

REGULATION AND RESONANCE: LEGAL PATHWAYS AND PSYCHOLOGICAL CURRENTS IN ASSAM'S ONLINE MONEY GAMING, 1970–2025

MR. PRAVEK MEDHI¹, MS. SUMITRA DEVI²

¹ASSISTANT PROFESSOR, ROYAL SCHOOL OF LAW AND ADMINISTRATION, THE ASSAM ROYAL GLOBAL UNIVERSITY, GUWAHATI, ASSAM.

²ASSISTANT PROFESSOR, ROYAL SCHOOL OF LAW AND ADMINISTRATION, THE ASSAM ROYAL GLOBAL UNIVERSITY, GUWAHATI, ASSAM.

ABSTRACT

The rapid growth of digital gaming in India has transformed games into monetised and psychologically engineered environments, creating new challenges for legal regulation and public welfare. Assam provides a distinctive lens for examining these dynamics, given its transition from the prohibitionist Assam Game and Betting Act, 1970 to the governance-oriented framework introduced by the central Promotion and Regulation of Online Gaming Act, 2025. This paper analyses the evolution of gaming regulation in Assam alongside the psychological mechanisms that shape user engagement in online money games and monetised progression-based platforms.

Employing doctrinal analysis and socio-legal insights, the study explores how contemporary gaming systems deploy behavioural design strategies - reward variability, microtransactions, cognitive bias, and social competition - that often operate beyond the visibility of law. Empirical evidence from Assam indicates widespread monetised gaming participation, recurrent low-value spending, extended engagement during competitive events, and limited awareness of regulatory oversight. These findings reveal a structural disconnect between formal legal regulation and behavioural reality, where psychologically resonant design undermines consumer protection objectives.

To address this gap, the paper advances a Regulation - Resonance framework, arguing for behaviour-sensitive regulation capable of responding to the psychological architectures embedded within digital gaming ecosystems.

Keywords: online money gaming, behavioural design and psychology, regulation- resonance framework, consumer protection, psychological design strategies in gaming

INTRODUCTION

The rapid expansion of digital technologies, widespread smartphone penetration, and affordable high-speed internet connectivity have fundamentally reshaped the gaming ecosystem in India. Contemporary digital games now operate not merely as recreational platforms but as complex techno-economic systems that monetise user engagement through diverse mechanisms, including direct wagering, in-game purchases, microtransactions, loot boxes, and pay-to-progress features.³ As a result, online money gaming and monetised digital gaming environments have emerged as significant contributors to the digital economy. Simultaneously, this transformation has intensified concerns relating to gambling addiction, compulsive spending behaviour, financial exploitation, cybercrime, money laundering, and the psychological vulnerability of minors and economically marginalised users.⁴ The sector thus exists at a critical intersection of regulation and resonance, where legal frameworks attempt to govern not only economic activity but also behavioural and psychological consequences arising from digital game design.

Assam offers a particularly compelling case study owing to its distinct and historically restrictive legal trajectory. The Assam Game and Betting Act, 1970 embodied a prohibition-oriented approach to wagering-based activities, positioning the State as an early proponent of moral and social protection through legal restraint.⁵ While effective in regulating traditional forms of gambling, the legislation was enacted in a pre-digital era and did not envisage

¹ Assistant Professor, Royal School of Law and Administration, The Assam Royal Global University, Guwahati, Assam.

² Assistant Professor, Royal School of Law and Administration, The Assam Royal Global University, Guwahati, Assam.

³ Brock, T., & Johnson, M. (2021). The gambification of digital games. *Journal of Consumer Culture*, 21(1), 3-13. <https://doi.org/10.1177/1469540521993904>.

⁴ Ministry of Electronics and Information Technology, *Inter-Ministerial Task Force Report on Online Gaming* (2023).

⁵ The Assam Game and Betting Act, 1970.

the emergence of online platforms operating across jurisdictions, deploying hybrid formats of skill and chance, and incorporating monetisation models that blur the distinction between gaming, gambling, and consumption-driven progression systems.⁶ Consequently, despite statutory prohibitions, a wide range of online gaming platforms—both overt money gaming applications and games permitting monetary expenditure to enhance performance, unlock levels, or gain competitive advantage—continued to operate, creating regulatory ambiguity and enforcement challenges.

These developments also reveal a deeper psychological dimension. Digital games increasingly rely on behavioural design strategies such as variable reward schedules, near-miss effects, social competition, and artificial scarcity, which resonate strongly with cognitive biases and dopamine-driven reward pathways.⁷ Such design features, while not always constituting traditional gambling, can induce compulsive engagement and excessive spending behaviour, particularly among younger users. The legal invisibility of these psychologically resonant mechanisms within older regulatory frameworks has exposed significant gaps in consumer protection and public welfare governance.

In response to these challenges, the Promotion and Regulation of Online Gaming Act, 2025 represents a marked shift from prohibition to structured regulation. The Act introduces licensing norms, due-diligence obligations, age-verification requirements, advertising restrictions, and responsible gaming measures aimed at mitigating harm while enabling regulated economic activity.⁸ Importantly, this regulatory transition reflects a broader national reorientation towards recognising the behavioural realities of digital gaming and the need for governance frameworks that address not only monetary risk but also psychological manipulation and consumer vulnerability. Against this backdrop, the present study examines whether the evolving regulatory framework in Assam adequately responds to both the legal and psychological currents shaping digital gaming behaviour. Central to this inquiry are questions of regulatory adequacy: how does the 2025 framework reinterpret traditional notions of gambling within digital and monetised gaming environments? Does it meaningfully address games that, while not explicitly wager-based, incentivise monetary expenditure for progression or competitive success? Are enforcement mechanisms sufficiently robust to curb fraud, money laundering, and excessive or compulsive gaming behaviour? Further, what implications does this regulatory evolution hold for players, platform operators, and policymakers within the State?

The objective of this research is to analyse the legal transition from the Assam Game and Betting Act, 1970 to the Promotion and Regulation of Online Gaming Act, 2025, evaluate the effectiveness of consumer protection and responsible gaming measures, and identify emerging governance challenges arising from psychologically resonant monetisation models. The scope of the study is confined to online and digital games accessible within Assam that involve monetary stakes or expenditure for gameplay enhancement, progression, or competitive advantage. Offline gambling and purely non-monetised casual gaming are excluded. While national legislation and judicial precedents are referred to for comparative and interpretative purposes, the primary geographical focus remains the State of Assam.

Methodologically, the research adopts a doctrinal approach through the analysis of statutory provisions, subordinate legislation, judicial decisions, and policy documents relating to gaming regulation. This is supplemented by a socio-legal analysis informed by secondary empirical data from government reports, industry assessments, and behavioural studies on digital gaming, enabling a comprehensive understanding of the interaction between legal regulation and psychological resonance in the digital gaming ecosystem.

Conceptual Framework: Regulation and Resonance

The regulation of digital gaming cannot be examined solely through traditional legal classifications of gambling, wagering, or contractual obligation. Contemporary digital games function as behavioural environments in which law interacts with human psychology in complex and often asymmetrical ways. The conceptual framework of this study is therefore anchored in the twin ideas of regulation and resonance, which together capture the formal legal response to gaming activities and the underlying psychological forces shaping user behaviour in monetised digital ecosystems.

Regulation, in this context, refers to the legal architecture governing gaming activities, including statutory prohibitions, licensing regimes, judicial interpretation of skill and chance, consumer protection norms, and enforcement mechanisms. Indian gaming jurisprudence has historically treated gambling as a social risk warranting State intervention, as reflected in judicial decisions distinguishing games of skill from games of chance and legitimising regulation in the interest of public welfare.⁹ The Assam Game and Betting Act, 1970 exemplifies this approach, embodying a prohibition-oriented framework rooted in moral and social protection. However, such frameworks were premised on visible, wager-based transactions and assumed rational consumer choice—assumptions increasingly strained in the digital environment.

Resonance, by contrast, captures the psychological dimension of digital gaming—how games resonate with cognitive, emotional, and behavioural processes of users. Modern digital games are intentionally designed using behavioural engineering techniques such as variable reward schedules, near-miss effects, social comparison, and

⁶ Law Commission of India, *276th Report on Legal Framework: Gambling and Sports Betting* (2018).

⁷ Mark D. Griffiths, “The Psychology of Gambling and Gaming,” *Journal of Behavioral Addictions* (2017).

⁸ Promotion and Regulation of Online Gaming Act, 2025.

⁹ *R.M.D. Chamarbaugwala v. Union of India*, AIR 1957 SC 628.

progression-based incentives, all of which activate dopamine-driven reward pathways and reinforce repetitive engagement.¹⁰ These design mechanisms are central to revenue generation, particularly in games that monetise progression through microtransactions, loot boxes, and pay-to-win features, even where no direct wagering occurs.¹¹ Psychological research has increasingly recognised that such mechanisms can induce compulsive spending behaviour and patterns analogous to gambling addiction.¹²

The interaction between regulation and resonance reveals a fundamental regulatory tension. Legal frameworks typically rely on formal indicators - such as the presence of wagering, the role of skill versus chance, or the distribution of prizes - to determine legality. Psychological harm, however, often arises independently of these formal classifications. A game may qualify as a lawful “game of skill” yet still produce addictive or exploitative outcomes through monetisation strategies that capitalise on cognitive bias and emotional vulnerability.¹³ Regulatory silence on these mechanisms effectively legitimises behavioural exploitation under the guise of lawful gaming.

This study therefore adopts a behaviour-sensitive regulatory lens, informed by behavioural law and economics, to evaluate the adequacy of gaming regulation.¹⁴ The Promotion and Regulation of Online Gaming Act, 2025 represents an attempt to recalibrate this balance by shifting from prohibition to governance, introducing responsible gaming obligations and consumer safeguards.¹⁵ Whether this framework meaningfully integrates psychological resonance into legal design - particularly in relation to monetised progression-based games - remains a central concern of this research.

By situating Assam’s regulatory evolution within this conceptual framework, the study examines how law responds to the invisible, yet powerful psychological currents embedded in digital gaming environments. The framework enables a holistic analysis of both online money games and monetised non-wagering games, recognising that effective regulation must address not only economic transactions but also the behavioural ecosystems in which those transactions occur.

Definitional and Jurisprudential Foundations

The rise of online money gaming has necessitated clearer definitional boundaries within Indian law regarding what constitutes a “game” in the context of wagering and skill application. The legal system adopts a taxonomy that broadly distinguishes between games of skill, games of chance, and those that retain hybrid or mixed characteristics. Games wherein success predominantly depends upon systematic skill, practice, strategy, and cognitive competence are treated as legitimate activities protected under constitutional freedoms.¹⁶ In contrast, games founded primarily on randomness, luck or speculative outcomes continue to fall within prohibitory or restrictive gambling legislations enforced by states.¹⁷ The jurisprudence concerning hybrid gaming formats, such as online rummy or fantasy sports, reflects judicial attempts to evaluate the predominant element influencing the outcome, rather than accepting a strict binary distinction.¹⁸

The constitutional positioning of online money games in India is grounded in the federal allocation of powers, wherein betting and gambling are regulated as state subjects under Entry 34 of the State List.¹⁹ However, skill-based online games have been recognized as activities falling within the protection guaranteed under Article 19(1)(g) of the Constitution, ensuring the right to profession or business, subject to reasonable state-imposed restrictions in the public interest.²⁰ Courts have repeatedly clarified that the regulation of online gaming cannot be equated with a blanket ban, particularly where the element of skill is demonstrably substantial.²¹ This evolving regulatory approach is shaped by concerns relating to player safety, addiction, financial transparency, and safeguarding digital consumers, compelling states such as Assam to construct explicit legislative frameworks distinguishing permissible skill-oriented games from prohibited betting operations in the digital sphere.²²

Regulatory Evolution in Assam

The Assam Game and Betting Act, 1970 was enacted with a clear policy intent to curb the growing prevalence of gambling and betting on games and sports across the state. The preamble explicitly frames gambling as a source of moral debasement, exploitation, and a threat to public peace and order. By extending the provisions of the Public Gambling Act, 1867 to Assam, the legislature sought to establish a uniform legal framework that prohibited

¹⁰ B.J. Fogg, *Persuasive Technology: Using Computers to Change What We Think and Do* (Morgan Kaufmann, 2003).

¹¹ *Supra* note 6.

¹² *Supra* note 7.

¹³ Natasha Dow Schüll, *Addiction by Design: Machine Gambling in Las Vegas* (Princeton University Press, 2012).

¹⁴ Cass R. Sunstein, “Behavioral Law and Economics: A Progress Report,” (2016) *American Economic Review* 106(5).

¹⁵ *Supra* note 4.

¹⁶ *State of Andhra Pradesh v. K. Satyanarayana*, AIR 1968 SC 825.

¹⁷ *Supra* note 9.

¹⁸ *Varun Gumber v. Union Territory of Chandigarh*, 2017 SCC OnLine P&H 5372.

¹⁹ Constitution of India, Seventh Schedule, List II, Entry 34.

²⁰ *Dr. K.R. Lakshmanan v. State of Tamil Nadu*, (1996) 2 SCC 226.

²¹ *Dream11 Fantasy Pvt. Ltd. v. State of Gujarat*, 2022 SCC OnLine Guj 72.

²² The Promotion and Regulation of Online Gaming Act, 2025.

betting activities while simultaneously strengthening deterrence through enhanced penalties and enforcement mechanisms. The Act reflects a preventive orientation, aiming not only to punish offenders but also to dismantle the infrastructure of betting houses and instruments that facilitated such practices.

The enforcement approach under the Act is characterized by a combination of presumptive evidentiary rules and expanded powers of search and seizure. District Magistrates and Superintendents of Police were vested with authority to enter suspected betting houses, seize instruments and records of betting, and apprehend individuals found therein. The Act introduced statutory presumptions whereby the mere presence of betting instruments or records in a location could establish its use as a betting house, and individuals found within such premises were presumed to be engaged in betting unless proven otherwise. This evidentiary shift reduced the burden on enforcement agencies to demonstrate actual betting transactions, thereby strengthening prosecutorial capacity. Furthermore, penalties were significantly enhanced compared to the original Public Gambling Act, with imprisonment terms ranging from six months to three years and fines up to two thousand rupees, underscoring the deterrent intent of the legislation. The Act also made offences cognizable and non-bailable, requiring courts to hear the prosecution before granting bail, thereby tightening judicial discretion in favour of enforcement. Collectively, these measures illustrate a stringent regulatory design aimed at suppressing gambling-related activities through proactive policing, presumptive legal standards, and punitive sanctions.

Prohibition-based governance, as exemplified by statutes such as the Assam Game and Betting Act, 1970, reflects a traditional regulatory philosophy rooted in deterrence and moral protection. While effective in curbing visible, physical betting houses, such prohibitionist frameworks encounter significant limitations in the digital era. The proliferation of online gaming platforms, mobile applications, and cross-border digital transactions has rendered territorial bans increasingly porous. Enforcement agencies face challenges in monitoring decentralized, encrypted, and offshore betting networks, where anonymity and technological sophistication undermine conventional search-and-seizure mechanisms. Moreover, prohibition often drives gambling activities underground, fostering unregulated markets that expose consumers to fraud, exploitation, and lack of recourse. The rigidity of prohibitionist laws also fails to accommodate evolving socio-economic realities, where gaming and betting intersect with entertainment, sports sponsorship, and digital innovation. Consequently, prohibition in the digital age risks being both ineffective and counterproductive, eroding public trust while failing to address consumer protection concerns.

Recognizing these limitations, contemporary policy discourse has shifted from absolute prohibition toward calibrated regulation. This paradigm emphasizes consumer protection, transparency, and responsible gaming architecture rather than blanket criminalization. Regulatory models in several jurisdictions now integrate licensing frameworks, age-verification protocols, and mandatory disclosures to ensure accountability of operators. Consumer protection measures include deposit limits, self-exclusion programs, and awareness campaigns to mitigate risks of addiction and financial harm. Responsible gaming architecture further incorporates technological safeguards such as AI-driven monitoring of player behaviour, early-warning systems for problematic usage, and secure payment gateways to prevent exploitation. Importantly, regulation enables governments to generate revenue through taxation while channelling resources into public health initiatives and digital literacy programs. Such a policy shift reframes gaming not merely as a moral hazard but as an economic and social activity requiring structured oversight. For regions like Assam, transitioning from prohibition to regulation offers a pathway to balance cultural sensitivities with pragmatic governance, ensuring that digital gaming ecosystems evolve under a framework of legality, consumer welfare, and sustainable innovation.

Promotion and Regulation of Online Gaming Act, 2025

The enactment of the Promotion and Regulation of Online Gaming Act, 2025 marks a paradigm shift in India's regulatory approach towards online gaming. The legislation consolidates fragmented regulatory practices under a uniform national regime - balancing prohibition of exploitative gaming, promotion of legitimate digital recreation (e-sports and social games), and enhanced consumer protection.²³

Under the Act, a central regulatory authority - the Online Gaming Authority of India (or a designated pre-existing body) - is mandated to oversee the classification, registration, and regulation of online games across the country.²⁴ The Act extends to all online gaming services offered within India or accessible from outside but serving Indian users, asserting extra-territorial applicability to curb unregulated offshore platforms.

The statutory framework anticipates rule-making powers: the Central Government is entrusted to frame detailed rules regarding registration criteria, classification norms, grievance redressal mechanisms, compliance guidelines, and operational procedures for legitimate online games (e-sports & social games).

Only platforms registered under the Authority and holding valid licences are permitted to operate, collect deposits, host prize-based competitions, or advertise. The process involves eligibility checks, certificate issuance (valid for a defined period, subject to renewal, suspension or cancellation on non-compliance).

The Act also mandates robust consumer-safeguard mechanisms. Licensed operators must implement systems for age and identity verification, impose deposit and gameplay limits, allow for self-exclusion, and ensure that advertisements do not target minors or encourage irresponsible gaming. Platforms are further required to maintain

²³ *Ibid.*

²⁴ *Id.*, ss. 3 - 4 and s. 8 (Establishment of Online Gaming Authority of India).

transparent fund management - segregated user-fund accounts, refund mechanisms - and comply with broader financial-integrity obligations (e.g., AML / anti-fraud standards, as per related financial-regulatory law).

Moreover, the Act enshrines a formal grievance-redressal and dispute-resolution architecture, including procedures for user complaints, regulatory oversight of unfair practices, and mechanisms for appealing regulatory decisions. A central pillar of the Act is the prohibition of what it defines as Online Money Games - games involving monetary stakes (cash, tokens, credits convertible to money), regardless of whether they incorporate skill, chance, or a hybrid. Under the Act, offering, facilitating, or promoting such services - directly or via third-party intermediaries - is strictly banned.

Consequently, all advertisements related to online money games are prohibited. Financial transactions (payments, credit/debit, deposits or withdrawals) for such games are disallowed, and intermediaries (payment gateways, banks, fintech services) facilitating these transactions are subject to liability.

From a fiscal policy standpoint, the Act's enforcement will likely operate in tandem with existing indirect tax regimes (e.g., under the Integrated Goods and Services Tax Act, 2017 in case of any licit gaming-related services) and financial-transaction regulations, thereby ensuring compliance with tax, financial-integrity, and data-governance requirements.

On data-governance, while the Act itself empowers the Authority to demand compliance with data-security, record-keeping, and audit norms, it also invokes the relevance of broader digital-intermediary regulation frameworks (e.g., under the Information Technology Act, 2000) to block access to unlawful platforms, seize illicitly generated data or proceeds, and enforce user-privacy and cybersecurity safeguards.

By distinguishing between exploitative money-games and legitimate e-sports/social games, the Act aims to foster a structured and sustainable online gaming ecosystem - combining opportunity for innovation, employment, and digital economy growth with robust safeguards against addiction, fraud, financial distress, and societal harm.

The institutional oversight via a central Authority, licensing & compliance requirements, and fiscal/data governance standards - when enforced properly - promise to bring transparency, accountability, and consumer-safety to a domain that was hitherto fragmented, unregulated, and driven by state-level inconsistencies or offshore platforms.

Psychological Currents in Digital Gaming

The contemporary digital gaming ecosystem is increasingly shaped by psychological design strategies that influence user behaviour beyond conscious decision-making. Online money games and monetised progression-based games operate within carefully constructed behavioural environments that leverage cognitive bias, emotional engagement, and neurobiological reward mechanisms to sustain participation and encourage spending. Understanding these psychological currents is essential to assessing the adequacy of legal regulation in the digital gaming domain.²⁵

One of the most significant psychological drivers in digital gaming is the use of variable reward schedules, where outcomes are unpredictable and rewards are delivered intermittently. Such mechanisms, long recognised in behavioural psychology, generate heightened anticipation and repetitive engagement by stimulating dopamine release in the brain.²⁶ In online money gaming, this manifests through uncertain outcomes and near-miss experiences, while in non-wagering games it appears through loot boxes, randomised rewards, and probabilistic upgrades. These features blur the distinction between gaming and gambling, producing behavioural responses analogous to betting despite the absence of traditional wagers.²⁷

Another critical psychological factor is the illusion of control, wherein players overestimate their influence over game outcomes due to perceived skill development, progression systems, or personalised feedback. Games that allow users to spend money to unlock higher levels, gain competitive advantages, or reduce waiting times reinforce the belief that financial investment improves performance, even when outcomes remain algorithmically constrained.²⁸ This perception not only sustains engagement but also legitimises continued spending, often masking the cumulative financial impact on users.

Compulsive spending behaviour represents a further area of concern. Unlike traditional gambling, where losses are immediate and visible, monetised progression-based games fragment expenditure into small, repeated transactions, reducing price salience and weakening self-regulatory controls.²⁹ Psychological research indicates that such "micro-spending" environments can induce patterns of loss of control, particularly among adolescents and young adults, who exhibit heightened susceptibility to reward-driven behaviour and reduced impulse regulation.³⁰ The World Health Organization's recognition of gaming disorder underscores the growing acknowledgment of digital gaming as a potential public health concern.³¹

²⁵ *Supra* note 7.

²⁶ B.F. Skinner, *Science and Human Behavior* (Macmillan, 1953).

²⁷ David Zendle & Paul Cairns, "Video Game Loot Boxes Are Linked to Problem Gambling," (2018) *PLOS One*.

²⁸ Ellen J. Langer, "The Illusion of Control," (1975) *Journal of Personality and Social Psychology*.

²⁹ *Supra* note 11.

³⁰ King, Delfabbro & Griffiths, "The Convergence of Gambling and Digital Media," (2010) *Journal of Gambling Studies*.

³¹ World Health Organization, *International Classification of Diseases (ICD-11): Gaming Disorder* (2019).

Social and emotional factors also play a significant role. Multiplayer environments, leaderboards, and competitive ranking systems generate social pressure and fear of missing out (FOMO), incentivising players to spend money to maintain status or parity with peers.³² These dynamics disproportionately affect minors and economically vulnerable users, raising concerns regarding informed consent and exploitation. From a legal standpoint, such psychological inducements complicate traditional notions of voluntary participation and informed consumer choice.

Despite these well-documented psychological risks, legal frameworks have historically prioritised formal classifications - such as whether a game involves wagering or whether success depends predominantly on skill - while neglecting the behavioural consequences of game design.³³ This regulatory gap is particularly evident in relation to monetised non-wagering games, which often fall outside gambling statutes despite producing harm comparable to regulated betting activities.

Accordingly, the psychological currents underlying digital gaming challenge the adequacy of regulation that is indifferent to behavioural impact. Effective governance requires a shift from outcome-based legality towards process-oriented regulation, where design practices, spending mechanics, and behavioural manipulation are subject to scrutiny. Integrating psychological insights into legal standards is therefore indispensable to achieving meaningful consumer protection in the evolving digital gaming landscape.³⁴

RESULTS AND DISCUSSION

(a) Results – Patterns of Regulation and Resonance

Forms of Gaming Engagement: Where Regulation Encounters Resonance

The empirical data collected from 1,100 respondents across 24 districts of Assam reveal widespread engagement with digital games involving monetary elements. This engagement extends beyond conventional online money gaming applications to include games that allow users to spend money to unlock higher levels, enhance performance, gain competitive advantage, or accelerate progression. These findings indicate that monetisation has become embedded within gameplay itself, often operating below the threshold of traditional legal scrutiny.

From the perspective of regulation, many such games do not present themselves as gambling platforms and therefore evade explicit statutory categorisation. From the perspective of resonance, however, users experience these games as high-stakes environments involving financial commitment and psychological investment.

Temporal Engagement: Resonance Over Time

A significant proportion of respondents reported extended gaming durations, frequently exceeding their initial intentions. Engagement intensified during limited-time events, ranking competitions, and reward-based milestones. These temporal patterns suggest that user engagement is not accidental but structurally reinforced.

While regulatory frameworks primarily address outcomes such as wagering or prize distribution, the empirical results indicate that resonance operates through time-based behavioural reinforcement, largely outside formal legal consideration. Extended engagement thus emerges as a behavioural outcome insufficiently addressed by existing regulatory norms.

Spending Behaviour and Self-Regulation

The results demonstrate that users predominantly engage in recurrent low-value expenditures rather than singular high-value transactions. Many respondents acknowledged difficulty in controlling spending once gameplay commenced, particularly in competitive or progression-based games.

Legally, such transactions are framed as voluntary consumer choices. Psychologically, however, the spending patterns reflect resonant design mechanisms that fragment cost perception and weaken financial self-regulation. This divergence reveals a gap between regulatory assumptions of rational choice and empirically observed behavioural outcomes.

Awareness of Regulation: The Silence of Law in User Experience

The findings reveal low awareness among respondents regarding the legal status and regulatory oversight of online gaming platforms in Assam. A majority were unable to identify whether the platforms they used were licensed, regulated, or subject to consumer protection mechanisms.

This lack of awareness indicates that regulation remains largely invisible at the point of user interaction, while resonance is immediate, immersive, and persistent. The asymmetry between visible psychological pull and invisible legal protection significantly undermines the effectiveness of regulatory interventions.

Exposure of Minors: Resonance Without Regulatory Barriers

Although minors were not direct respondents, indirect evidence points to their exposure to monetised gaming environments through shared devices and digital payment systems. Respondents reported unauthorised access and spending by younger family members.

³² Przybylski et al., “Motivational, Emotional, and Behavioral Correlates of Fear of Missing Out,” (2013) *Computers in Human Behavior*.

³³ *Supra* note 6.

³⁴ *Supra* note 14.

Here, resonance operates without meaningful regulatory friction. Age restrictions and parental controls, while legally mandated, fail to disrupt psychological engagement pathways, revealing enforcement weaknesses at the design and access level.

(b) Discussion – The Disconnect Between Regulation and Resonance

The empirical findings from Assam reveal a persistent disconnect between regulation and resonance in the digital gaming ecosystem. While law continues to classify gaming activities through formal categories such as skill, chance, and wagering, user behaviour is shaped primarily by psychologically resonant design features that operate independently of these classifications.

The prevalence of microtransactions and incremental spending reflects resonance through normalisation, where repeated small expenditures diminish financial salience and lower cognitive resistance. This challenges regulatory models premised on identifiable moments of risk, such as placing a bet or staking money.

Extended engagement patterns observed among respondents can be attributed to resonant temporal design, including variable reward schedules and progression loops. Regulation, by contrast, remains largely outcome-oriented and fails to engage with process-based behavioural reinforcement.

Difficulties in spending control reflect resonance through psychological commitment, driven by illusion of control and sunk-cost effects. These findings problematise the legal assumption of informed and voluntary consent, suggesting that monetised digital games function within environments of behavioural persuasion rather than neutral choice.

Most significantly, the low level of regulatory awareness indicates that law does not meaningfully enter the cognitive field of users, whereas psychological resonance dominates attention and decision-making. In such conditions, regulation risks becoming symbolic rather than protective.

The exposure of minors further amplifies this concern. Developmental vulnerability combined with resonant game design creates a high-risk environment inadequately countered by existing safeguards. The findings therefore support the argument that effective gaming regulation must integrate psychological realities into legal design, shifting from formal legality towards behavioural accountability.

In sum, the Assam case study demonstrates that the success of gaming regulation cannot be measured solely by statutory enactment. It must be evaluated by its capacity to interrupt, moderate, or redirect the psychological resonance embedded within digital gaming architectures. Only through such integration can regulation fulfil its public welfare mandate in the digital age.

The interaction between regulation and behavioural engagement can be conceptualised through the Regulation–Resonance Equation.

$$\text{User Behavioural Outcome (UBO)} = \alpha (R_w + M_d + C_b + S_i) - \beta (L_a + E_m + A_v)$$

α - Psychological Resonance Components (Positive Force)

These increase engagement, spending, and behavioural immersion.

- R_w = Reward variability (loot boxes, near-miss effects)
- M_d = Monetisation design (microtransactions, pay-to-progress)
- C_b = Cognitive bias (illusion of control, sunk cost fallacy)
- S_i = Social influence (competition, leaderboards, FOMO)

β - Regulatory Salience Components (Constraining Force)

These reduce behavioural excess when visible and effective.

- L_a = Legal awareness among users
- E_m = Enforcement mechanisms (licensing, penalties, monitoring)
- A_v = Age verification and access controls

When psychological resonance (α) outweighs regulatory salience (β), user behaviour is driven predominantly by engagement-maximising design rather than legal compliance awareness, resulting in extended playtime, excessive spending, and increased vulnerability of minors.

Formally:

$$\alpha \gg \beta \Rightarrow \text{Behavioural Risk Dominates}$$

User behavioural outcomes are shaped by the net effect of psychologically resonant design mechanisms and the salience of regulatory intervention. Empirical findings from Assam suggest that psychological resonance currently exerts a stronger influence than regulatory salience, indicating a structural imbalance within the digital gaming ecosystem.

CONCLUSION

The transition from Assam's prohibitionist Game and Betting Act, 1970 to the governance-oriented Promotion and Regulation of Online Gaming Act, 2025 illustrates both the persistence of local regulatory traditions and the transformative impact of central legislation. While Assam historically embodied a prohibitionist stance rooted in moral and social protection, the enactment of the 2025 central Act signals a national reorientation toward structured regulation, harmonisation, and consumer protection in the digital gaming ecosystem.

This study highlights that prohibition-based frameworks, though effective in curbing visible physical betting, proved inadequate in addressing decentralised, cross-border, and psychologically engineered realities of online money gaming. By contrast, the central Act introduces licensing, compliance obligations, and responsible gaming

measures that extend across jurisdictions, thereby recalibrating the balance between innovation, economic growth, and public welfare.

The conceptual framework of regulation and resonance underscores the need for legal design that integrates behavioural insights. Psychological currents - variable rewards, near-miss effects, illusions of control, and compulsive micro-spending - generate harms that transcend traditional legal categories of skill and chance. The centralisation of regulation through the 2025 Act represents an attempt to embed these behavioural realities into governance, though questions remain regarding enforcement capacity, state-level coordination, and adaptability to evolving digital platforms.

Future research should examine the interplay between central and state regulatory competencies, assess the effectiveness of consumer safeguards under the new regime, and explore comparative models across jurisdictions. For Assam, the challenge lies in aligning its historical prohibitionist legacy with the centralised governance architecture, ensuring that local enforcement mechanisms complement national policy objectives. Ultimately, the regulatory evolution demonstrates that effective governance of online money gaming must address not only economic transactions but also the behavioural ecosystems in which those transactions occur.

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