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Real-Money GAMING

- DREAM11
- FANTASY AKHADA
- MPL
- WINZO — PLAY MORE WIN MORE

Non Real-Money GAMING

- Nazara™
- DELTA CORP LIMITED

Basis	Before - 18% GST	After - 28% GST
Payable Tax	Companies had to pay 18% GST	Companies have to pay 28% GST
Tax Levied on	Tax levied on Gross Gaming Revenue	Tax levied on Total Game Value for online gaming, horse racing & casinos
TDS Levied	30% TDS on Net winning	30% on Net winning
Example	Bet Amount = Rs. 100 (Inc. Rs.20 of Platform fee) GST Rate= 18% GST Amount Payable= Rs. 3.60	Bet Amount = Rs. 100 (Inc. Rs.20 of Platform fee) GST Rate= 28% GST Amount Payable= Rs. 28
Decrease in Retained Earnings	Amount Retained= 100.00 - 20.00 - 3.60 = Rs. 76.40 Besides this, additional 30% TDS from winning	Amount Retained= 100.00 - 20.00 - 28.00 = Rs. 52.00 Besides this, additional 30% TDS from winning

01 INCREASED COST OF CONSUMERS

Biggest impact of the **28% GST** is that it has made online gaming more expensive for consumers.

02 LOSS OF JOBS

The gaming industry employs thousands of people in India. The high GST rate could lead to job losses. Companies like MPL have laid off 350 employees.

INCREASED USE OF OFFSHORE GAMING PLATFORMS 03

Gamers may switch to offshore gaming platforms that are not subject to the 28% GST leading to loss of revenues.

OPERATIONAL DIFFICULTIES 04

Tax will increase the costs of doing business for gaming companies. M&As of a few smaller-scale gaming startups can be seen in near future.

REDUCED INVESTMENT IN THE GAMING INDUSTRY 05

High GST rate could discourage investment in the industry. Acc. to estimates, it could lead to a write-off worth $2.5 billion.

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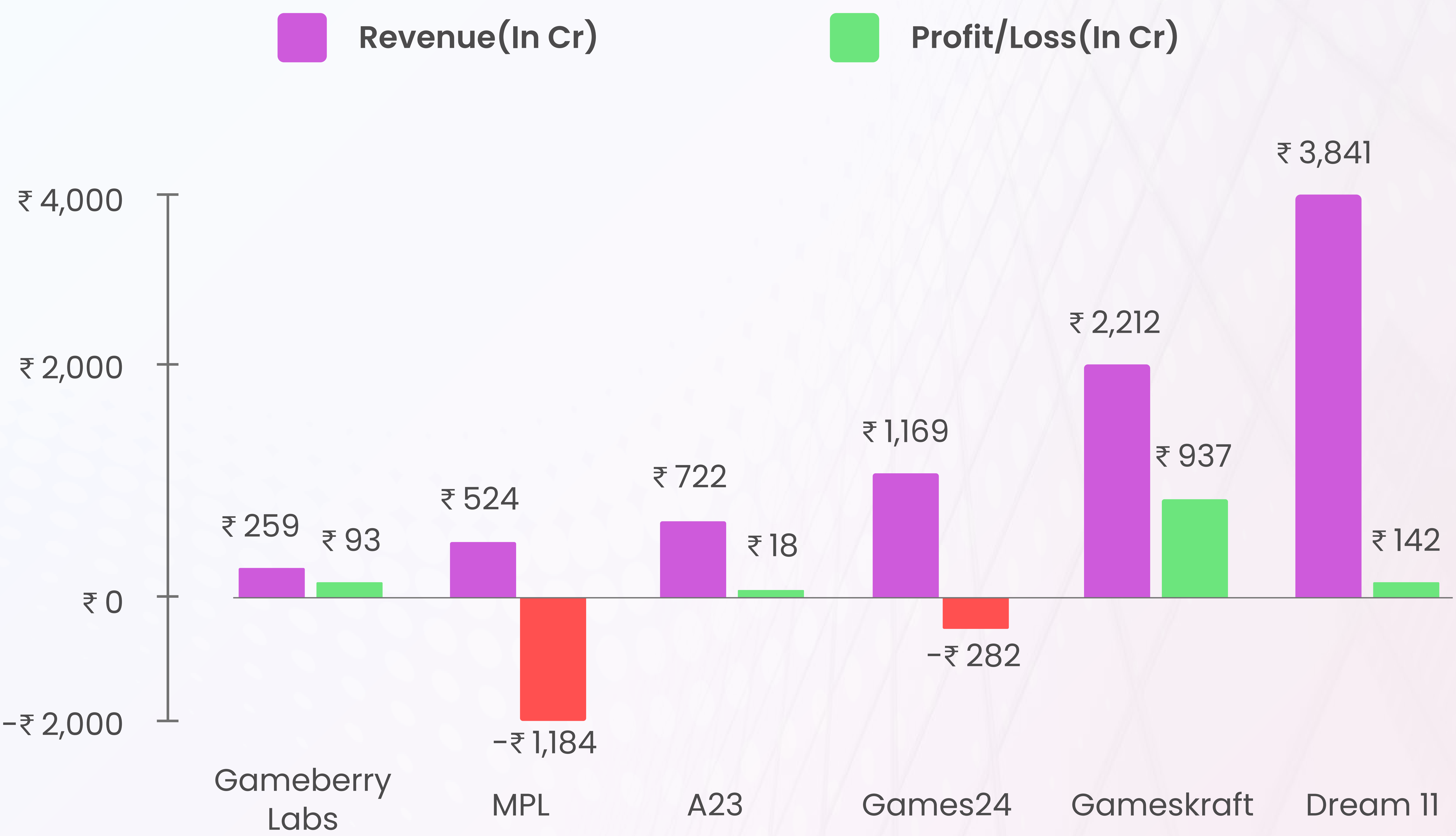
Financial Performance of Industry Peers (2023)



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