

## Legal Issues in ‘Assignment in Copyright’

Issue: Would the Copyright in a work be reassigned to the Assignor upon Termination of the Assignment Agreement?

## Relevant Legal Provisions (Contd.)

*ii. Section 18. Assignment of copyright.—*

*[...]*

*(2) Where the assignee of a copyright becomes entitled to any right comprised in the copyright, the assignee as respects the rights so assigned, and the assignor as respects the rights not assigned, shall be treated for the purposes of this Act as the owner of copyright and the provisions of this Act shall have effect accordingly.*

## Relevant Legal Provisions

*i. Section 19. Mode of assignment.-*

*“(1) No assignment of the copyright in any work shall be valid unless it is in writing signed by the assignor or by his duly authorized agent*

*(2) The assignment of copyright in any work shall identify such work, and shall specify the rights assigned and the duration and territorial extent of such assignment.*

*(3) The assignment of copyright in any work shall also specify the amount of royalty and any other consideration payable, to the author or his legal heirs during the currency of the assignment and the assignment shall be subject to revision, extension or termination on terms mutually agreed upon by the parties.[....]” (emphasis supplied).*

## Relevant Judicial Decisions

❖ *Saregama India Ltd. v. Suresh Jindal and Ors. [AIR2006CAL340]*

*“...it becomes clear that assignment of copyright can only be made in writing signed by the assignee and such agreement should specify the rights assigned and the duration and territorial extent of such assignment.”*

*“The question here is whether the agreement can be terminated during its validity period if a breach of the terms and conditions of the agreement has been committed by the assignee. From the statutory requirement contained in Section 19 of the said Act for constituting a valid assignment, it appear to me that once the agreement contains the necessary specification required under the statute violation thereof may give rise to the right of termination on the part of the assignor...The concept of the assignee being treated as the first owner of the copyright after assignment is to clothe the assignee with all the rights which would otherwise be normally available to the assignor. This does not mean that the assignee having been treated as the first owner would be entitled to commit a breach of the very agreement under which he has acquired the right to be treated as the first owner.”*

## Relevant Judicial Decisions (Contd.)

- ❖ ***Saregama Ltd. v. The New Digital Media and Ors.*** (G.A. No.2083 of 2016, Judgement dated 22.12.2017, Calcutta High Court)

*“The owner of copyright in a work may assign copyright either wholly or partially for the whole or any part of such copyright to any person. The assignment of copyright may be a limited assignment both in content and period. An assignment does not automatically mean that it is an absolute assignment. The intention of the parties with regard to the nature and extent of the assignment is required to be gathered and ascertained from the agreement itself. If on a proper construction of the agreement, it appears that the assignment is for a limited duration then it cannot be contended that simply because an assignment of copyright has been made by giving absolute ownership with regard to the copyright it has to be for an unlimited period.”*



## Jurisprudential Development of Re-Assignment (Relevant Case Law)

❖ *Super Cassettes Industries Private Limited v. RBEP Entertainment Private Limited and Ors.* [I.A. (L) No. 19872 of 2022 in Comm. IP No. 464 of 2022, Order dated June 5, 2023, Bombay High Court]

*“The question for consideration is, as to whether termination of the LFA would in itself lead to the copyright in the said films being re-assigned to defendant No.1, in the absence of any document in writing being executed for such re-assignment....In this regard, Section 19 of the Copyright Act, assumes significance because the same provides for the mode of assignment of the copyright. It is specifically laid down that no assignment of the copyright in any work is valid unless it is in writing signed by the assignor or by his duly authorized agent.”(emphasis supplied)*

*“The requirement of Section 19 of the Copyright Act prima facie does not appear to be satisfied for defendant No.1 to claim that the copyright stood assigned back to it, in the facts and circumstances of the present case.”*

*“In any case, the clauses of LFA do not prima facie indicate that under the very same document, upon occurrence of certain contingencies, re-assignment of the copyright would happen and that such a document itself would satisfy the requirements of Section 19 of the Copyright Act, which stipulates that assignment of copyright shall be valid only if it is in writing assigned by the assignor.”*

## Relevant Judicial Decisions (Contd.)

❖ *Yennes Infotech (P) Ltd. v. The Managing Director, eNoah Solution Pvt. Ltd. and Ors. [AIR 2021 MADRAS 281]*

*“In copyright law, the assertion of copyright in any work and the assertion of a money claim in lieu of the copyright are completely distinct. A may have agreed with B to assign its copyright in some work in favour of B upon the payment of an agreed sum. Upon A's assignment of the copyright in favour of B, A cannot seek return of the copyright on the ground of non-payment of the consideration or any part thereof. That is elementary. The unpaid rights of the owner of a copyright may be enforced by way of a money claim, but copyright when passed, particularly in case of an assignment, does not return except upon re-assignment or upon the assignment lapsing for non-use by operation of law.”*

*“...Again, like in the case of assignment of copyright, a licence when granted cannot be taken back by the owner of the copyright unless it is surrendered or it lapses for non-use by operation of law. The unpaid licensor's rights lie in a claim for money.”*

## Conclusion

- ❖ While an agreement may outline the terms of "re-assignment" agreed upon by the parties, Section 18(2) indicates that the assignee is the rightful owner of the assigned copyright.
- ❖ The court, by applying the conditions for modes of assignment as per Section 19 and emphasizing the necessity of a "deed of re-assignment," clarified that the mandatory conditions outlined in Section 19 prevail, irrespective of the existing agreement.



**THANK YOU!**  
**Questions?**

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