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TRAINING DATA, FAIR DEALING AND DELHI HIGH COURT: A LEGAL UPDATE ON ANI MEDIA PVT. LTD. VS. OPENAI OPCO LLC*

INTRODUCTION

On 24 July 2026, the High Court of Delhi, declined to grant ANI Media Pvt. Ltd. (“ANI”) an interim injunction against OpenAI OpCo LLC (“OpenAI”) in CS(COMM) 1028/2024. The dispute is significant because it directly addressed, for the first time in India, whether the use and storage of copyrighted works for training a large language model (“LLM”) may be protected by the fair-dealing framework under the Copyright Act, 1957. The Court held, prima facie, that OpenAI’s electronic storage of ANI’s works for model training was protected by Section 52(1)(a), and that ANI had not established substantial reproduction of its works in ChatGPT’s outputs.¹

The ruling is interlocutory and the Hon’ble Court expressly stated that its observations would have no bearing on the final outcome of the suit.² ANI has since appealed, and a Division Bench issued notice to OpenAI on 15 September 2026, the appeal is listed for 8 December 2026.³ The present legal position must therefore be understood as provisional.

FACTUAL BACKGROUND AND CLAIMS

ANI is a news agency that produces original news content, licenses it to subscribers and derives revenue through its website and social-media channels. In 2024, it instituted proceedings against OpenAI on two principal grounds. First, ANI alleged that OpenAI copied and stored its copyrighted material as part of the training data used for the LLMs underlying ChatGPT. Secondly, it alleged that ChatGPT reproduced ANI’s works, or substantial portions of them, in its responses to users.⁴

The Court considered territorial jurisdiction, the output claim, the storage or training claim and the applicability of fair dealing. The training and fair-dealing questions were considered together because the statutory defence directly affected whether the admitted storage of ANI’s works amounted to infringement.⁵





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TERRITORIAL JURISDICTION

OpenAI contended that its models were trained on servers located outside India and that Indian copyright law could not be applied extraterritorially. The Court rejected that objection at the prima facie stage. It treated overseas storage as the terminal step in a broader chain of events beginning with access to the material from India, and held that the location of the final server could not by itself defeat an Indian copyright owner's remedies.⁶

The Court also considered the generation of outputs within its jurisdiction and upheld jurisdiction under Section 20 of the Code of Civil Procedure, 1908 and Section 62(2) of the Copyright Act, 1957. The ruling therefore indicates that overseas infrastructure does not, by itself, prevent an Indian court from examining an AI-related copyright dispute where sufficient territorial connecting factors exist.

THE OUTPUT CLAIM: MEMORISATION AND SUBSTANTIAL SIMILARITY

The Court found that ANI had not established a prima facie case that ChatGPT's outputs infringed its copyright. A central consideration was chronology. The illustrative ANI articles relied upon in the plaint were published between August and September 2024, whereas training of GPT-4 had concluded in April 2022 and GPT-4o in April 2024. The Court therefore considered that those articles could not have been reproduced from the models' memorised training data and inferred that the responses were more consistent with Retrieval-Augmented Generation ("RAG"), namely the retrieval of live information from an external source at the time of responding. ANI had not pleaded RAG-based infringement as a distinct case.⁷

The Court also considered the nature of ANI's prompts, which sought "exact" reproduction, and regarded them as adversarial. It distinguished the approach in *GEMA v. OpenAI*, where memorisation had been considered on non-adversarial prompts. On substantial similarity, the Court applied the whole-work approach associated with *R.G. Anand v. Delux Films* (1978) and found no substantial similarity between the challenged outputs and ANI's works. It further observed that the threshold may be different for news reporting because news reports communicate events and facts rather than purely creative expression.⁸





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The Court additionally considered ownership of quotations from public speeches. In the absence of evidence of an assignment, Section 17(cc) indicated that copyright in such quotations could belong to the speaker rather than ANI. Accordingly, the alleged reproduction of quotations did not establish infringement by ANI's copyright on the material before the Court.⁹

TRAINING, STORAGE AND SECTION 52(1)(A)

The Court accepted, *prima facie*, that ANI's original news articles remained protected by copyright notwithstanding their availability on a publicly accessible website. It also accepted that OpenAI's temporary electronic storage of those works engaged the reproduction right under Section 14(a)(i). The principal question was whether that storage was protected by Section 52(1)(a).¹⁰

The Court adopted a broad construction of Section 52. It reasoned that because Section 14 is subject to the Copyright Act as a whole, Section 52 should not be treated merely as a narrow exception to Section 51. Instead, it independently defines permissible uses by users and therefore warrants a liberal interpretation.¹¹

The Court applied a two-stage analysis: purpose and fairness. At the purpose stage, it held that LLM training fell within "*private or personal use, including research*". It noted that Section 52(1)(a) does not expressly impose a non-commercial limitation, unlike provisions where Parliament has expressly done so. The Court further held that the "non-infringing copy" requirement in the Explanation to Section 52(1)(a) applies to computer programmes and, in any event, OpenAI had obtained the works from ANI's freely accessible website.¹²

The Court treated "private" and "personal" as distinct concepts and considered the storage private because the data was maintained in a closed environment accessible only to the model. Applying the doctrine of updating construction, it concluded that LLM training could constitute research directed towards generating new knowledge and that research need not be confined to human activity.¹³





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At the fairness stage, the Court did not apply the United States' four-factor fair-use test. Instead, it considered factors broadly aligned with Article 9(2) of the Berne Convention. It found that OpenAI's identified use was confined to training; that ChatGPT performed functions distinct from ANI's news-reporting service and ANI had not produced sufficient evidence of market injury; and that the activity served public interests associated with education, research, accessibility and dissemination of information. On this basis, the Court held the training-related storage non-infringing at the prima facie stage.¹⁴

BALANCE OF CONVENIENCE AND CRITICAL QUESTIONS

The Court independently declined interim relief on the balance of convenience. It noted that ANI could have used crawler-blocking measures but had not done so, while OpenAI stated that it had blocked ANI's website. There was also no material demonstrating loss of subscribers or syndication revenue. ANI's offer of a USD 7.5 million licence was treated as indicating that any established loss could be compensated in monetary terms. The Court further considered the potential effect of an injunction on public access and the development of domestic LLMs.¹⁵

The judgment nevertheless leaves important questions open. Its most consequential interpretive step is the application of "research" and "private use" in Section 52(1)(a) to industrial-scale LLM training. The Court's reasoning gives limited weight to the commercial scale of model development at the purpose stage and addresses commerciality primarily through fairness. Whether the legislature intended a provision enacted before the present generation of generative AI to extend to such large-scale training remains open to debate.

The Court also referred to United States decisions including *Bartz v. Anthropic*, *Kadrey v. Meta Platforms* and *Authors Guild v. Google* and described AI training as "transformative".¹⁶ Transformative use, however, is a concept associated principally with American fair-use doctrine and does not have a settled independent status under Section 52. The extent to which comparative foreign jurisprudence can guide the interpretation of the Indian statutory scheme may therefore receive further scrutiny.





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Equally important, the outcome was closely connected to the evidentiary record. The chronology of the cited articles, the adversarial nature of the prompts, the absence of a pleaded RAG claim and the limited evidence of market harm each affected ANI's interim case. The judgment consequently should not be read as holding that all forms of AI training are lawful. Different evidence, including proof of memorisation of works within the relevant training period or reproduction through RAG, could present different questions at trial.

The Court also did not resolve ANI's allegations concerning false attribution of news to ANI. Although passing-off principles and foreign authority were raised in submissions, the issue did not form part of the Court's reasoning on interim relief. Questions concerning false attribution and moral rights therefore remain open.

THE APPEAL AND PRESENT LEGAL POSITION

ANI challenged the refusal of interim relief in September 2026. On 15 September, a Division Bench issued notice and sought OpenAI's response. The appeal is listed for 8 December 2026. The issuance of notice is procedural and does not express a view on the merits. On the material presently available, the single-judge order has not been stayed or varied.¹⁷

The appeal provides an opportunity for reconsideration of the interpretation of "research" and "private" under Section 52(1)(a), the treatment of commercial use, the relevance of market harm and the relationship between training-related storage and output-based infringement. Until the appellate proceedings or the final trial judgment determine otherwise, the single-judge ruling remains the operative interim position, but it should not be treated as a final declaration of Indian law on AI training.

IMPLICATIONS FOR AI DEVELOPERS, CONTENT OWNERS AND LEGISLATIVE POLICY

For AI developers, the judgment provides provisional support for the proposition that storing publicly accessible copyrighted works solely for training, without public disclosure and without substantial reproduction in outputs, may attract the Section 52(1)(a) defence. The protection is fact-specific and remains subject to appellate and final adjudication.





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For content owners, the decision highlights the evidentiary importance of establishing actual memorisation, substantial similarity, RAG-based reproduction where applicable, and concrete economic harm. It also indicates that technical measures such as crawler blocking may be relevant to the balance of convenience, although the judgment does not make copyright protection conditional upon an opt-out mechanism.

At the legislative level, the decision does not eliminate the policy gap surrounding text-and-data mining, remuneration and transparency regarding training datasets. The Department for Promotion of Industry and Internal Trade's 2025 working paper on generative AI and copyright indicates that these questions remain under consideration.¹⁸ Judicial interpretation can apply existing statutory language to new technologies, but questions concerning licensing models, remuneration, transparency and express text-and-data-mining rules ultimately raise choices for Parliament.

CONCLUSION

ANI Media Pvt. Ltd. v. OpenAI OpCo LLC marks an important interim development in Indian copyright law by holding, prima facie, that the storage of freely accessible copyrighted works for LLM training may fall within Section 52(1)(a), while requiring a claimant alleging infringing outputs to establish substantial reproduction or similarity. Its significance lies not only in the result but in the Court's attempt to adapt existing copyright principles to generative AI through purposive and updating construction.

The judgment remains provisional. The appeal is pending, the principal suit remains unresolved, and several questions including the precise limits of "research" and "private use", the treatment of commercial-scale training, RAG-based reproduction, memorization and false attribution remain open. The emerging Indian position is therefore not a settled AI-training exception, but an evolving application of existing copyright law to a rapidly developing technological context.

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1. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, CS(COMM) 1028/2024, I.A. 45300/2024, Delhi High Court, judgment reserved 27 March 2026 and pronounced 24 July 2026 (Amit Bansal J.), paras 69–70, 169, 271.



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2. Id., para 274.
3. Nupur Thapliyal, “Delhi High Court Issues Notice On ANI's Appeal Against Denial Of Interim Relief In Copyright Case Against ChatGPT,” LiveLaw (15 September 2026).
4. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, supra note 1, para 6.
5. Id., para 154.
6. Id., paras 48, 51, 54; see also Blueberry Books Ltd. v. Google LLC and Neetu Singh v. Telegram FZ LLC, as discussed by the Court.
7. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, supra note 1, paras 82–84.
8. Id., paras 85–122; R.G. Anand v. Delux Films, (1978) 4 SCC 118.
9. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, supra note 1, paras 105–106; Copyright Act, 1957, s. 17(cc).
10. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, supra note 1, paras 69–70, 169.
11. Id., paras 150–151, 166–167.
12. Id., paras 177–190, 200–201.
13. Id., paras 209–218.
14. Id., paras 234–256, 271; Berne Convention for the Protection of Literary and Artistic Works, art. 9(2).
15. ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, supra note 1, paras 262–270.
16. Bartz v. Anthropic (N.D. Cal.); Kadrey v. Meta Platforms, Inc. (N.D. Cal.); Authors Guild v. Google, Inc., 804 F.3d 202 (2d Cir. 2015), as cited in ANI Media Pvt. Ltd. v. OpenAI OpCo LLC, paras 247–249.
17. Nupur Thapliyal, supra note 3; see also Bar & Bench, “Delhi HC seeks OpenAI reply on ANI plea to temporarily restrain ChatGPT from using its content” (15 September 2026).
18. Department for Promotion of Industry and Internal Trade, Working Paper on Generative Artificial Intelligence (AI) and Copyright (Part I), Ministry of Commerce & Industry (2025).