
ARTIFICIAL INTELLIGENCE AND COPYRIGHT: LEGAL ISSUES AND CHALLENGES

Gaurav Kaushik, Bharati Vidyapeeth, New Delhi

ABSTRACT

Artificial Intelligence (AI) has become one of the most significant technological advancements of the twenty-first century, reshaping many areas like education, healthcare, entertainment, news, and creative fields. The rapid expansion of generative AI tools, such as “Claude, ChatGPT, Gemini and other machine learning models” has changed how creative works are generated, shared, and sold. These tools have enhanced creativity and productivity, but they have also raised difficult legal issues about who owns the rights to these works, who should be considered the creator is, whether they are original, and whether training AI on copyrighted material is illegal. Copyright laws were designed on the assumption that creative works are the result of human intellect, but AI is now capable of creating things such as books, songs, paintings, computer programs, photos, and videos with little or no help from humans. This challenges the traditional notion of authorship and raises important questions about whether works generated by AI should be protected by copyright, who should be recognized as the legal owner or author and whether using copyrighted works for AI training is permissible.

The study examines how AI and copyright law are connected by looking at legal problems arising from AI-generated content, the use of copyrighted works in training data, who is responsible for copyright infringement, and how fair use and fair dealing work. It also examines the legal framework in India, the United Kingdom, the United States, the European Union and the initiatives of the World Intellectual Property Organization (WIPO). The study also examines recent judicial decisions involving generative AI and copyright disputes.

The study concludes that the existing legal structure is not adequately equipped to tackle the issues arising from AI-generated content. It suggests revising intellectual property legislation to achieve a balance between fostering technological progress and safeguarding the rights of the creators.

Keywords: Artificial intelligence (AI), Intellectual Property Rights (IPR), copyright law, AI-generated content, copyright infringement.

INTRODUCTION

Artificial intelligence (AI) has emerged as one of the most transformative technologies of the twenty-first century, revolutionizing the creation, use, and dissemination of information across various sectors, enabling computers to perform a wide range of tasks that previously required human intellect. Researchers have developed new ways to use AI, and AI systems can now create articles, images, music, computer software, and videos. The use of AI in diverse fields has opened the door to unprecedented innovation, creativity, and discovery. However, as copyright laws begin to intersect with AI, several legal issues arise regarding the ownership of intellectual property rights to AI-generated content.

Although copyright laws have been protecting rights holders for years, the emergence of artificial intelligence has challenged society to think about who owns intellectual property rights to original works produced with minimal or no human input.

The increasing use of copyrighted books, articles, images, and other creative works for training AI systems has further intensified the legal debate. It raises important questions regarding copyright infringement, licensing requirements and the extent to which the doctrines of fair use and fair dealing apply to AI training and AI-generated content.

Another critical question is whether works created by AI should be subject to copyright protection. In addition, many of the works of art in the training data on which AI systems were trained are themselves protected by copyright law, raising further questions about the legality of such data use. The unauthorized use of copyrighted material may violate copyright laws and result in copyright infringement claims. Also relevant to the assessment of how and to what extent copyright laws can be applied to AI-generated works are licensing and the doctrine of fair use and fair dealing.

Legislatures, policymakers, and courts in many countries are considering how copyright laws should be interpreted to ensure copyright owners rights are protected while encouraging innovation and creativity. Different jurisdictions have adopted varying approaches to these legal issues. This study also considers the legal framework in India, the United States, the United Kingdom, the European Union, and the initiatives of the World Intellectual Property Organization (WIPO) to understand how different legal systems are responding to the challenges posed by AI. Given the complexity of the issues involved legislators and judges are

face significant challenges in addressing these emerging legal questions.

This research aims to investigate legal issues related to the use of AI in copyright law. The study highlights the impact of AI on copyright laws and discusses the challenges posed by AI-generated works, including proposed legal reforms. It also explores the implications of copyright law on AI-generated content, as well as its legal framework and relevant case laws. The study also considers the need for legislative reforms that would reconcile the interests of copyright holders' rights.

RESEARCH OBJECTIVES

The objectives of the Research are:

- To analyze the concept and development of AI.
- To understand the principal laws governing copyright protection.
- To analyze legal issues related to AI-generated works.
- To examine whether AI training on copyrighted works constitutes copyright infringement.
- To study comparative legal approaches adopted in India, the United States, the United Kingdom, and the European Union.

SCOPE AND SIGNIFICANCE OF THE STUDY

The paper investigates the relationship between artificial intelligence and copyright. It considers questions of authorship, originality, ownership, infringement, licensing, liability and fair use in relation to works produced by artificial intelligence. The analysis centers on the copyright Act, 1957 supplemented by reference to international copyright treaties and comparative legal frameworks adopted in prominent jurisdictions.

The relevance of this inquiry stems from the growing integration of AI technologies in the creation of expressive content across diverse sectors, including business, education, software development, which increasingly depend upon AI- assisted technologies.

At the same time, copyright owners fear that unrestricted use of their work for AI training may

undermine the economic incentives provided by copyright law. Since Indian copyright legislation was enacted long before the emergence of generative AI, there is an urgent need to evaluate whether existing legal principal remain adequate.

CONCEPT OF ARTIFICIAL INTELLIGENCE

Artificial Intelligence (AI) is a branch of computer science that deals with the development of computer systems to perform human tasks. These include learning, reasoning, language processing, decision-making, image recognition and content generation. Artificial intelligence systems can process large amounts of data and can improve their performance using machine learning and deep learning algorithms.

Artificial Intelligence is divided into 3 types :

Artificial Narrow Intelligence (ANI): Intended for specific tasks, such as language translation, virtual assistant capabilities, and recommendation engines.

Artificial General Intelligence (AGI): Hypothetical system that can perform any intellectual task that a human being can.

Artificial Super Intelligence (ASI): A hypothetical future in which machines exceed human intelligence in every way.

The most important recent development is Generative AI, which produces original text, images, music, software code, video and other creative content. Tools such as ChatGPT, Gemini, and Claude are transforming content creation, generating high-quality content in seconds.

These systems are trained on huge datasets gathered from books, websites, images, research papers and software repositories much of this material is copyrighted. The legality of training AI on such material has become a major issue in intellectual property law.

FUNDAMENTALS OF COPYRIGHT

A copyright is a right that protects an expression of an idea in various forms, including literary, musical, dramatic, and artistic works cinematographic films, and Sound recording. Simultaneously, copyright gives the owner legal protection to reproduce, publish, distribute,

adapt, communicate, and commercially exploit the work. Copyright aims to protect and reward genuine creators and ensure they obtain economic benefits from their works. The Copyright Act of 1957 governs copyright protection in India, giving owners of literary, dramatic, musical, and artistic works, cinematographic films, and recordings legal protection. Copyright protection is automatic, and registration is optional, though it serves as prima facie evidence in court. However, for works to be protected by copyright, they need to meet specific criteria, including being the result of the author's skill and judgment. In India, originality is a critical requirement for copyright protection. Furthermore, for works to be considered original, they must be created independently. Another concept used to determine copyright ownership is authorship. Authorship primarily refers to the individual who creates the literary, artistic, or dramatic work. However, with the introduction of artificial intelligence (AI), the concept of authorship has become a point of debate, as AI is not a human entity. As such, determining the owner of a work created using AI is challenging. Copyright also assigns economic rights to the owners of protected works, including the right to reproduce, publish, adapt, translate, and communicate the work to the public. Moral rights of authors also enable them to assert authorship publicly and raise concerns about unauthorized use or adaptation of their works. The emergence of AI has triggered debates regarding copyright Ownership of automatically generated works. One of the reasons why AI presents a challenge in copyright assignment is the fact that copyright laws stipulate that protected works should be the creations of the human mind.

ARTIFICIAL INTELLIGENCE AND COPYRIGHT

Artificial Intelligence has changed the way people make things. Today, artificial intelligence systems can make books, poems, pictures, photos, songs, computer programs, building designs, ads and even science papers. These systems make things on their own by using patterns they found when they were learning.

This makes us think about the laws that deal with copying works. Can someone own the rights to a picture made by Artificial Intelligence? Is that kind of ownership valid? Can it be enforced? If so, who gets to own it? Possible claimants include the who developed the AI model, the person who created the software the user who provided the instructions, or the company that owns the AI model.

The law that deals with the copyright Act, 1957 says that the person who makes a work with

a computer is the author. This law was made when computers were new. It was meant to keep computer-made works from being protected. The law from 1957 says that works made by computers do not get protected. The problem is that Artificial Intelligence systems are very different from computer software.

Some people who make laws think that these laws should keep changing to help ideas and still protect people who make things. Some people are worried that if we let Artificial Intelligence-made works be owned it might make it easier for people to get around the laws. On the hand if we do not let Artificial Intelligence-made works be owned then the people who make these systems will not have a reason to keep making them. This is something that courts around the world are talking about now.

The issue of Artificial Intelligence and copying laws is complex. It is still being discussed. Artificial Intelligence is changing the way we think about works and the laws that deal with them. Artificial Intelligence systems are making things and this is raising questions, about who owns these things. The laws that deal with copying works need to be updated to include Artificial Intelligence-made works. This will help to protect the people who make these systems and the people who use them. Artificial Intelligence is a technology and it needs new laws to deal with it.

AI-GENERATED WORK AND AUTHORSHIP

The most controversial question is whether AI-generated works are really created by humans is a big deal. Traditional copyright law says that every creative work has a human who made it. But artificial intelligence is different it looks at a lot of information. Makes responses that are probably right rather than being truly creative, like a human.

There are three approach that people think about who made AI-generated works.

The first approach says that AI-generated works do not have an author so they cannot have copyright. This is because the law says that only humans or companies can have rights and responsibilities and AI is not a human or a company.

The second approach says that the person who tells the AI what to do should be considered the author, if they make creative decisions For example a graphic designer who uses AI to make images and then changes them a lot could be considered the author of those images because

they made choices.

The third approach says that the person who made the AI system or the company that owns it should own the copyright because they put a lot of work into making the system. Now most countries say that a human has to be involved in making something before it can be copyrighted. AI-generated works that are made completely by machines without any help are not protected by copyright law and that is how it is. AI-generated works are still an area when it comes to copyright and AI-generated works are not clearly protected.

KEY COPYRIGHT CHALLENGES RELATED TO AI-GENERATED CONTENT

The way Artificial Intelligence uses Copyrighted Material is a deal. Artificial Intelligence systems need a lot of data to learn. This data includes books and articles and pictures and music that people made and that are protected by copyright. Using this protected material without asking is a problem. Even though Artificial Intelligence models do not copy these protected works exactly they can make things that're very similar and that can cause trouble with copyright. Sometimes you can use copyrighted material without asking. This is called Fair Use.

Fair Use and Transformative Use

The doctrine of fair use permits the limited use of copyrighted material without obtaining the copyright owner's permission for purposes such as research, education, criticism, and commentary. In the United States, the determination of fair use is based on four key factors: the purpose and character of the use, the nature of the copyrighted work, the amount and substantiality of the portion used, and the effect of the use on the market value of the original work. Technology companies argue that using copyrighted material to train AI models constitutes transformative use, as the training process creates new functionality, meaning, or utility rather than merely reproducing the original expression. They further contend that AI training amounts to non-expressive use, since the protected works are analyzed to identify patterns and relationships instead of being directly copied for public consumption.

This issue has been examined in recent litigation. In *Bartz v. Anthropic (Claude AI)*, a U.S. court held that the use of copyrighted books for training an AI model could qualify as fair use because the process was transformative. However, the court also observed that the unauthorized storage of pirated books could still give rise to legal liability. Likewise, in *Silverman v. Meta (LLaMA AI)*, the court found insufficient evidence of market harm to

establish copyright infringement but emphasized the need for appropriate mechanisms to ensure that creators receive fair compensation, reflecting the evolving nature of copyright law in the context of artificial intelligence.

AI, Creativity, and Legal Liability

Artificial intelligence is reshaping traditional copyright principles by enabling the creation of both AI-generated works, produced entirely by AI systems, and AI-assisted works, where human creators use AI as a tool during the creative process. While copyright ownership of AI-assisted works generally remains with the human author, the legal status of fully AI-generated works continues to be uncertain, particularly regarding authorship and ownership. In addition, the allocation of legal responsibility for copyright infringement involving AI-generated content remains unresolved. It is still unclear whether liability should rest with the AI developer, the user who generated the content, or the platform that provides the AI service. The absence of clear legal standards continues to pose significant challenges for courts and policymakers.

LEGAL STATUS OF ARTIFICIAL INTELLIGENCE AND COPYRIGHT IN INDIA

India does not currently have a specific statutory framework addressing copyright disputes involving artificial intelligence. The principal copyright law in India is the Copyright Act, 1957, which was enacted Before the emergence of modern generative AI. As a result, the Copyright Act, 1957 does not expressly address the copyright protection ownership AI-generated works. However, copyright law does cover AI-assisted works that have a significant amount of human input. On the other hand, works generated entirely by AI without any meaningful human involvement may not eligible for copyright protection under copyright law.

In India, copyright law covers human-assisted AI works. These are works in which humans use their skills and judgment to create literary, dramatic, musical, or artistic works with the help of computers or other forms of technology. Like other computer software, AI is viewed as a tool in the creation of works, and humans are regarded as authors and copyright owners of works created with its assistance.

When it comes to training AI systems on worksprotected by copyright, the Copyright Act, 1957 does not expressly address the issue. However, Section 52 of the Copyright Act, 1957 states certain acts that are not considered infringement. One of such exception provides

for “Use of work for research, private study, criticism, review, reporting of current events, or for the purpose of judicial proceedings, as well as temporary storage of the work in a computer system.” None of the Copyright Act’s exceptions explicitly allows the use of works for training AI systems. Indian courts have not yet ruled on whether copyright law allows the use of copyrighted works for training AI systems, and the matter is currently before the courts.

In terms of originality and copyright law, the Supreme Court’s judgment in *Eastern Book Company v. D. B. Modak* (2008) 1 SCC 1 is the most relevant. The Court ruled that while the judgments of the court are part of the public domain and therefore cannot be copyrighted, the editorial matter such as headnotes and paragraphing can be protected by copyright. In its reasoning, the Court noted that the “sweat of the brow” doctrine was not applicable in this case, while the copyright protection of the work relied on the “skill and judgment” in its creation. While the *Eastern Book Company* ruling does not explicitly mention AI, it nonetheless has implications for the issues involved in the disputes over AI-generated works. In particular, the Court stated that for a work to be protected by copyright, skill and judgment in its creation are essential criteria. As a signatory to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, India is obligated to ensure that copyright law exceptions do not interfere with the normal exploitation of copyrighted works and do not negatively impact the legitimate interests of copyright owners. Given the importance of copyright in the context of AI and the challenges copyright owners face in relation to AI, the Government of India is considering amending the Copyright Act, 1957.

These changes seek to address a number of pressing copyright issues in relation to AI, including works created by AI, and the use of training data to develop AI systems. Therefore, India’s copyright law is gradually catching up to the complexities of governing issues related to artificial intelligence.

COMPARATIVE GLOBAL APPROACHES TO AI-GENERATED CONTENT

The regulation of AI-generated works is very different in countries showing different ways of thinking about copyright protection and new technology.

United States

The United States Copyright Office says that copyright protection is for works that have human authors. Courts have also said that works made completely by intelligence cannot be registered

for copyright. However American courts are still looking at whether using copyrighted material to train AI systems is allowed under fair use rules.

United Kingdom

The United Kingdom has a way of handling this issue through the Copyright, Designs and Patents Act, 1988. This law gives copyright to some computer-generated works. The person who makes the arrangements to create the work is considered the author. This rule was made before modern AI systems existed and is now being discussed again in legal debates.

European Union

The European Union wants to support technology while also protecting intellectual property. Recent laws, like the AI Act and the Digital Single Market Directive require AI developers to be open about their work. They also allow some exceptions, for text and data mining. These rules try to make sure that AI development can happen without hurting the rights of people who create content.

ANALYSIS OF LANDMARK CASES

There are a number of important judicial rulings related to the issue of AI and copyright, and these in turn have led to a body of relevant and on-going legal discussion and argument. So far, however, the legal framework is still largely in a state of development.

In *Thaler v. Perlmutter* (2023), the United States District Court reiterated the enduring principle that copyright protection applies solely to works generated by human authorship. The Court denied copyright protection for a piece of art created solely by an artificial intelligence system, stating that human creativity is an essential criterion for copyright eligibility. The ruling has established an important precedent in conversations regarding the copyright status of works created by AI.

Another significant case is *Getty Images v. Stability AI*, where Getty Images claimed that Stability AI utilized millions of its copyrighted photos without authorization to develop its AI image-generating model. The situation brings up significant issues regarding whether utilizing copyrighted materials for AI training is a violation of copyright or qualifies under acceptable legal exceptions, like fair use. Since the issue remains unresolved, its result is anticipated to significantly influence the legal limits of AI training and the safeguarding of copyrighted

material.

FINDING AND RECOMMENDATIONS

This study shows that artificial intelligence is developing rapidly and it has highlighted some big problems with the current copyright law. The old rules about copyright were made with the idea that people create things, not machines. So these rules do not work well for AI generated content. There are a lot of questions about who owns these things who made them and who is responsible when something goes wrong. These questions are especially hard to answer when artificial intelligence makes something with no help from people.

The study also notes that using copyrighted things to training artificial intelligence models is a big issue right now. The people who make AI say that using these things helps them make new technology.. The people who own the copyrights say that this is not fair and it hurts their business. India does not currently have a comprehensive legal framework specifically addressing the copyright implications of AI.

Based on what the study found it is recommended that the Copyright Act, 1957 should be looked at again and updated to deal with the problems caused by intelligence. The law should say clearly who owns intelligence made things and how much of someone else's work can be used to train artificial intelligence. It should also say who is responsible when artificial intelligence breaks copyright rules. At the time the law should try to balance helping new technology grow with protecting the rights of people who make things. If the law is clear and fair it will help artificial intelligence be developed in a way and it will make sure that copyright law still works in a world that is changing really fast with digital technology. The Copyright Act, 1957 needs to be updated to address the issues with intelligence. Artificial intelligence is a part of the problem and the Copyright Act, 1957 needs to deal with it.

CONCLUSION

The rise of Artificial intelligence has changed the creative world by making it possible to create books, art, music and other creative works that can be protected by copyright protection. Even though these new technologies create opportunities for new innovation they also make some old ideas about copyright law harder to use. Questions concerning authorship, ownership, originality, which were traditionally associated with human creativity, have become increasingly complex in the context of AI-generated works.

This study shows that the current legal system, the Copyright Act, 1957 does not adequately address the complicated problems that come with AI. The existing framework does not expressly address AI-generated works. The law about AI-created works remains unclear, and it also uncertain whether and to what extent copyrighted material may be used to train AI systems. This has created a situation where the law's not ready for AI and it needs attention from lawmakers. similarly copyright challenges have also emerged in jurisdictions such as the United States, the United Kingdom and the European Union, demonstrating that AI-related copyright issues are global in nature.

As artificial intelligence continues to develop copyright law also needs to change so that technology does not take away the rights of people who create things. Future changes in the law should try to make things clearer by deciding what AI-created works are setting rules for using other peoples work to train AI and saying who is responsible if someone breaks copyright rules. At the time the law should still help new ideas grow while making sure the main goal of copyright is still there. Finding this balance will be important for making a lasting and future-ready copyright system in the time of artificial intelligence.

BIBLIOGRAPHY

A. BOOKS

1. V.K. Ahuja, *Law Relating to Intellectual Property Rights* (3d ed.).
2. P. Narayanan, *Intellectual Property Law* (Eastern Law House).
3. Lionel Bently & Brad Sherman, *Intellectual Property Law* (6th ed.).
4. Stuart Russell & Peter Norvig, *Artificial Intelligence: A Modern Approach* (4th ed. 2021).

B. JOURNAL ARTICLES

1. Syed Wajdan Rafay Bukhari, Saif Ullah Hassan & Yasir Aleem, *Impact of Artificial Intelligence on Copyright Law: Challenges and Prospects*, 5(4) J.L. & Soc. Stud. 64 (2023).
2. V.K. Ahuja, *Artificial Intelligence and Copyright: Issues and Challenges*, *ILI Law Rev.* 270 (Winter 2020).
3. R.P. Khubalkar, *AI and Intellectual Property in the Digital Age: Emerging Challenges in Indian Copyright and Trademark Law*, 2(2) *IPR J. Maharashtra Nat'l L. Univ. Nagpur* 87 (2024).

C. STATUTES

1. Copyright Act, 1957 (India).
2. Copyright (Amendment) Act, 2012 (India).

D. CASES

1. *Eastern Book Co. v. D.B. Modak*, (2008) 1 SCC 1.
2. *Thaler v. Perlmutter*, 687 F. Supp. 3d 140 (D.D.C. 2023).
3. *Getty Images (US), Inc. v. Stability AI Ltd.*, Case No. 23-135 (GBW) (D. Del. 2023).

E. WEBSITES

1. Government of India, Ministry of Commerce and Industry.
2. Manupatra.
3. SCC Online.
4. World Intellectual Property Organization (WIPO).