rule/practice based on the best practices mentioned above. Self-regulatory bodies should be free to adopt any rule/practice that better meets their interests.

TEMPLATE OF THE CODE OF CONDUCT

Part I: Organisation and Structure of Self-Regulatory Bodies

Context: Rule 4B(3)(d) of the Rules stipulates the constitution of a self-regulatory body's board of directors or the governing body. Specialised capacity and inclusion of members with relevant experience is key to fostering a participatory and multi-stakeholder approach and to meet the objectives of self-regulation.

- i. **Governing Body and Committees** – A self-regulatory body shall have a board of directors or governing body that fulfils the requirements under Rule 4B(3)(d).^{xi}

In addition, a self-regulatory body may set up committees to address different aspects of their responsibilities, such as grievance redressal and trust and safety.

- a. Provided that the existence of such committees shall not be a requirement for the registration of a self-regulatory body.

xi. (d) the presence of the following in the Board of Directors or governing body of such self-regulatory body, namely:—

(i) an independent eminent person from the field of online gaming, sports or entertainment, or such other relevant field;

(ii) an individual who represents online game players;

(iii) an individual from the field of psychology, medicine or consumer education, or such other relevant field; and

(iv) an individual with practical experience in the field of public policy, public administration, law enforcement or public finance, to be nominated by the Central Government;

(v) an individual from the field of information communication technology;

Provided that no act or proceeding of the Board of Directors or governing body shall be invalid merely on the ground of absence for the time being of any such individual on it;

- b. Provided further that the self-regulatory body shall prominently publish such committees and their membership on their website.
 - c. Provided further that a self-regulatory body may nominate/appoint/empanel experts from fields such as mental health, law, consumer protection, data protection and other relevant fields on such committees.
2. **Notification of changes in governing body** – A self-regulatory body shall endeavour to notify MeitY of any changes in its governing body within 15 days of such changes being finalised.

Part II: Registration of online gaming intermediaries with self-regulatory bodies

Context: Under Rule 4B(4), self-regulatory bodies register online gaming intermediaries based on their adherence to the extant framework under the Information Technology Act, 2000. Procedural clarity and a frictionless registration mechanism without entry barriers will incentivise industry participants to collaborate and pave the way for coherent and collaborative standard-setting.

- 1. **Criteria for grant of membership** - When considering an application for membership by an online gaming intermediary, a self-regulatory body shall adhere to the criteria established in Rule 4B(4).^{xii}

The self-regulatory body may prescribe additional membership requirements for online gaming intermediaries, including but not limited to:

- i. Compliance with due diligence requirements under Rule 3 of the IT Rules.

xii. Rule 4B (4) stipulates the following criteria:

- (a) the adherence by such online gaming intermediary and all online games offered by it with the criteria referred to in sub-rule (5);
- (b) the adherence by such online gaming intermediary to the due diligence and additional due diligence required under these rules;
- (c) track record of such online gaming intermediary in offering online games responsibly while securing the interests referred to in section 69A.

- ii. Prudential management of user funds and measures to verify user identity.
- iii. Use of technological measures to promote responsible gaming, user trust and safety and improve accessibility of online games.
- iv. Integrity of business practices, including management of conflict of interest, prevention of unfair competition, track-record of respecting intellectual property rights and trade secrets, and responsible advertising and consumer outreach.

Provided that a self-regulatory body must develop policies, codes of conduct or standards, in consultation with its member online gaming intermediaries, specifying the membership requirements. The policies, codes of conduct or standards must be published on the self-regulatory body's website within 5 days of it being approved by the self-regulatory body.

Provided further that a self-regulatory body must first verify whether an online gaming intermediary is a member of another self-regulatory body or has applied for registration with another self-regulatory body before it considers an application for registration or provisional registration.

Provided that a self-regulatory body must not consider the application for registration of an online gaming intermediary that was previously rejected by another self-regulatory body after thirty (30) days of rejection.

- 2. **Acknowledgment of application for membership** - A registered self-regulatory body must acknowledge the receipt of an application for membership by an online gaming intermediary within 5 days of the application being received.

The self-regulatory body shall enter into a contractual agreement that details the rights and duties of either party and the terms and conditions of registration within ten (10) days of acknowledgement of an application.

3. **Procedure and timeline for acceptance or rejection of membership application** - A registered self-regulatory body shall accept or reject an application for membership from an online-gaming intermediary within 30 days of receiving the application.

Where the self-regulatory body cannot make a final decision within the stipulated period, it must record in writing the reasons for the delay and communicate the same to the applicant online gaming intermediary.

In no circumstance shall the self-regulatory body take more than 60 days to decide an application for membership by an online gaming intermediary. If the self-regulatory body does not accept or reject the membership application within 60 days, it shall be deemed to be approved.

4. **Publication of decisions pertaining to membership applications** - All decisions by self-regulatory bodies on membership applications by online gaming intermediaries and their current status must be communicated to such intermediary and prominently published on the self-regulatory body's website within 5 days of such decision.

The self-regulatory body must not maintain records or publish sensitive^{xiii} or proprietary^{xiv} information that an applicant online gaming intermediary submits before the self-regulatory body during registration.

5. **Procedure where an application for membership is rejected** – Before a self-regulatory body rejects an application for membership, it must communicate reasons for the same and provide the intermediary a period of 30 days to remedy deficits in its application.

xiii. As defined under Rule 3 of the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011.

xiv. "Proprietary Information" means and includes, but is not limited to, information about software programs, designs, source code, object code, algorithms, trade secrets, formulae, designs, know-how, domain names, processes, applications, data, ideas, techniques, documents, notes, presentations, works of authorship, business plans, customer lists, user information, vendor data, customer data, operational data, terms of compensation and performance levels of employees, and other information concerning the actual or anticipated business, research or development, prices and pricing structures, marketing and sales information, competitive analysis, and any information and materials relating thereto, or which is received in confidence by the Self-Regulatory Body, whether or not it is in written or permanent form.

If the self-regulatory body is not satisfied with measures taken by the applicant online gaming intermediary to address deficits, it must conduct an in-person hearing.

Provided that an online gaming intermediary whose application for membership has been rejected by a self-regulatory body must not apply for registration with any other registered self-regulatory body for a period of thirty (30) days after such rejection.

- 6. Provisional membership of online gaming intermediaries** - A registered self-regulatory body may grant provisional membership to an online gaming intermediary for a maximum of 90 days.

Provided that the online gaming intermediary seeking provisional registration has not applied for membership under Rule 4B(4) before the self-regulatory body or any other self-regulatory body.

The self-regulatory body may grant provisional membership only to online gaming intermediaries who are new entrants and ensure that provisional membership is used to collect evidence for the purpose of complying with the requirements under the Rules and the self-regulatory body's membership requirements.

Provided that no online gaming intermediary may be granted provisional membership unless they produce a legal opinion from a legal practitioner that they fulfil the diligence and additional due diligence requirements specified for online gaming intermediaries under the IT Rules, 2021.

- 7. Validity and Renewal of Registration** – The self-regulatory body must prescribe a period of registration for an online gaming intermediary in the policies or codes of conduct approved by it for online-gaming intermediaries.

The self-regulatory body shall renew the online gaming intermediary's registration after considering the criteria listed in Rule 4B(4) and any other criteria prescribed by the self-regulatory body through policies, codes of conduct and standards.

Provided that an online gaming intermediary may apply for renewal of registration with the self-regulatory body 90 days before the validity of its registration expires.

Provided further that the registration granted to an online gaming intermediary must be non-transferable, except with the specific and prior approval of the self-regulatory body.

- 8. Cancellation of Registration** – A self-regulatory body may cancel the registration of an online gaming intermediary if it is found to be in violation of requirements prescribed by self-regulatory body’s policies, codes of conduct or standards.

Provided that a self-regulatory body must cancel registration only after an investigation and hearing. The self-regulatory body must prominently publish and maintain a record of the investigation and hearing.

Provided that a self-regulatory body must provide the online gaming intermediary an opportunity to remedy deficits before it cancels the registration of an online gaming intermediary.

Part III: Registration of online games by self-regulatory bodies

Context: Under Rule 4B(5), self-regulatory bodies register online games and online games must display a visible mark of registration as per Rule 4A(1)(a). A seamless registration process for online games fosters the ability to innovate and safeguards will achieve regulatory objectives of harm mitigation.

- i. **Criteria for registration of online game** - A registered self-regulatory body shall consider the criteria in Rule 4B(5)^{xv} when deciding an application to register an online game. It shall also evolve a framework that assesses an online game as per the criteria specified in the proviso to Rule 4B(6)^{xvi}.

The self-regulatory body may publish other criteria for registration of online games based on the mechanism for game testing and verification as described in Part IV below.

Provided that a self-regulatory body must prominently publish the framework and testing criteria for online games on its website within

xv. Criteria specified under Rule 4B(5) are:

- (a) is offered by an online gaming intermediary which is a member of the self-regulatory body, who has been granted membership in accordance with the provisions of sub-rule (4);
- (b) does not contain anything which is not in the interest of sovereignty and integrity of India, defence of India, security of the State, friendly relations with foreign States or public order, or incites the commission of any cognizable offence relating to the aforesaid;
- (c) is in conformity with laws for the time being in force in India, including any such law that relates to gambling or betting or the age at which an individual is competent to enter into a contract

xvi. Provided that such framework may, among other things, also include suitable criteria regarding—

- (a) the content of an online game registered or to be registered with such body, with a view to safeguard users against harm, including self-harm;
- (b) appropriate measures to be undertaken to safeguard children;
- (c) measures to safeguard users against the risk of gaming addiction and financial loss, including repeated warning messages at higher frequency beyond a reasonable duration for a gaming session, provision to enable a user to exclude himself upon user-defined limits for time and money spent; and
- (d) measures to safeguard against the risk of financial frauds.

one month of the self-regulatory body's registration.

2. **Acknowledgment of application of registration of online game** - A registered self-regulatory body must acknowledge the receipt of an application for registration within 5 days of the application being received.
3. **Procedure for registration and listing of online games** – A self-regulatory body must only assess registration applications from a registered online gaming intermediary.

A self-regulatory body shall accept or reject a request for provisional registration within 30 days of receiving such an application.

Where the self-regulatory body cannot make a final decision on registration within the stipulated period, it must record in writing the reasons for the delay and communicate the same to the online gaming intermediary.

In no circumstance shall the self-regulatory body take longer than 60 days to decide on an application for registration of an online game.

A self-regulatory body shall maintain a directory of all online games it has registered and prominently display the same, along with an identifier registration number, and the visible mark of registration allotted to it.

4. **Publication of decisions pertaining to registration applications** - All decisions by self-regulatory bodies on registration applications of online games and their current status must be prominently published on the self-regulatory body's website within 5 days of such decision.

The self-regulatory body shall not maintain records or publish sensitive or proprietary information^{xvii} that an applicant online gaming intermediary submits before the self-regulatory body during registration of an online game.

5. **Procedure where an application for registration is rejected** – Before a self-regulatory body rejects an application for registration, it must communicate reasons for the same and provide the online gaming intermediary a period of 30 days to remedy deficits in its application.

xvii. See note 14 and 15.

Provided that an online game whose application for registration has been rejected by a self-regulatory body must not apply for registration with any other registered self-regulatory body for a period of thirty (30) days after such rejection.

6. **Provisional registration of online games** - A self-regulatory body may grant provisional registration to an online game for a maximum of 90 days.

Provided that the online game has not been previously registered under Rule 4B(5) or an application for its registration is not pending before the self-regulatory body or any other self-regulatory body.

The self-regulatory body must assign a separate mark of registration for provisionally registered online games and require them to prominently display in text to users that it is a provisionally registered online game.

The self-regulatory body may grant provisional registration only to new formats of online games and ensure that provisional registration is used to collect evidence for the purpose of complying with the requirements under the Rules and the self-regulatory body's game testing and verification framework.

If the online game in question cannot fulfil the evaluation criteria within the stipulated period, the self-regulatory body shall direct the online gaming intermediary to stop offering the game and remove the registration mark for provisionally registered online games.

Provided that the self-regulatory body may extend the period of provisional registration by 30 days if it is satisfied that testing and evaluation of the online game could not be completed due to factors beyond the online gaming intermediaries' control.

A self-regulatory body must maintain a separate directory of provisionally registered online games and prominently display the same, along with a visible mark of provisional registration.

7. **Validity and Renewal of Registration** – The self-regulatory body must prescribe a period of registration for an online game in the policies or codes of conduct approved by it for online-gaming intermediaries.

The self-regulatory body shall renew the online game's registration after considering the criteria listed in Rule 4B(5) and any other criteria prescribed by the self-regulatory body through policies, codes of conduct and standards under Rule 4B(6).

Provided that an online gaming intermediary may apply for renewal of registration with the self-regulatory body 90 days before the validity of an online game's registration expires.

Provided further that the registration granted to an online gaming intermediary must be non-transferable, except with the specific and prior approval of the self-regulatory body.

- 8. Cancellation of Registration** – A self-regulatory body may cancel the registration of an online game if it is found to be in violation of requirements prescribed by self-regulatory body's policies, codes of conduct or standards.

Provided that a self-regulatory body must cancel registration only after an investigation and hearing. The self-regulatory body must prominently publish and maintain a record of the investigation and hearing.

Provided that a self-regulatory body must provide an online gaming intermediary an opportunity to remedy deficits before it cancels the registration of an online game.

- 9. Details of the report to be submitted to MeitY under Rule 4B(7)** – A self-regulatory body shall communicate the fact of the recognition of every online game along with a report to MeitY within 5 days of such approval. The report shall contain the following:

- a. Details of the online gaming intermediary seeking to register the online game and its track record on compliance with requests under s. 69A of the IT Act and due diligence requirements under the IT Rules
- b. The format of the game
- c. Results of game testing and verification carried out by the self-regulatory body

Part IV: Framework for game testing and verification

Context: Under Rule 4B(5) and (6) self-regulatory bodies must evolve a framework for game testing and verification. Such a framework is imperative to standardise online games and establish necessary safeguards to mitigate potential risks to gamers.

- i. **Criteria for framework** – A self-regulatory body shall establish a framework to assess online games prior to approving their application based on the criteria in Rules 4B(5) and the proviso to Rule 4B(6).

The self-regulatory body may consider the following examples and illustrations of game features and mechanisms when it establishes a testing and verification mechanism for online games:

- a. *probabilistic logic of game outcomes* - the outcome of the game should be based on probabilistic logic and not in the nature of wagering, betting, or gambling
- b. *safeguards in game design to mitigate potential harm including self-harm to users* - harms may include features in content or communication that facilitate violence, abuse, bullying, hate speech and other activities likely to result in harm or self-harm.
- c. *safeguards in game design to protect children from harm* -
 - i. parental controls
 - ii. age verification
 - iii. appropriate age ratings and content warnings
 - iv. guidance and information for parents
- d. *safeguards against gaming addiction and financial loss* –
 - i. time-based and monetary-threshold warnings
 - ii. transparent use of random number generators
 - iii. self-exclusion and time-out features

- iv. transparent rules and disclosures on disbursement of user funds and in-game purchases
- v. guidance and information to users on financial risks
- e. *safeguards against the risk of financial fraud* -
 - i. identity verification
 - ii. collection of transaction data for the purpose of compliance with regulatory requirements
 - iii. consumer awareness on possible frauds and financial best practices
- 2. **Best practices** – In addition to the criteria stated under Rule 4B(6), self-regulatory bodies may require online games to adhere to best practices on the following aspects:
 - a. Cybersecurity and information security mechanisms, including compliance with data protection and privacy requirements as stipulated by law and cyber incident reporting practices.
 - b. Integrity mechanisms, including the prevention of executives and employees with sensitive information from competing on the platform with other users
 - c. Trust and safety measures, including content moderation tools, reporting and blocking mechanisms, and referral services to mental health experts on a local basis.

Provided that a self-regulatory body may clearly define and publish the best practices that online games seeking registration must comply with. Such best practices shall be prominently published on the self-regulatory body's website within 5 days of such best practices being finalised.

- 3. **Notification of changes in online games** – A self-regulatory body shall create a reporting mechanism for online gaming intermediaries to communicate fundamental changes in an online game to the self-regulatory body within 72 hours of such change being made.

For the purposes of this rule, a fundamental change refers to:

- a. Substantive changes in the format of the game that has a material impact on outcomes in the game.
- b. Change in random number generation, calculation of winnings, or other in-game logic that determines the outcome.
- c. Changes to accommodate updated regulatory requirements and obligations

Provided that a self-regulatory body may, in consultation with online gaming intermediaries, specify the changes that are considered fundamental and publish the same on its website within 5 days of them being finalised.

Provided further that a self-regulatory body, in consultation with members, must also specify the fundamental changes that will require re-testing and verification and the manner of such retesting and verification.

4. **Empanelment of game auditors and testers** – A self-regulatory body may, in consultation with member online gaming intermediaries, empanel one or more agencies for the purposes of game testing, verification, and audits. In empaneling such agencies, a self-regulatory body may consider the following criteria:

- a. Prior experience of the agency in testing and auditing online games
- b. Availability of relevant manpower and facilities to conduct game testing and verification
- c. The agency's data protection and information security practices
- d. Pecuniary or fiduciary relationships with the agency that can affect its impartiality

Provided that a self-regulatory must publish and update the list of empaneled game testing agencies on its website within 5 days of such agency being empaneled

Provided further that the self-regulatory body must publish the criteria for empanelment on its website within 5 days of such criteria being finalised by the self-regulatory body.

Part V: Grievance Redressal of Consumer Complaints

Context: Rule 4A(1)(j) and Rule 4B(8) require online gaming intermediaries and self-regulatory bodies to establish two tiers of the three-tier grievance redress framework followed in digital regulation in India. A robust framework promotes consumer interests and enhances the efficacy of enforcement and sanctions against malpractice.

1. **Acknowledgment of receipt of consumer complaint** – Where a self-regulatory body receives a complaint that has not been resolved by the grievance redressal mechanism of its member online gaming intermediary, it shall acknowledge receipt of the complaint to the concerned user within 24 hours of its receipt.
2. **Procedure and timeline for redressal of consumer complaint** – A self-regulatory body shall resolve a consumer complaint within 15 days of receipt. Where the subject matter of the consumer complaint relates to matters specified in the Proviso to Rule 3(2) of the IT Rules, 2021, the self-regulatory body shall resolve the complaint within 72 hours.

In resolving a consumer complaint, the self-regulatory body must allow the consumer and member to submit documents and evidence electronically or in physical form.

Where required, the self-regulatory body may arrange a hearing for the consumer and member online intermediary via teleconferencing or in person.

3. **Procedure for an appeal to the Government Appointed Committee**
A self-regulatory body shall develop and maintain the necessary communication interface and infrastructure to allow a consumer to appeal its decisions to the relevant Government Appointed Committee within a period of 30 days from its decision.

In this regard, a self-regulatory body may, in association with its member online gaming intermediaries, set up a unified digital portal for users to file and appeal complaints.

4. **Report on Grievance Redressal** – A registered self-regulatory body must publish a quarterly report on its website detailing:
 - a. The number of appeals it received against member online gaming intermediaries
 - b. The number of appeals that were resolved by the self-regulatory body within the stipulated period
 - c. The number of appeals that were escalated to the level of the Government Appointed Committee
 - d. The number of appeals that remain pending unresolved with the self-regulatory body

Part VI: Transparency and Disclosure Obligations for Self-Regulatory Bodies

Context: Self-regulation must be transparent to foster mutual trust and confidence between government, industry, and consumers. Disclosure and transparency obligations inculcate accountability and responsibility which are necessary for sustainable self-regulatory models.

1. **Publication of Policies, Guidelines, and Codes of Conduct** - A registered self-regulatory body must within one month of registering with MeitY publish the following on its website:
 - Internal Code of Conduct applicable to members
 - Guidelines for evaluation of registration applications for online gaming intermediaries including appellate mechanisms
 - Policies on protection of sensitive and proprietary information.
 - Standard contractual agreement templates between self-regulatory bodies and online gaming intermediaries.
 - Guidelines for testing and verification protocols for online games including timelines for the review process as mentioned in Rule 4B(6)
 - Guidelines for harm assessment of online game content with specific guidelines on harms to children as mentioned in Rule 4B(6) and indicative list of technological measures to address harms

- Guidelines for assessment of addiction and financial loss and indicative list of technological measures to address harms.
 - Policy and Guidelines on Grievance Redressal for Online Gaming Intermediaries.
2. **Publication of Quarterly Reports** - A self-regulatory body must publish quarterly reports to ensure transparency in its functioning and accounts. Such periodic audits may cover the following aspects of a self-regulatory body's functioning:
- a. Ownership patterns and details of investment from third parties and any potential conflicts of interest with member online gaming intermediaries
 - b. Overview of the self-regulatory body's financial health, including assets and liabilities of the self-regulatory body and compliance with tax requirements
 - c. Track record of the self-regulatory body's compliance with statutory and regulatory obligations

Provided further that a self-regulatory body must communicate the findings of the audit and its report to MeitY within 15 days of the audit report being filed with the self-regulatory body.

In addition to the above, a registered self-regulatory body must publish quarterly reports detailing the following:

- a. List of registered online gaming intermediaries along with a report of new members added and exits/removal of previously registered members.
- b. Registration applications that were rejected and reasons for rejection, along with appeals, if any.
- c. Redressal of consumer grievances as mentioned in Rule 4B(8).
- d. Online games registered in the past three months and proof of display of registration mark. SRBs may require online gaming intermediaries to share proof of display like screenshots.

- e. Financial statement of the self-regulatory body, which may be compiled and submitted annually.

Part VII: Coordination and Cooperation Between Self-Regulatory Bodies

Context: The online gaming industry is at a nascent stage and holds immense potential for India's digital economy. A multi-stakeholder approach and collaboration between self-regulatory bodies holds the key to industry-led standard formulation and sectoral growth.

- i. **Mechanisms and agreements for coordination between registered self-regulatory bodies** - Registered self-regulatory bodies may enter into agreements or create mechanisms that facilitate coordination, communication, and collaboration to achieve the following objectives:
 - a. Establish uniformity in standards and practices governing game testing and registration of online games, trust and safety practices, prevention of harms to children
 - b. Prevent duplication of regulatory and enforcement actions and promote joint investigation and enforcement where required
 - c. Develop mechanisms for data and information sharing to fulfil regulatory obligations under the IT Act, IT Rules and any other law for the time being enforce including the identification of bad actors
 - d. Monitor and detect financial frauds and money laundering carried out through online games or online gaming intermediaries
 - e. Promote capacity building and training of executives to fulfil their obligations under the IT Rules, 2021 and any other policies, standards, or codes of conduct approved by registered self-regulatory bodies

ANNEXURE 1: TABLE OF SOURCES AND REFERENCES

In creating the draft Code of Conduct, we relied on the following categories of sources:

- a. **Rules and Regulations for self-regulatory and independent bodies in India** - these were relied on to frame sections pertaining to the procedure and timelines for registration, financial audit requirements and transparency measures
- b. **Best practices, processes, and tools developed by leading gaming ratings and testing agencies** - these sources informed the criteria used for testing and auditing games and the procedure for notifying changes

S. NO.	SOURCE	USE CASE
1	Securities and Exchange Board of India (Self-Regulatory Organizations) Regulations, 2004	<ul style="list-style-type: none"> ■ Organisation and structure of self-regulatory bodies ■ Transparency and Disclosure requirements ■ Timeline for renewal of registration
2	Ministry of Information and Broadcasting, Policy Guidelines for Television Rating Agencies in India	<ul style="list-style-type: none"> ■ Audit and financial oversight requirements ■ Validity and renewal of registration
3	Reserve Bank of India, Norms on eligibility, empanelment and appointment of Statutory Branch Auditors in Public Sector Banks from the year 2020-21 and onwards	<ul style="list-style-type: none"> ■ Guidelines for empanelment of financial auditing firms
4	Electronic Software Association, Trust and Safety Policy Sheet	<ul style="list-style-type: none"> ■ Trust and safety measures and requirements

S. NO.	SOURCE	USE CASE
5	PEGI and ESRB Rating Processes and Tools for child safety and protection practices	<ul style="list-style-type: none"> ■ Game testing and verification for age-appropriate content ■ Child safety measures
6	Gaming Labs International Standards and Change Management Program Guide	<ul style="list-style-type: none"> ■ Game testing and verification mechanisms ■ Notification of changes to online games
7	Securities and Exchange Commission, Staff Paper on Cross-Market Regulatory Coordination	<ul style="list-style-type: none"> ■ Coordination and collaboration mechanisms between self-regulatory bodies

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