AI AND INTELLECTUAL PROPERTY IN THE DIGITAL AGE: EMERGING CHALLENGES IN INDIAN COPYRIGHT AND TRADEMARK LAW

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Abstract

In India digital content creation and e-commerce are experiencing unprecedented growth, the intersection of Artificial Intelligence (AI) with copyright and trademark law demands analysis of available legal protection. The rapid evolution of artificial intelligence (AI) has fundamentally transformed the digital landscape, raising new challenges and opportunities in the realm of intellectual property (IP) protection. This paper explores how AI technologies both disrupt and assist the enforcement of copyright and trademark rights in the digital space.

For protection of business reputation trademark protection is very important. In India, the Trademark act, 1999 is in place to take care of unauthorised uses of trademarks and brands, on physical as well as in digital space too. With the advent of artificial intelligence, the brand creation has been revolutionised as those are very new and innovative. It further makes it complex to identify the authorship and ownership. It requires analysis of current legal frameworks to identifies gaps in existing legislation, and examines recent judicial trends and policy initiatives addressing these emerging issues with respect to copyright and trademark law. The study also considers the dual role of AI, as both a potential violator through unauthorized content generation and counterfeiting, and as an enabler for intellectual property protection via advanced detection, monitoring, and rights management tools. In doing so, this paper highlights the need for adaptive, forward-looking legal reforms and regulatory strategies to safeguard creators' and brand owners' rights while fostering innovation in *India's rapidly digitizing economy.*

Keywords: Artificial Intelligence, Copyright, Trademark, Digital Age, Intellectual Property.

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Introduction

Intellectual Property Rights are the rights which belong to the human intellect and labour. The theories of John Locke i.e. the Natural Rights theory or the Labour Theory¹ is a great support to the jurisprudential development of IP rights across the globe. As the labour theory suggests if someone has invested his time and labour into creating a new thing, only the creator has the right to exploit it. Similar support can be given to protecting different kinds of IP rights as they all result from intellect, labour and skill and have considerable time invested in them. The different kinds of IP rights include copyright, trademark, patent, trade secret, biodiversity, plant varieties, geographical indications, design protection, semiconductor and integrated circuit layout design protection. Most of these IP rights have originality, creativity and unique attributes as their subject matter which needs protection.

Today in the digital age, information can be circulated on the internet in seconds and it can be copied easily without putting in a lot of effort or money. Copyrighted works on the internet can be easily copied by anyone and everyone even without the consent of the owner of the work. Trademark rights of the original owner of the mark can be exploited without the consent of the original holder of the mark and can confuse the minds of the consumers. The newly evolving personality rights and already existing privacy rights have been under a lot of scare of infringement due to the open use of Artificial Intelligence and related technologies. Deepfake videos of celebrities like Rashmika Mandanna using AI-based technology or using the image and voice of an individual to misguide the relatives of the individual have been very commonly used by defaulters in today's world.²

1. Copyright

Copyright is the right given to individuals to protect their original and creative works. It is given on works like literary, dramatic, musical, artistic work and cinematographic films and sound recordings. In today's digital age, copyright infringement has become very common due to easy access to the internet and social media. Warner Bros. Entertainment Inc., Columbia Pictures Industries, Inc., Disney Enterprises, Inc., Netflix US, and some other websites, have all received a dynamic+ injunction order against 64 websites showing pirated content from the Delhi High Court to safeguard their copyrighted works.³ Displaying pirated content without

¹ Jeffrey J. Brown, "Defending the Right of Publicity: A Natural Rights Perspective" 10 *Intellectual Property Law Bulletin* 131 (2006).

² Bhuvanesh Chandar, "Deepfake alarm: AI's shadow looms over entertainment industry after Rashmika Mandanna speaks out" *The Hindu*, 24 November 2023 *available at* https://www.thehindu.com/news/national/deepfake-alarm-ais-shadow-looms-over-entertainment-industry-after-rashmika-mandanna-speaks-out/article67565970.ece (last visited on 5 October 2024)

³ Warner Bros. Entertainment Inc. & Ors v Moviesmod.Bet & Ors., CS(COMM) 738/2024.

the consent of the original owner of the work and appropriate licensing is a very common form of infringement of copyright in cinematographic films and sound recordings. Dynamic or dynamic+ injunction orders are the best remedy that the courts in India have given against such websites or apps.⁴ In most of the cases of such dynamic injunction orders, reliance is placed on the case of *UTV Software Communication Ltd. And Ors.*⁵ where Justice Banerjee gave a very strong verdict against online piracy and laid down the parameters to act against such 'hydraheaded' or 'mirrored' websites, thus identifying it as a very common source of copyright infringement.⁶

Other ways of copyright infringement can be the usage of copyrighted articles or manuscripts without the consent of original authors or owners and proper attribution to them. One of the ways to protect such works is by the Rights Management Information⁷ and Technological Protection Measures⁸ as enshrined in the Copyright (Amendment) Act of 2012⁹. Protection of Technological Protection Measures under Section 65A of the Copyright Act – "Any person who circumvents effective technological measures applied to protect any of the rights conferred by this Act, to infringe such rights, shall be punishable with imprisonment which may extend to two years and shall also be liable to a fine". These measures suggest ways like watermarking a particular document or locking it with a password to give access to limited people to use the work with proper licensing arrangements. Sometimes the documents are protected with a watermark like SCC Online and also are prevented from copying further to protect the original work.

In the current digital age, with the advancement of usage of Artificial Intelligence, copyrighted work is being used by Artificial Intelligence ChatGPT to give results for a new work or need of the researcher. There have been some recent judgments where the usage of artificial intelligence-based platforms and the creation of new works has been contested by original authors whose work is paraphrased or relied upon by the platforms to give new results. In a recent case discussing online piracy and infringement of broadcaster's rights under the

⁴ Manmeet Kaur Sareen & Kanika Kalra, "Dynamic Injunctions – Internet 'Injunctions 2.0" ILI Law Review Vol. II (2019).

⁵ Utv Software Communication Ltd. And Ors v 1337X.To, AIRONLINE 2019 DEL 773.

⁶ "This Court is of the view that since website blocking is a cumbersome exercise and majority of the viewers / subscribers who access, view and download infringing content are youngsters who do not have knowledge that the said content is infringing and / or pirated, it directs the MEITY/DOT to explore the possibility of framing a policy under which a warning is issued to the viewers of the infringing content, if technologically feasible in the form of e-mails, or pop-ups or such other modes cautioning the viewers to cease viewing/downloading the infringing material. In the event the warning is not heeded to and the viewers/subscribers continue to view, access or download the infringing/pirated content, then a fine could be levied on the viewers/subscribers"

⁷ Copyright Act, 1957, s. 65B.

⁸ Copyright Act, 1957, s. 65A.

⁹ Zakir Thomas, 'Overview of Changes to the Indian Copyright Law', Vol 17 *JIPR* 324,334 (2012).

copyright regime i.e. the neighbouring rights of copyright, the Delhi High Court restrained the rogue websites from unauthorised streaming of the ICC Women's T20 World Cup 2024 and this was all done in anticipation of a copyright infringement. They were also injuncted from using and disseminating any information or excerpts of the tournament. The order also included instructions to lock and suspend the domains of these rogue and mirror websites and also gave power to the plaintiff for future action if they learned about such infringing sites.¹⁰

On August 9th 2023, the Delhi High Court¹¹ Under the ruling of Justice Prathiba Singh came out with a new order to curtail the rising cases of copyright infringement in the digital world and restrict the display of mirror or hydra-headed websites with the help of dynamic+injunction orders as discussed above. These orders not only protect the currently existing works of an owner but also the future works of the owner as soon as they have created them. Such orders apply mostly in cases of cinematographic films, videos, and sound recordings. Justice Prathiba Singh observed that "there is a need to pass injunctions which are also dynamic qua the Plaintiffs as well, as it is seen that upon any film or series being released, they may be immediately uploaded on the rogue websites, causing severe and instant monetary loss. Copyright in future works comes into existence immediately upon the work being created, and Plaintiffs may not be able to approach the Court for every film or series that is produced in the future, to secure an injunction against piracy".

Intellectual property rights are taken away from inventors and creators in an economy through counterfeiting and piracy, which has serious negative effects on customers and the economy as a whole in addition to the innovators themselves. The amount of money lost as a result of piracy and counterfeiting is enormous, and there is currently no accepted way to calculate it. It would be easier to combat and limit intellectual property crimes if a technique for calculating losses was developed and an IP Enforcement Agency was established with proper enforcement of rules and regulations. This was the suggestion of the Parliamentary Standing Committee's 161st Report On 'IPR Regime in India'.¹²

Further to this, there have been some issues related to the usage of AI to create content that the author seeks to be copyrighted in nature. Though incorrectly, the Indian copyright office has acknowledged the AI system RAGHAV as a co-author of a creative work and accepted the application for copyright protection. However, in the first instance, the copyright

¹⁰ Star India Private Limited v Crichd.Pk & Ors., CS(COMM) 518/2023.

¹¹ Universal City Studios LLC And Ors v Dotmovies. Baby and Ors., CS(COMM) 514/2023.

¹² One Hundred and Sixty-First Report Review of the Intellectual Property Rights Regime in India (2021) available at, https://files.lbr.cloud/public/2021-07/161_2021_7_15.pdf?VersionId=S01fCQEC5DzDqKNymsGgxal6YXmJbUwM (last visited on April 30 2025).

office denied the application made by Ankit Sahni, the designer of the AI system RAGHAV, identifying the AI system as the exclusive author of that work. Subsequently, the copyright office contacted Mr Sahni, the human co-author, to discuss the legal position of the AI system RAGHAV after inadvertently granting the registration. This led to the issuance of a notice for removal of the registration. The copyright office website still lists the application status as "registered," but the court has not yet decided on this. The court's ruling is highly significant for the problems about AI systems and intellectual property laws concerning copyright protection in India because it will set the standard for cases of a similar nature in the future since AI systems' usage to create content in the digital world is always evolving.¹³

Section 2 (d) of the Copyright Act of India, defines the term author to include, "about any literary, dramatic, musical or artistic work that is computer-generated, the person who causes the work to be created" which makes it clear that India still does not support AI-based authors for granting copyright over their works. ¹⁴ Further section 13 of the Act, defines work to be copyrighted and in the first clause it uses the word "original" before the literary, artistic, musical and dramatic work which indicates that work should be originating from human being and there is no reference of machine work to be protected. ¹⁵ The originality mentioned here is related to author whose intelligence is used for creation. If at all artificial intelligence has been used for creation of end work the human agent will be considered as creator according to the copyright jurisprudence and interpretation of the provisions and if Ai creating it automatically then there is no question of copyright protection ¹⁶.

There is one more jurisprudence to be attached and considered at this point is copyright expression is somewhat expression of personality of the creator and how then it will be applicable in case of artificial intelligence¹⁷. Further, while creating any creativity human being remember the legal limitation and do the work that ay be with reference to nudity, religion, defamation and like. When it comes to AI creativity no such restriction will be considered and if any hatred created amongst people which result into violence, who will take responsibility¹⁸.

¹³ Rajiv Sharma and Ninad Mittal, *Artificial Intelligence Lacks Personhood To Become The Author Of An Intellectual Property*, LiveLaw.in (2023), available at https://www.livelaw.in/law-firms/lap w-firm-articles-/artificial-intelligence-intellectual-property-indian-copyright-act-singhania-co-llp-238401(last visited on April 4, 2025).

¹⁴ Copyright Act 1957, s. 2(d).

¹⁵ Copyright Act 1957, s. 13.

¹⁶ Dr Sik Cheng Peng, 'Artificial Intelligence and Copyright: The Authors' Conundrum', WIPO-WTO Colloquium Paners, 2018

¹⁷ Brigitte Vézina and Brent Moran, "Artificial Intelligence and Creativity: Why We're against Copyright Protection for AI-Generated Output", *Creative Commons*, August 10, 2020, available at https://creativecommons.org/2020/08/10/no-copyright-protection-for-ai-generated-output/ (last visited on October 4,

¹⁸ V.K. Ahuja, 'Artificial Intelligence And Copyright: Issues And Challenges', *ILI Law Review*, Winter Issue , 271 - 285 (2020).

The Berne Convention for Copyright protection provides for moral rights, which is not alienable that is what emotional attachment talked about and protected. In case of artificial intelligence, it is difficult to extend such type of right. The Copyright Act, by considering the social interest put forth certain limitations and exceptions¹⁹ to make work available to public after certain time period or in certain conditions. In the limitation period it is stated that "after the death of the person, from next calendar year for more 60 years work will be protected", clearly indicated the objective of the legislature that it talks about protection of 'rights of human creator'. On this count, it is clear that artificial intelligence independently not protected as a creator of the copyright.

The 161st report on the "Review of the Intellectual Property Rights Regime in India" was released by the Parliamentary Standing Committee on Commerce. The Committee examined and evaluated the IPR framework in India as a whole, as well as how it has helped to foster entrepreneurship and innovation in the nation. It also suggested some reforms keeping in mind the age of artificial intelligence and the growth of technology in each sector. Algenerated solutions promote innovation and R&D, leading to increased creativity and economic growth in the country. Artificial Intelligence (AI) has become ubiquitous. AI enables faster and more efficient data updates and collection. The use of new technological tools has substantially grown. This highlights the need for adequate laws. AI is a rapidly growing technology that requires thorough evaluation and study. AI-generated solutions promote innovation and R&D, leading to increased creativity and economic growth in the country. This highlights the need for adequate laws as AI is a rapidly growing technology that requires thorough evaluation and study and proper enforcement mechanisms through the laws in India.²⁰

2. Trademark

In today's competitive market, a trademark is an essential component of a company's branding strategy. It represents the identity, values, and reputation of a company. A well-designed logo or distinctive brand name can generate instant identification and confidence among consumers, making it a valuable resource. Protecting this asset through trademark registration is critical to ensuring exclusive rights and preventing unauthorized usage. However, the digital age has introduced new obstacles to trademark protection, most notably

¹⁹ Copyright Act 1957, s. 52.

²⁰ One Hundred and Sixty-First Report Review of the Intellectual Property Rights Regime in India (2021) available at, https://files.lbr.cloud/public/2021-07/161_2021_7_15.pdf?VersionId=S01fCQEC5DzDqKNymsGgxal6YXmJbUwM (last visited on April 30·2025).

the phenomena of trademark dilution. Understanding and preventing trademark dilution are more important than ever.

Trademarks improve consumer awareness by connecting a logo or symbol with a certain source. Trademark dilution happens when an unauthorised party uses a trademark to reduce its distinctiveness or tarnish its reputation. This can confuse consumers, destroy brand equity, and reduce trademarks' competitive advantage.

The expansion of domain names and online presence has increased domain name disputes and cybersquatting²¹, which occurs when persons register domain names that are identical or confusingly similar to existing trademarks to profit from their resale or misuse as discussed in the *Yahoo! Case*²² in India and several other cases of *Shadi.com*²³, *MakeMyTrip etc*²⁴. Courts have considered domain name disputes in India under the ambit of trademark law only, which counts as trademark infringement as per section 29 of the Trademark Act 1999²⁵ or passing off remedy under the common law regime of trademark protection. Cybersquatting²⁶ weakens brand integrity and reduces trademark value, forcing firms to take proactive steps to defend their online presence. Other issues are meta-tagging, and deep-linking i.e. diverting the traffic and consumer base of one website to another fake website enjoying the goodwill established by the original website and the original mark holder.

Online defamation, unfavourable reviews, social media backlash, and counterfeit items offered through online marketplaces all pose reputation threats to companies. Managing brand reputation and protecting against online risks requires firms to develop sophisticated monitoring, enforcement, and reputation management strategies is a must for all companies and businesses. In a foreign judgment of the *Prince Plc v. Prince Sportswear Group Inc.* case,²⁷ the domain name "prince.com" was registered by the plaintiff, a British computer services company. The plaintiff had already registered the domain name when the defendant attempted to register it. The defendant's attorneys requested that the plaintiff assign the domain name to them, citing infringement and dilution of the defendant's trademark rights as a result of the plaintiff's use and registration of PRINCE as a domain name. The judge rejected the

²¹ Marks & Spencer and Others v. One in A Million & Others, [1999] FSR1.

²² Yahoo!, Inc. v Akash Arora & Anr. 1999IIAD(DELHI)229.

²³ People Interactive (India) Pvt. Ltd v Vivek Pahwa & Ors, [2016 (68) PTC 225 (Bom)].

²⁴ The Conundrum of Trademark Infringement and Keyword Advertising: A Case Analysis of Google LLC v Make My Trip (2024), accessed on https://www.khuranaandkhurana.com/2024/02/16/the-conundrum-of-trademark-infringement-and-keyword-advertising-a-case-analysis-of-google-llc-v-make-my-trip/ (last visited on January 5, 2025).

²⁵ Trademark Act 1999, s. 29.

²⁶ 'The first case of an abusive registration of a domain name on the Internet was decided on Friday with the Administrative Panel ordering the registrant to hand over the domain name to the complainant. The US-based World Wrestling Federation (WWF) had brought the suit against a California resident who had registered the domain name www.worldwrestlingfederation.com and offered to sell it back, at significant profit, to the WWF three days later'

²⁷ Prince Plc v. Prince Sportswear Group Inc., [1998] FSR 21.

claim that the defendant's UK trademark was not violated by the plaintiff's registration and use of its domain name. However, the defendants were served with an injunction order that stopped them from pursuing the lawsuit alleging infringement against the plaintiff.

In the *Rediff Communication case*, the High Court of Bombay declared, "A domain name is more than an internet address and is entitled to equal protection as a trademark". In this case, the plaintiff sought an injunction against the defendant, who had registered a domain name that was deceptively similar to the plaintiff's domain name. The judge was satisfied that there was a clear intention to deceive and that the defendants' sole objective in registering was to capitalize on the plaintiff's goodwill and reputation.²⁸ In another case of Satyam Infoway, the court observed that even though India does not have a law to protect against domain name disputes and infringements the Trademark law is enough to handle such issues of trademark infringement in the digital world.²⁹

With advent of artificial intelligence infringement of trademark becomes more complex. The keywords used on search engine helps consumers to visit the appropriate website according to the requirement, but with AI use these key words and links consumers to same website which advertise its own product, which create confusion about goods and services, source, owner, this shows that the trademark is not able to perform its functions. The principal of 'likelihood of confusion' is not applicable in case of AI as it works on codes and easily manipulate the data. In case of *Lush v. Amazon*³⁰, Cosmetic Warriors Ltd and Lush Ltd were, respectively, the registered proprietor and exclusive licensee of a Community trade mark for the sign LUSH for cosmetics and toiletries. Amazon has used "Lush" as key word for its business due to which consumers were directed to Amazon whenever they click "lush" as Amazon using it in search engine keyword. The court held Amazone liable for infringement of "lush" trademark.

Even though India's legal system offers remedies for infringement and counterfeiting, situations where AI-generated content unintentionally violates trademark rights must urgently be addressed. The identification of 'distinctiveness' for the AI generated trademark is difficult task as originality criteria. The trademark Act provides for civil as well as criminal remedies for infringements and counterfeiting the trademark³¹. Implementation of all hose remedies in case of infringement by AI is difficult task. Further in this are provisions of Information Technology Act, 2000³² and Rules 2021will be applicable in addition to trademark Act. Now

²⁸ Rediff Communication Limited v Cyberbooth & Anr., AIR 2000 Bombay 27.

²⁹ Satyam Infoway Ltd v. Sifynet Solutions Pvt Ltd., 2004 (3) AWC 2366 SC.

³⁰ Cosmetic Warriors Ltd and another v Amazon.co.uk Ltd and another, [2014] EWHC 181 (Ch).

³¹ The Trademark Act of India, 1999, ss. 103 & 104.

³² The Trademark Act of India, 1999, s. 45.

the second life transactions taking place with the help of artificial intelligence are attracting the attention³³. In virtual world, third party crating games or social life and selling virtual assets to be a subject matter to be regulated and some of the countries started granting protection to virtual goods and services, under the umbrella of 'non-downloadable virtual goods and services'³⁴, is other subject of deep research.

In a very recent case of October 2024, Gameskraft Technologies Private Ltd case³⁵, a case was filed by the plaintiffs, who wanted a permanent injunction to stop copyright and trademark infringement. They claimed that the words "Rummy" and "Culture" together give their website a unique quality and that any combination of the two terms in a domain name or application name would be immediately connected to them. They learned that the defendants were running several websites that were duplicates of their own, hosted illegal content, and claimed to be affiliated with them. Based on the plaintiff's establishment of a prima facie case, the possibility of irreversible harm, and the balance of convenience, the court granted an exparte ad interim injunction. It was quoted by the court that, "Defendant nos. 1 to 13 ... which are discovered during the proceedings to have been engaging in or carrying out fraudulent activities by using the plaintiffs' Marks or any deceptively similar variants thereof" thus relying on the remedy of passing off as discussed under the trademark protection regime in India.

3. Conclusion and Way Forward

Protecting intellectual property in the digital age presents a variety of difficulties, from digital piracy to complex international jurisdictional issues or the issue of infringement of trademarks in the digital world. Another issue prevailing these days is the infringement of personality rights and privacy rights by using artificial intelligence and technologies like Deepfake. Impersonation which is punishable under the Information Technology Act 2000 and the criminal laws in India as well, is a very common crime being committed these days using AI, and thus defrauding people of their assets. Legal systems must be adaptable to such changes, as recommended now and again by the Law Commission Reports and the 161st Parliamentary Committee Report. The importance of intellectual property rights to society is highlighted by theoretical viewpoints. Overcoming these obstacles requires creative solutions, such as strict implementation of digital rights management and international cooperation. To

³³ Dougherty, Candidus, and Greg Lastowka, "Virtual Trademarks", *Santa Clara Computer & High Technology Law Journal*, vol. 24, no. 4, (2007-2008).

³⁴ Nice Classification - 12 Edition, Version 2023 List of Classes with Explanatory Notes available at https://nclpub.wipo.int/enfr/pdf-download.pdf?lang=en&tab=class_headings&dateInForce=20230101 (last visited on April, 2025).

³⁵ Gameskraft Technologies Private v John Doe & Ors., CS(COMM) 855/2024.

guarantee that creators in this dynamic digital era receive the proper recognition and incentives, navigating this changing landscape requires a balanced strategy and a proper enforcement mechanism.

Some suggestions by the author which shall be helpful for the laws of India:

1. Create a Sui Generis Right for AI-Generated Works

Traditional copyright law requires human authorship, leaving AI-generated works in a legal grey zone. A new, tailor-made category of protection could be introduced to recognize non-human-generated content, allowing for limited rights and incentivizing responsible innovation without undermining human creativity.

2. Mandate Transparency in AI Training Data and Content Labeling

AI developers should be required to disclose whether copyrighted or trademarked material was used in training datasets. Additionally, all AI-generated content should be clearly labeled to avoid consumer confusion, unauthorized brand association, or infringement of personality rights.

3. Adapt Fair Use and Licensing Frameworks to Include AI Use Cases

Existing doctrines like fair use (U.S.) or fair dealing (UK/India) were not designed for large-scale data scraping by AI models. The law should be updated to permit certain AI uses under specific conditions, while also enabling creators to license their works efficiently for training purposes through collective or opt-in systems.

4. Strengthen Trademark Protections Against Synthetic Brand Impersonation

With AI capable of generating hyper-realistic brand images, logos, or endorsements, trademark laws must evolve to prevent misuse in digital and virtual environments. This includes combatting "deepfake branding," unauthorized use in AI-generated ads, and counterfeiting in virtual marketplaces.

5. Promote International Harmonization of IP Rules for AI

Given the global nature of AI platforms and content dissemination, there is an urgent need for international legal coherence. Nations should work through WIPO or similar forums to develop shared principles on AI authorship, data use, and IP enforcement to prevent jurisdictional conflicts and legal uncertainty.