

NEWSLETTER



NEWS UPDATES FOR MARCH, 2026

ByteDance Vows to Curb AI Video Tool After Disney Copyright Complaint

ByteDance agreed to restrict its Seedance 2.0 generative AI video tool following Disney's cease-and-desist letter dated 13 February 2026, which accused the tool of training on a "pirated library" and enabling a "virtual smash-and-grab" of Disney's intellectual property rights.



Seedance 2.0 creates highly realistic video clips, including depictions of well-known actors and characters, from simple text prompts, prompting broader complaints from major Hollywood studios represented by the Motion Picture Association (MPA), which demanded ByteDance immediately cease generating infringing content based on existing films and shows.

ByteDance affirmed its respect for intellectual property rights and stated it is "taking steps to strengthen current safeguards" to prevent unauthorized use of IP and likenesses, though it provided no details on training data or planned measures. Disney recently issued a similar notice to Character.AI over character misuse, while partnering with OpenAI's Sora under a licensed deal permitting use of over 200 Disney, Marvel, Pixar, and Star Wars characters.

This dispute highlights studios' growing enforcement against unlicensed AI training on copyrighted material, contrasting it with revenue-sharing licensing arrangements. It indicates that commercial AI tools will need to build in effective IP protections upfront to avoid legal challenges from copyright owners.



NEWSLETTER



NEWS UPDATES FOR MARCH, 2026

The notice also comes against the backdrop of a significant regulatory update. In October 2025, the Ministry of Electronics and Information Technology (MeitY) notified the IT (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2025, which came into effect on November 15, 2025. These amendments to Rule 3(1)(d) introduced three key additional requirements: senior-level accountability within the intermediary for content removal decisions, precise identification of the unlawful content in government directions, and periodic review of such directions at a senior level. The stated objective of these changes is to ensure that takedowns are carried out in a manner that is transparent, proportionate, and accountable.

This action reflects a broader enforcement trend where rights holders are increasingly using government-backed takedown mechanisms rather than relying solely on civil litigation. For intermediaries operating in India, the amended IT Rules significantly raise the compliance threshold, and non-compliance with government directions now carries both the risk of losing safe harbour immunity and exposure to regulatory action.

MIB Directs Telegram to Remove Over 3,100 Channels for Copyright Infringement

The Ministry of Information and Broadcasting (MIB) has issued a formal takedown notice to Telegram under the Information Technology Act, 2000, directing the platform to remove 3,142 channels found to be distributing pirated content. The action followed complaints filed by major OTT platforms, including JioCinema and Amazon Prime Video, alleging large-scale unauthorised distribution of copyrighted films and streaming content on Telegram.

The legal basis for the notice is Rule 3(1)(d) of the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021 (IT Rules, 2021). Under this provision, an intermediary is required to remove unlawful content upon receiving actual knowledge of it, either through a court order or a government notification. An intermediary that fails to act on such notice risks losing its safe harbour protection under Section 79 of the IT Act, which shields platforms from liability for user-generated content only when due diligence obligations are actively met.



NEWSLETTER



NEWS UPDATES FOR MARCH, 2026

The suit was triggered when, in early February 2026, Ilaiyaraaja uploaded works on Amazon Music, iTunes, and JioSaavn, by issuing licences to third parties. Saregama contended that these acts constituted infringement and clouded its legal title, as it holds exclusive, worldwide, and perpetual rights under assignment agreements with the producers of the relevant films executed between 1976 and 2001. The company's case rests on Sections 17(b) and (c) of the Copyright Act, 1957, which vest first ownership of musical and literary works in the producer of a cinematograph film, absent a contrary contract, with those rights having been subsequently assigned to Saregama. The court found a prima facie strong case in the plaintiff's favour, held that the balance of convenience lay with Saregama, and concluded that continued exploitation risked irreparable harm not compensable in damages. The defendant has been directed to file a written statement within 30 days, with the matter listed for April 2, 2026. Notably, this dispute forms part of a broader pattern of litigation involving the composer, who has active copyright proceedings against Sony Music and earlier proceedings against Echo Recording over similar ownership disputes.

Legal Blow to Ilaiyaraaja: Delhi HC Restrains Composer in Saregama Copyright Row

The Delhi High Court, by an ex-parte ad-interim order dated February 13, 2026, restrained music composer Ilaiyaraaja, along with his agents, licensees, and associates, from using, exploiting, or licensing the sound recordings, musical works, and literary works associated with 134 cinematograph films, and from making any ownership claims over them. The order was passed by Justice Tushar Rao Gedela while hearing a commercial suit filed by Saregama India Limited.



The ruling reinforces the primacy of statutory assignment under Sections 17(b) and (c) of the Copyright Act, 1957, affirming that a composer's moral claim to ownership cannot override a producer's first-ownership rights and valid downstream assignments. The order reaffirms the legal primacy of documented assignment of rights in legacy music catalogue disputes.

NEWSLETTER



NEWS UPDATES FOR MARCH, 2026

Calcutta HC: Trademarking an Expired Design is "Wholly Suspect"

The Calcutta High Court's Division Bench has set aside an ex-parte interim injunction in a dispute over the bottle design.

Reckitt, whose product Harpic has been in the Indian market since 1984, held a trademark in the device of its blue duck-head shaped bottle and cap, as well as a design registration under the Designs Act, 2000, granted in 2002 and since expired. Under the Designs Act, design protection subsists for ten years from registration, extendable by a further five years, after which the design enters the public domain and may be freely used by any party.

Godrej launched its competing product, Godrej Spic, in October 2025, sharing only a similarly shaped duck-head dispenser with Harpic. The dispute was initially triggered by Godrej's comparative advertisements, and a trademark infringement claim was subsequently added to the cause of action. Reckitt approached the Single Judge on grounds of urgency and obtained a blanket ex-parte restraint on Godrej's product.

Godrej appealed before the Division Bench, contending that the advertisements had been publicly airing since October 2025 and that urgency had been misrepresented before the Single Judge. The Division Bench held that shape alone cannot amount to infringement absent copying of colour, name, and trade dress. The Court further observed that Reckitt's primary grievance was the disparaging advertisements, and that Godrej's undertaking to cease such advertising would have sufficed, with the trademark infringement claim appearing to be an afterthought.

On the broader question of IP rights, the Court held that trademarking features covered by an expired design registration amounts to an indirect revival of time-limited statutory rights through perpetual trademark protection, describing such an attempt as "wholly suspect." It further held that a trademark requiring interpretation cannot be enforced, and expressed doubt on whether the trademark registration over the bottle design could have been validly obtained at all. The ex-parte order was accordingly set aside, permitting Godrej to resume sales.

The ruling is a significant affirmation that the public domain policy underlying the Designs Act cannot be circumvented through trademark registration of expired design features. The ruling curbs attempts to extend expired design monopolies indefinitely through trademarks, upholding statutory time limits. It equally serves as a practical reminder to rights holders that ex-parte injunctions will not be sustained where urgency is manufactured and the infringement claim lacks substantive independent merit.



NEWSLETTER

Trademark Win: Delhi HC Cancels "GRAND MASTI" Over Similarity to "MASTIH"

The Delhi High Court has ordered cancellation of the trademark "GRAND MASTI," registered by Mohit Petrochemical Pvt. Ltd. for country liquor, holding it deceptively similar to Radico Khaitan's longstanding mark "MASTIH," in use since 1969 and in Devanagari script since 1992.



NEWS UPDATES FOR MARCH, 2026

Mohit Petrochemical adopted "GRAND MASTI" in 2021 for identical goods sold through the same government-authorised retail channels and to the same class of consumers. The Court found that "MASTI" was the dominant element of the respondent's mark, with the prefix "GRAND" appearing in conspicuously smaller font, a typographic choice it found designed to raise a legal defence of distinction while retaining the essential feature of the petitioner's mark. Given that country liquor in tetra packs is purchased by price-sensitive consumers who rely on verbal recall rather than careful visual comparison, the Court held that the phonetic similarity between "MASTIH" and "MASTI" was sufficient to establish a real likelihood of confusion.

The Court also rejected the respondent's contention that a No Objection Certificate issued by Radico in 2023 constituted a waiver of its trademark rights, holding that the NOC was expressly issued "without prejudice" and solely to permit disposal of existing stock during a commercial relationship, and could not give rise to waiver or estoppel. It further held that protection of a dominant element is available even where it forms part of a composite mark, and ordered cancellation under Sections 11(1), 11(3)(a) and 11(10)(ii) of the Trade Marks Act, 1999.

The ruling reaffirms that a laudatory prefix cannot shield a mark from deceptive similarity where its dominant feature is borrowed from a prior mark, and that a "without prejudice" NOC will not be construed as a surrender of trademark rights.



NEWSLETTER



NEWS UPDATES FOR MARCH, 2026

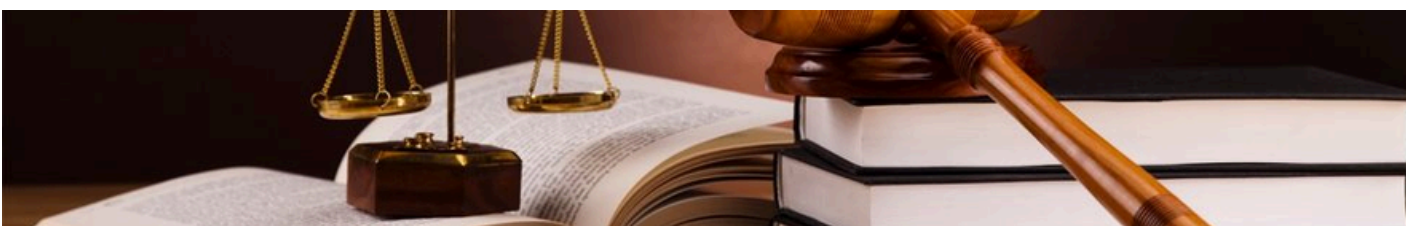
Bombay High Court Refuses Interim Relief to Trademark Pirator, Imposes Costs of Rs. 1 Lakh: Elder Projects Limited v. Elder Nutraceuticals Pvt. Ltd.

The Bombay High Court has vacated an ex-parte ad-interim injunction previously granted in favour of Elder Projects Limited against Elder Nutraceuticals Pvt. Ltd. in a dispute over the trademark "ELDER" for pharmaceutical and nutraceutical products, and imposed costs of Rs. 1,00,000 on the plaintiff for obtaining relief through suppression of material facts.

The mark "ELDER" is a registered trademark of Elder Pharmaceuticals Ltd. (EPL), a company that had been using it since the 1980s and has since gone into liquidation. The plaintiff, a former contract manufacturer for EPL, sought to enforce rights over the mark against the defendant, claiming prior use since 1992-93. Upon the defendant's appearance and closer examination of the record, the Court found that the plaintiff had on multiple prior occasions distanced itself from EPL's trademarks, including before the Official Liquidator, yet selectively claimed rights over the same mark against third parties. It further found that the plaintiff's stylised version of the mark, which merely added a different colour and a three-leaf logo while retaining EPL's font, was itself a prima facie infringement of EPL's mark.

The Court held that the plaintiff had failed to satisfy the classic trinity test for passing off, namely goodwill, misrepresentation, and damage, and had raised inconsistent pleas across multiple fora. Applying the settled principle that one pirator cannot maintain an infringement action against another, the Court refused to grant interim relief, vacated the earlier ex-parte order, and imposed costs for the suppression that had caused undue inconvenience and loss to the defendant.

The ruling is a firm judicial reminder that a party seeking equitable relief must come to court with clean hands and full disclosure; where a plaintiff is itself a prima facie infringer of the very mark it seeks to enforce, no interim protection will follow, and deliberate non-disclosure at the ex-parte stage will attract costs.



DISCLAIMER:

This newsletter is provided by Lawgenix for informational purposes only. The content herein is intended to highlight general legal developments and does not constitute legal advice, solicitation, or an attorney-client relationship. Readers should not act upon this information without seeking professional legal counsel tailored to their specific situation.

The views expressed represent the preliminary observations of the authors and do not necessarily reflect the formal legal position of the Firm. While we strive for accuracy, Lawgenix assumes no liability for errors or omissions.

In relation to any of the issues reported herein or on other areas of law, please feel free to contact at legal@lawgenix.in.

