 DOI: 10.5281/ZENODO.16810061

THE CONFINES OF COPYRIGHT PROTECTION IN THE DIGITAL ERA OF GENERATIVE ARTIFICIAL INTELLIGENCE: THE GHIBLI IMAGE INTERPRETATION

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INTRODUCTION: STEERING COPYRIGHT IN THE TECHNOLOGICAL ERA OF GENERATIVE ARTIFICIAL INTELLIGENCE (AI)

Generative Artificial Intelligence or GenAI is a subset of artificial intelligence that uses intricate generative models to furnish texts, images, videos, audios, simulations and code, pertaining to a query or prompt. In other words, it uses machine learning and deep learning technologies, engaging algorithms and transformer models to generate advanced content derived from user prompts. Generative AI is no longer a transpiring trend but a metamorphic cogency amending entire industries, economies and the combative outlook at an unparalleled scale. Market analyses estimates the generative AI sector's rampant growth, evaluating growth from around $25.86 billion in 2024 to over $1 trillion by 2034, exhibiting its obscure ramifications and imperative to calculated business planning.[2] Few commonly recognized interface such as OpenAI's ChatGPT and Google's Gemini are specimen of generative AI that answers composite questions, consolidate enormous amount of information and automate numerous assignments done previously by humans. For instance, in the legal practice, ChatGPT uses natural language processing to evaluate and decipher audio and video inputs. It is also being used to examine and consolidate documents, ascertain relevant case laws, induce a wide range of documents such as non-disclosure agreements, power of attorney and case briefs.

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[2] Andrich van Wyk, Accelerating strategic advantage: Harnessing the explosive growth of generative AI, EPI-USE Labs (April 22, 2025), https://www.epiuselabs.com/cloud-blog/accelerating-strategic-advantage-harnessing-the-explosive-growth-of-generative-ai#:~:text=Market%20analyses%20project%20the%20generative,importance%20to%20strategic%20business%20planning.

Generative Artificial Intelligence is swiftly reforming industries yet it comes into conflict with well-established copyright laws which raises integral questions and warrants close scrutiny by decision makers. For decision-makers steering through the era of AI integration, traversing through the complicated web of copyright law is no longer a peripheral legal topic but has transitioned into a strategic cornerstone influencing technological advancement, regulatory exposure and global market dynamics. The ability of GenAI to generate exclusively new content – often identical to human-made works institutes both convenience and defiance. While it facilitates prompt content creation across industries, it also amplifies legal queries about authorship, copyright and originality, as AI-generated content commonly does not meet the threshold of personal authorship, as required by traditional copyright frameworks.[3] For example, assessing copyright ownership becomes intricate when an algorithm produces new work that bears semblance to a subsisting creation. Under such circumstances, should the principal author be regarded the human designer or the AI system? Elucidating the authenticity and novelty of AI-generated works brings up a series of questions. Should GenAI creations be subject to equivalent standards as human-created works? How does this influence patentability and copyright protection standards?

ORIGINALITY vs. COMMERCIAL EXPLOITATION: THE PERILS OF COPYRIGHT INFRINGEMENT IN GHIBLI INFLUENCED AI-ART

Section 13(a) of the Indian Copyright Act, 1957 address "original literary, dramatic, musical and artistic works" as works in which copyright can subsist.[4] Section 2(d) of the same Act defines "author" as someone who causes the work to be created.[5] The ownership of copyright in a work is distinguishable from the ownership of the physical form in which the work is fixed. For example, by owning a novel or its manuscript will not ordinarily make one the owner of the copyright embodied in it. Besides, simply deriving an idea does not accord ownership of the copyright unless the origination is also the creator of the work.[6] Copyright is conferred upon the individual who gives a concrete and definitive form to an idea. For instance, an individual who has an excellent idea for a book, movie or play communicates that to an author, director or artist, the individual

[3] Hutson J., The Evolving Role of Copyright Law in the Age of AI Generated Works, Journal of Digital Technologies and Law, 886, 887 (2024).
[4] Indian Copyright Act,1957, S13(a).
[5] Indian Copyright Act, 1957, S2(d).
[6] Harish Khan, Concept of Owner and Author under Copyright Law, LEGAL WIRES (Aug 20, 2024), https://legal-wires.com/lex-o-pedia/ownership-and-authorship-of-copyrights-and-rights-of-copyright-owner/.

who materializes the idea – through the book, movie or play owns the copyright in the final expression. The individual who thought of the idea holds no rights in the product where the copyright prevails.[7] One rudimentary feature of copyright law is that copyright does not protect ideas, rather protects the specific articulation of ideas that artists reproduce through their art. This was established by the Supreme Court in R.G.Anand v. Deluxe Films, AIR 1978 1613[8] that copyright could extend to only safeguarding the particular form in which ideas are exhibited and it does not proffer protection to abstract ideas, themes or concepts.

Very recently on 25th March, 2025 OpenAI introduced 4o image generation for ChatGPT, which allowed users across the globe to generate image in the peculiar style of Studio Ghibli. Studio Ghibli, a lauded Japanese animation studio that was established in 1985 by animators and directors Miyazaki Hayao and Takahata Isao and producer Suzuki Toshio.[9] Studio Ghibli was acclaimed for superior-quality filmmaking and exceptional artistry. This mass commercial reproduction of AI-generated art impersonating Ghibli's visual language led to perplexity, misapprehension and on a large scale unforeseen privacy breaches along with data misuse. Primarily, the tool seemed harmless, however the terms of service of the platform being obscure raised questions about what happened to the user photos after they were processed.[10] It has been explained that photos are not just mere facial data but also contain concealed metadata like location coordinates, timestamps and device details – which are all vulnerable to disclosing personal information of the users. What goes behind generating these Ghibli images are that the algorithm segregates content from artistic styles in the final processed image to merge the user's image with reference artwork. Though the process appears to pose no immediate risk, vulnerabilities like model inversion reconstructing original visuals from Ghibli-style-AI-generated images raised considerable legal and ethical concerns while presenting serious threats to copyright integrity.

[7] Id.
[8] R.G. Anand v. Deluxe Films, AIR 1978 SC 1613 (India).
[9] Pat Bauer, Studio Ghibli Japanese film studio, BRITANNICA MONEY, https://www.britannica.com/money/Studio-Ghibli.
[10] Press Trust of India, Studio Ghibli AI art trend: A privacy nightmare in disguise, experts warn, BUSINESS STANDARD (Apr. 06, 2025 03:42 PM), https://www.business-standard.com/india-news/studio-ghibli-ai-art-trend-a-privacy-nightmare-in-disguise-experts-warn-125040600343_1.html.

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While these AI-generated images have been hailed as commonly named 'democratisation of art', this particular form of capturing art ultimately obscures human creativity and wreck our ethical genesis of ownership and originality. It has simply reduced art into a mechanical construct, bereft of its historical endowment. In scenarios involving Ghibli-style AI artwork, the referenced visual aesthetic is not universal, it embodies a uniquely constructed blend marked by emotional resonance and original integration of elements which were originated by acclaimed animations with certain visions and specific skills. The elementary purpose of copyright is to safeguard creators thereby guaranteeing that they can create their work with fervor and dedication so much that their creations are not misused for commercial purpose without their knowledge or consent. These visual references are a consequence of uniquely expressed ideas and can be categorized an imitation of a distinguishable expression. It is well understood that Artificial Intelligence as a part of its training process learns patterns and structures from datasets, frequently consisting of existing artworks.[11] While AI-generated results may show a degree of creativity, they are fundamentally derivative, as AI cannot create ideas of its own but reconstructs them from pre-existing works.

Ideally, datasets extracted from copyrighted animated works should, in principle be authorized from the original creator or copyright holder. Otherwise, what constitutes is the use of law protected content, thereby potentially violating copyright law. This violation leads to original creators being deprived of acclamation or benefits from their work. The most concerning aspect of this violation is that it does not with copyright violation but also extend to compromising the data security of people using such AI platforms. Few of these platforms are known to store and examine the prompts fed and the free generators using this data for training without any consent. In another words, even if these images are deleted from our system, the AI companies operating these platforms have it stored in their datasets, posing serious harms of unwarranted reproduction, misuse and possible data breach beyond the user's control. The concerns also continue to grow in a way that artists spend years in evolving their style of work that exhibit their personal aesthetics, impression and even cultural essence. The manoeuvring of these styles by AI systems is being commonly perceived as a type of cultural appropriation, disparaging the original work and

[11] Genis Dwi Gustati, Ghibli AI Trend Sparks Debate Over Copyright Violations, Universitas Muhammadiyah Surakarta (Apr. 24, 2025), https://www.ums.ac.id/en/news/global-pulse/ghibli-ai-trend-sparks-debate-over-copyright-violations.

subverting an artist's years of work. The upsurge of these AI-generated art presents a threat to the subsistence of human artists, as it is destined to diminish the demand for original creations.[12]

INADEQUACIES IN THE INDIAN COPYRIGHT LAW IN THE CONTEXT OF EMERGING TECHNOLOGIES

Artificial Intelligence (AI) has transpired as a neoteric force that reevaluates traditional framework of Intellectual Property Rights (IPR) laws and policies. The principal purpose of this transposition is that AI poses a challenge in articulation. As opposed to traditionally authored works, AI-generated works do not have a human author, obscuring the variance between ownership and copyright. In order to answer the question on who owns the creative tangent of AI systems – whether images, music or a software, raises pertinent questions on copyright law and henceforth, it becomes the duty of policymakers to reevaluate the idea of ownership and copyright.[13] The matter in question of who shall be held responsible for copyright violation is one of the fundamental questions to ask. Allocating responsibility for infringement of property rights about generating and disseminating content which implements AI algorithms is an intricate job. Establishing who shall be held accountable presents complicated ethical or moral predicament. Courts across the globe are struggling with the problem of whom to hold accountable in scenarios where violations are executed by artificial intelligence systems, constraining an analysis on the current liability frameworks to tailor the contemporary times.[14]

Indian copyright law is still in its embryonic stages of acquainting itself with the inception of generative AI such as Grok, ChatGPT and Gemini. ChatGPT, the platform which was put to use to generate Ghibli style images cannot be considered as an "author" under the Indian copyright law as it necessitates a natural person to be an author. Section 17 of the Indian Copyright Act, 1957 states that only 'persons' can be authors and the term 'person' is confined to 'individuals'.[15] Additionally, Section 18 of the Indian Copyright Act, 1957 states that entities like companies can

[12] Divya Agarwal, Artificial Intelligence and Artistic Limitation: A Legal Analysis of the Ghibli-Style Image Debate, IIPRD (Jun.19, 2025), https://www.iiprd.com/artificial-intelligence-and-artistic-imitation-a-legal-analysis-of-the-ghibli-style-image-debate/.
[13] Anke Moerland, Artificial Intelligence and Intellectual Property Law, SSRN 362, 368 (2022).
[14] Gil Appel, Juliana Neelbauer & David A. Schweidel, Generative AI has an Intellectual Property Problem, Harvard Business Review, (Apr.07, 2023), https://hbr.org/2023/04/generative-ai-has-an-intellectual-property-problem.
[15] Indian Copyright Act, 1957, S17.

also be assigned copyright by an individual stemming from an agreement for a brief term.[16] Section 17 also states that in the absence of an agreement stating otherwise, the human individual shall always preserve the first copyright to their work. Usually, an AI generated work is the consequence of a developer working on it and if they want to retain copyright for the said work they may except where otherwise stipulated by contract. However, it does not seem justified to grant developers the ability to affirm copyright ownership over AI-generated products. For example, when a painting is made using Microsoft's 'Paint', it cannot be considered appropriate if Microsoft claims its ownership over the final outcome as ultimately it is the fruit of the human using its intellect.[17]

In May 2025, the Ministry of Commerce & Industry, Government of India formed an eight-member expert board to assess whether the Copyright Act, 1957 suitably cater to the distinctive issues concorded by generative Artificial Intelligence. The propulsion was twofold – current litigation – notably Ani Media (P) Ltd. V. Open AI Inc, 2024 SCC Online Del 8120, together with actions by the Federation of Indian Publishers, NDTV, Indian Express and Hindustan Times implying unwarranted use of copyrighted material in AI training and the acknowledgement that a statute enacted in the pre-digital era is deficient in express provisions for assigning authorship or ownership in the milieu of AI-generated works.[18] While the Ministry formerly postulated that present legal structure are adequate to administer AI use, specifically concerning the commercial appliance of copyrighted work that entails permission – the prompt augmentation of GenAI and affiliated judicial perusal have driven India toward collaborated legal reform. The Board's mandate included assessing the gaps in the Act concerning AI training, authorship and ownership, analyzing if storage, reproduction and derivative outputs of copyrighted materials by GenAI comprises of infringement and finally suggesting amendments or new provisions to establish transparency and legal guarantee.[19]

[16] Indian Copyright Act, 1957, S18.
[17] Harshal Chhabra & Kanishk Gaurav Pandey, Generated Content" The 'Significant Human Input' Approach, IJLT (Feb 26, 2024), https://www.ijlt.in/post/balancing-indian-copyright-law-with-ai-generated-content-the-significant-human-input-approach.
[18] Maheshwari & Co, Generative AI & Copyright Law in India: Who owns Machine-Made works, (July 16, 2025), https://www.maheshwariandco.com/blog/ai-copyright-law-india/.
[19] Id.

CONCLUSION: CALL FOR LEGAL REFORM AND THE WAY FORWARD

The advancement of generative artificial intelligence confers a substantial defiance to the elementary conjecture of copyright law – specifically in as ascertaining authorship, originality and infringement. As illustrated through the lens of Ghibli-stylsimule image generation, GenAI can now simulate the quintessence of a creator's sty;e without plainly imitating any single work, hoisting subtle questions about derivative works, transformative application and the horizon of moral rights. Existing legal bodywork, embedded in the perception of human creativity are inadequate to evaluate or effectuate copyright in a terrain where huma authorship may be partly or wholly lacking. The present mechanism's insistence on human intention and manual inventiveness furnishes a regulatory lacuna, sanctioning AI-generated outputs to topple between the crevice of legal preservation and culpability.[20] This lacuna is further aggravated by the cross-border classification of digital diffusion where different national techniques to AI authorship create irregularity and legal unpredictability.[21] Without a coordinated and progressive legal response, the prompt augmentation of generative tools could make it frequent to use another artist's style without consent, incapacitating the creative and moral rights copyright is intended to safeguard.

To tackle these transpiring complications, there is a pressing need for legislative and policy amendments. Lawmakers must commence by elucidating the legal status of AI-generated works, shedding light on whether they fall within the purview of the definitions of copyright. Procedures for lucidity in AI training datasets – chiefly where copyrighted material is used – should be made obligatory to certify quality and assent. Further, a distinctive configuration customized for AI-assisted works may furnish a feasible balance, stabilizing the concerns of original human creators and the developers of generative tools. As we progress extensively into a time where machines imitate vision, the law must not only metamorphose to modulate these technologies but also reconceptualize the very margins of innovation and authority in the digital age. Such reforms must be illuminated by cooperation of legal experts, technologists and creative sections to maintain impartiality and practical implementation. International cooperation is of equal importance here as the digital nature of AI makes national borders less pertinent. Without these dynamic steps, the

[20] Matthew Sag, Copyright Safety for Generative AI, 61 Hous.L.Rev.295 (2023).
[21] Id.

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cavity between technology and law will continue to expand, abandoning creators, users and innovators without lucid assistance.

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