

## **ARTIFICIAL INTELLIGENCE AND COPYRIGHT LAW: OWNERSHIP ISSUES IN AI-GENERATED WORKS**

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**Abstract:** This paper examines the issues and challenges in ownership related AI generated outcomes, our studies on human-generated AI datasets or contents which raise complex legal and ethical questions about authorship or first creator of data, originality, and the rights of creators.

We examine that case studies and legal precedents, such as the use of copyrighted material for training AI models, commercial advertisement by using picture of any celebrity or deep fake picture of icon of country and the eligibility of AI-generated outputs for copyright protection. The paper also discusses potential solutions, such as licensing agreements, transparency in training & advertising data, and the development of new legal paradigms to address the unique nature of AI creativity.

By analyzing the intersection of generative AI data and intellectual property rights or copy right issue, we are highlight the need for balanced policies or products that protect the rights of human creators while fostering innovation in advance AI technologies.

**Keywords:** AI, Copyrights, Patents, IPR, Generative Artificial Intelligence (Gen AI), copyright, ownership, creative rights, authorship, originality, AI-generated works, infringement, training data, licensing agreements, legal frameworks, human creativity, innovation, AI ethics. Gen AI's 'Hallucinations'

### **Introduction:**

1-AI: The AI is “Artificial Intelligence” means a process of replicating or duplicating human intelligence thru a man made machine equipped with software technology which has the capability of performing various tasks like learning, reasoning, problem-solving and decision making. With AI technology on the rise, it has considerably changed industries and day to day tasks due to its capability of automating processes while dealing with a lot of data stored in different web world. An AI system is able to replicate the human’s cognitive functions which permits the device to make fast decisions with the minimum help of a human being after evaluating a great deal of information and recognizing trends through the use of pattern recognition.

The AI generated contents are helping people to solve their problems in micro seconds which is fastest tool than ever, it helps to solve the problem by searching data available at different websites, servers and other places. It also has adverse effects on copyright issue

because AI generated data does not explain the primary source of the originates or parental origin of data. AI data cannot claim the original author who generated it. Hence author cannot claim its original author as per law in India. Example of **Deep fake** creates the highly realistic synthetic media, manipulating image or picture, video and audio to depict events or person who has never existing. This is also creating with the help of **Generative Adversarial Network (GAN)** which is an ethical and risk for society. This represents power AI technology. We do not have Phool proof system to track this complex task. We can only use convolution Neural networks (CNN) to detect deep fake inconsistencies in unnatural skin texture, irregularities in lighting and facial movement.

AI is not a natural human who inherently contains rights obligations, It is a tool created by human that can mimic certain human behavior but lack consciousness ,emotions and lived experience, In India there is law existing related to AI and law is applicable

for human being flora and fauna ,animals ,birds and organisms area under protection from human beings. The Indian law also recognized for non human like companies, trust etc. As per the Meaty, Indian government is unlikely to introduce law related to AI but AI to ensure compliance with certain requirement. Such as bias and labeling AI generated contents. India's AI plan was launched in 2018 when NITI AYOGE envisioned that the country needed to develop AI is a responsible way with proper guidelines and teamwork between different groups, The Idea grew bigger with the AI 2021 Indian AI mission which got Rs.10371.92 crores budget outlay as reported in PIB On 07<sup>th</sup> March 2024.

Recently on 9<sup>th</sup> March 2026,India has dismissed Deep fake AI generated video falsely showing Army chief General Upendra was leaked location of Iranian warship location to USA. Expert traced the altered dialogue audio with dialogue footage, similarly During Sindoor operations some of the altered video clip circulated which later found altered and harmful substances added in footage. However, Government has no clue to reach to the root of the platform from where it is being circulated first time, it is due to some of the video circulated from the out of country or country uses VPN internet service where we cannot trace IP address of sender.

In India there is no law related to AI model but there are several others specific law in India to tackle the AI generated law currently like IT act 2000 of section 43 which provides compensation for data breach. Another DPDP act 2023 (Digital Personal data protection) which provides the safe guards to individuals allowing their personal share to be shared with limitation. However no law related to AI existing currently in India but other countries like Australia and European unions has enacted law related to Artificial Intelligence in 2024 which categories in risk-based categories Unacceptable risk, high risk and minimum risk. The Same United States has Create AI act 2025,The United Kingdom has formed law The Artificial Intelligence (regulation)bill 2025 which focus on creation of AI authority, business AI model, appointment of AI officer by organisation and reported requirement system.

**Examples:** Some of the Prominent examples include Open AI's Chat GPT models for text generation,

Bharat law AI, Law room AI, Case Mine,Vidur ((legal and historical legal studies), Law Geex (contract review platform, Google Gemini (Real time access of current legal standards),AI lawyer (templates for legal documents),Notion AI (Digital smart note taking),Perplexity (source legal research), Scholarly (Lengthy legal work convert into structured flashcard, Elicit (Legal literature review),Lexis +AI (conversational layer for question and answer), Bloomberg law (Business intelligence),DALL·E and Stable Diffusion for image creation, and various AI tools for music composition and software development.

### **The Rise of Advance &Generative AI in Creative Industries”**

Advance AI ad Generative AI are being used to create visual art, write stories, written notes and poetry, compose music, and even generate code or its impression. These applications are transforming creative processes and enabling new forms of expression.

**AI is transforming the legal industry by automating routine tasks, enhancing productivity, and reshaping workflows, while also presenting challenges related to ethics and privacy. Upon developing AI Fastly across the world which creates the Intellectual Property (IP) Challenges in copy rights, Patents and Trademark.**

**a-** Ambiguities in Ownership and Authorship: The rise of generative AI raises questions about who owns the legal rights of AI-generated content and who can be considered the actual author. These ambiguities challenge traditional notions of intellectual property.

**b-** Balancing Innovation with the Protection of Creators' legal and moral Rights:

While generative AI drives innovation or using advance AI, it also poses risks to creators' rights. Striking a balance between encouraging technological advancement, protecting intellectual property is a key challenge.

**Scope, procedures, Limitations & Exceptions:**

**1-Fair Use with Transformative Works:** Fair use allows limited use of copyrighted material without permission for purposes such as criticism, comment, news reporting, teaching, and research to the other persons. Transformative works, which add new expression or meaning, may also qualify for fair use.

**2-Public domain and license and open-source license:** Works in public domain are not protected by the copyright and can be freely use by the public. Open-source license allows creator to share their works with specific uses rights, promoting collaboration and innovation.

**3-Risks of AI Generating Infringing Content:** AI systems trained on copyrighted material may inadvertently generate content that infringes on existing copyrights. This raises questions about liability for both developers and users.

**4-Liability for authors, Developers and Users:** Developers may be held liable for creating systems that produce infringing content, while users may face liability for distributing or using such content. Clear guidelines and safeguards are needed to mitigate these risks.

**Recent example:**

**Supreme Court Calls Trial Court's Reliance on AI-Generated Fake**

The Supreme Court of India has issued a stern warning regarding the use of artificial intelligence in judicial processes. Orders based on fake, AI generated judgments will be considered judicial misconduct.

The top court is examining the consequences and accountability of such practices. Notices have been issued to the Attorney General, Solicitor General, and the Bar Council of India. The Supreme Court condemned reliance on AI-generated judgments as misconduct and warned that such practices undermine judicial integrity. The court has appointed senior advocate Shyam Divan to assist in the matter.

**Legal framework gaps:** The copyright act 1957 lacks of provision of AI generated contents creating uncertainty for both creator and companies.

Section 27 of 2, trademark act 1999 states that nothing in the Act shall affect the right to take or continue an action against another.

Under section 2d ,3 & 15 of Indian design act 2000,protection is granted to new and original design through Industrial process.

The landmark **Raghav AI** case demonstrates a regulatory vacuum, where initial copyright recognition was later withdrawn due to unclear legal standing of AI co-authorship.

MeitY's advisory in 2024 on due diligence by international platform under information technology rules 2021 establishes platform obligations, practical implementation mechanism remain undefined, regarding content labelling, liability assessment, data harvesting practices and enforcement procedure.

**5-Evaluating Transformative Use:** Determining whether AI-generated works qualify as transformative involves assessing whether they add new expression, meaning, or message to the original work. This is a key factor in fair use analysis.

**6-Legal Precedents and Applicability to Generative AI:** Existing legal precedents on transformative use and fair use may provide guidance, but their applicability to AI-generated content is still evolving. Courts will need to adapt these principles to the unique challenges posed by generative AI.

By addressing these issues, stakeholders can navigate the complex intersection of generative AI and intellectual property law, fostering innovation while protecting creators' rights. This balance is essential for ensuring that the benefits of generative AI are realized in a fair and equitable manner.

**7-Ethical and Creative Rights Considerations:**

- **Concerns About Devaluing Human Creativity and Labor:** The rise of generative AI raises concerns that it could devalue human creativity and labor by automating tasks traditionally performed by artists, writers, and other creators. This could lead to economic and cultural repercussions.

-Potential for AI to Displace Artists, Writers, and Other Creators: As AI becomes more Capable, there is a risk that it could displace human creators in certain fields, leading to job losses and a shift in the creative landscape.

#### 8-Attribution and Moral Rights:

-Ensuring Proper Credit for Human Contributors: In collaborative projects involving

AI, it is essential to ensure that human contributors receive proper credit for their work.

This includes acknowledging their role in training, guiding, or curating AI outputs.

-Moral Rights in Jurisdictions That Recognize Them: In jurisdictions that recognize

moral rights (e.g., *droit d'auteur* in France), creators have the right to attribution and the integrity of their work. These rights must be considered in the context of AI-generated content.

#### 9-Bias and Representation:

-Risks of AI Perpetuating Biases in Training Data: AI systems trained on biased datasets may perpetuate or even amplify existing biases, leading to ethical concerns about representation and fairness in creative works

-Ethical Implications for Diversity and Inclusion: Ensuring diversity and inclusion in AI-generated content is crucial. This involves addressing biases in training data and promoting equitable representation across different demographics and cultures.

#### 10-Current Legal Frameworks

-How Existing IP Laws Address (or Fail to Address) Generative AI: Current intellectual

property laws were not designed with AI in mind, leading to ambiguities and gaps in how they address AI-generated content. This includes questions about authorship, ownership, and infringement.

-Jurisdictional Differences in Handling AI-Generated Content: Different jurisdictions

have varying approaches to AI and copyright, leading to a lack of uniformity in legal

Standards. This complicates the global regulation of AI-generated content

#### 11-Emerging Policies and Guidelines

Proposals for Updating Copyright Laws to Account for AI: Policymakers and legal

experts are proposing updates to copyright laws to better address the challenges posed by generative AI. This includes clarifying authorship and ownership rules for AI-generated works.

Role of Organizations Like the India Copyright registration office and WIPO: Organizations such as the Indian copy rights law and the World Intellectual Property Organization (WIPO) play a crucial role in shaping policies and guidelines for AI and intellectual property. Their efforts can help establish international standards and best practices.

#### 12-Industry Self-Regulation

Ethical Guidelines for AI Developers and Users:

The tech industry is increasingly adopting ethical guidelines to govern the development and use of generative AI. These guidelines emphasize transparency, accountability, and respect for creators' rights.

Collaborative Efforts to Establish Best Practices:

Collaborative initiatives involving stakeholders from the tech industry, creative sectors, and legal communities are working to establish best practices for the ethical use of generative AI. These efforts aim to balance innovation with the protection of intellectual property

#### 13-A. AI-Generated Art and Copyright Disputes

The "Portrait of Edmond de Belamy" and Its Auction Sale: This AI-generated artwork,

Created by the collective Obvious, was sold at auction for a significant sum. The sale raised questions about the copyright status of AI-generated art and the role of human creators in the process.

Legal Battles Over AI-Generated Images and Their Copyright Status: Various legal

Disputes have arisen over the copyright status of AI-generated images, highlighting the need for clearer legal frameworks to address these issues.

AI-Composed Music and Its Use in Commercial Projects: AI-generated music is being

used in commercial projects, raising questions about authorship, ownership, and the rights of human composers.

AI-Authored Books and Their Eligibility for Copyright Protection: AI-authored books challenge traditional notions of authorship and originality, prompting debates about their eligibility for copyright protection.

#### 14-Ethical AI Development:

Encouraging Transparency in AI Training Data and Processes: Transparency in AI development is essential for building trust and ensuring ethical practices. This includes disclosing the sources of training data and the methodologies used in AI models.

Addressing Biases and Ensuring Equitable Representation: Efforts must be made to identify and mitigate biases in AI training data to ensure fair and equitable representation in AI-generated content. This involves diverse and inclusive data collection practices.

15-Harmonizing IP Laws Across Jurisdictions: The global nature of AI and creative industries necessitate harmonized intellectual property laws. International cooperation can help create consistent legal standards that protect creators' rights while fostering innovation.

Fostering International Dialogue on AI and Creative Rights: Ongoing international dialogue among stakeholders, including governments, industry leaders, and civil society, is essential for addressing the complex challenges posed by generative AI. Collaborative efforts can lead to the development of best practices and ethical guidelines.

#### Conclusion:

1-Generative AI as a Transformative Force in Creative Industries: It is a revolutionizing creative industries by enabling new forms of expression and enhancing productivity. However, it also presents significant challenges related to copy rights and intellectual property and creative rights.

2-The Need to Balance Innovation with the Protection of Intellectual Property and Creative Rights: Striking a balance between fostering innovation and protecting the rights of creators is

crucial. This requires updated legal frameworks, ethical guidelines, and collaborative efforts.

3-Advocating for Updated Legal Frameworks and Ethical Guidelines: Policymakers, industry leaders, and advocates must work together to develop and implement updated legal frameworks and ethical guidelines that address the unique challenges posed by generative AI.

4 - Encouraging Collaboration Among Creators, Developers, and Policymakers:

Collaboration among creators, developers, and policymakers is essential for creating a fair and equitable environment that supports both innovation and the protection of creativerights. By working together, stakeholders can ensure that the benefits of generative AI are realized while safeguarding the interests of human creators.

By addressing these future directions and solutions, we can navigate the complex intersection of generative AI and intellectual property, fostering a creative ecosystem that is both innovative and just. This balanced approach will help ensure that the transformative potential of generative AI is harnessed in a way that respects and protects the rights of all creators.

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