



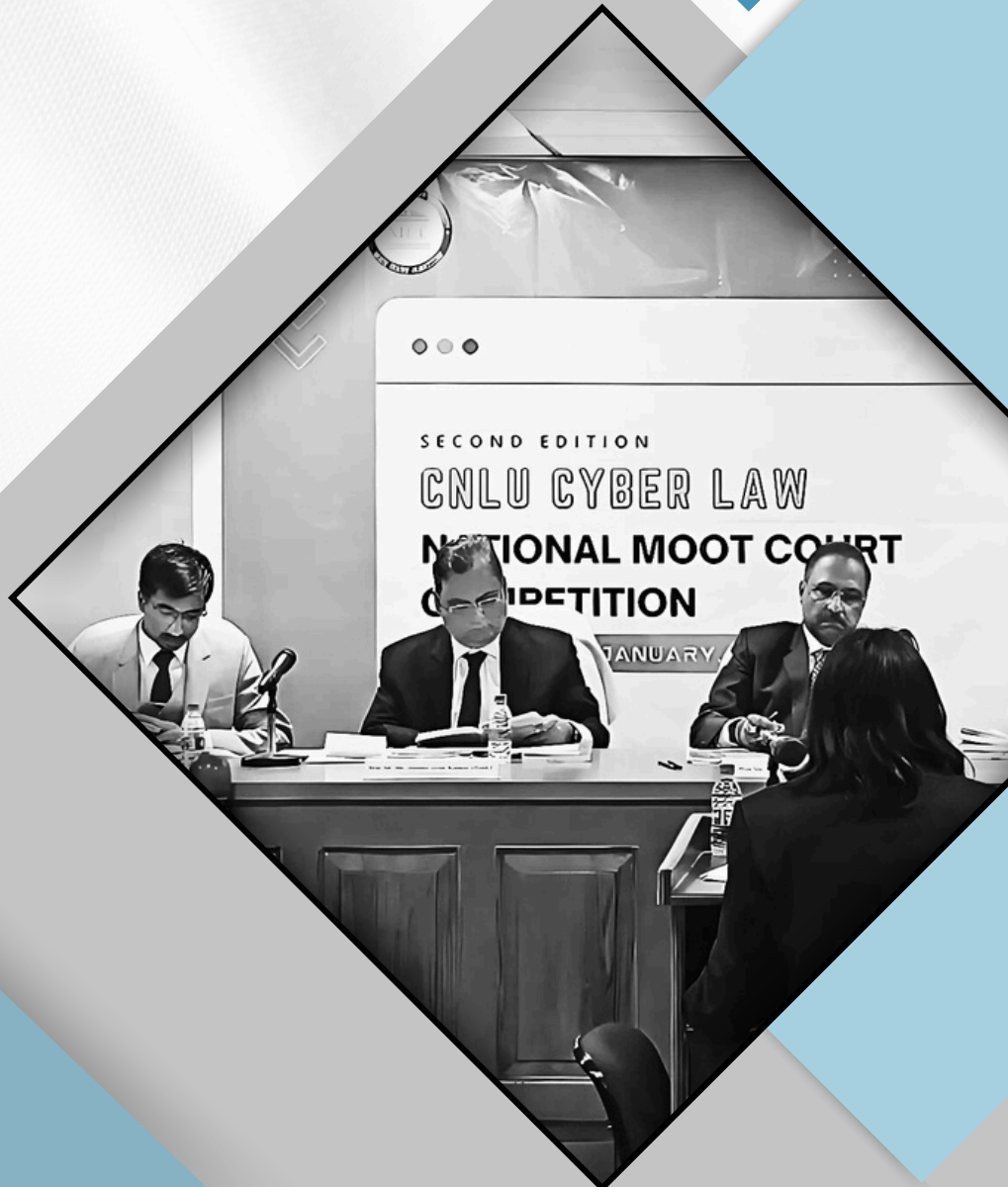
3rd CNLU CYBER LAW NATIONAL MOOT COURT COMPETITION, 2025



ACADEMIC PARTNER



MEDIA PARTNER



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Moot Proposition

[¶1] NewsLink Pvt. Ltd. [hereinafter, “NewsLink”], a leading Intian news agency headquartered in the capital city of Intia-New Telly, operates a robust digital journalism platform specialising in multimedia content. It provides exclusive reports, editorials, and interviews that are accessible either through subscription plans or paywalled content. Its proprietary content is highly regarded for its depth and reliability, attracting a broad base of readers and subscribers, including international media outlets. In recent years, NewsLink has expanded its focus on regional political coverage and socio-economic issues, making its content influential in shaping public opinion. The company recently also launched an experimental news podcast series, which had to be discontinued due to low audience engagement.

[¶2] InGen AI Inc. [hereinafter, “InGen AI”] is a United States of Chester (USC)-based company which developed and operates LexAI, a state-of-the-art generative AI model. LexAI’s design enables it to produce human-like text for various purposes, including drafting documents, creating summaries, and answering questions. The model’s functionality was initially designed for academic research but later adapted for commercial purposes following the acquisition of certain machine-learning patents by InGen AI. LexAI is used worldwide, and InGen AI has also been in talks with government agencies in Intia to use LexAI to generate summaries of parliamentary debates. LexAI is trained on a massive dataset comprising publicly available information from the internet, blogs, and news websites. Additionally, some of its training data stems from aggregated datasets provided by external vendors, risking the inclusion of sensitive or proprietary information inadvertently collected through automated processes. InGen AI claims its training data is used under the principle of fair use but also acknowledges that its training data is expansive and sometimes opaque.

[¶3] In recent months, users of LexAI began noticing that its outputs often mirrored NewsLink's proprietary content. Some users received responses from LexAI that replicated key elements of NewsLink's published articles, including unique phrasing, stylistic structures, and even entire paragraphs. Investigations by NewsLink's technical team revealed several instances where LexAI generated summaries of subscriber-only content, including data-rich investigative reports. It included cases wherein LexAI reproduced verbatim excerpts from NewsLink's editorial pieces, often without context, including specific language or stylistic nuances unique to NewsLink's writers.

[¶4] Further investigations showed that LexAI occasionally generated fabricated interviews with public figures, attributing them to NewsLink. These included politically sensitive statements and fictional interviews, which circulated widely on social media platforms. One particular instance involved LexAI attributing a fabricated, divisive political speech to a senior opposition leader, with a citation falsely suggesting it was reported by NewsLink. The wide circulation of this content resulted in public criticism of NewsLink and multiple legal notices from individuals affected by these false narratives. NewsLink argued that such misinformation, attributed to its brand, led to a 15% drop in subscriber renewals within three months, due to diminished trust stemming from LexAI's outputs. This not only damaged its goodwill but also raised public safety concerns by inciting political unrest. Coincidentally, this drop in renewals came during a period of intense competition from a new entrant in the digital news market, which offered promotional discounts to subscribers.

[¶5] During its investigation, NewsLink also uncovered that LexAI was generating text containing anonymised details about private individuals mentioned in NewsLink's unpublished drafts stored in its internal servers. There were also instances of LexAI generating responses that included details about individual user preferences, such as specific article viewing habits and subscription histories. This raised suspicions of unauthorised scraping or security vulnerabilities linked to LexAI's dataset aggregation processes. In addition, NewsLink found that LexAI occasionally incorporated obscure references to outdated articles from over a decade ago, which were not part of its active archives.

[¶6] NewsLink thereby formally notified InGen AI of these issues through multiple legal notices, requesting LexAI to exclude all content related to NewsLink. However, the company did not modify its training practices or implement measures to ensure LexAI stopped producing such content. InGen AI argued that the generative model's training relied on publicly accessible data and that LexAI's design did not allow targeted removal of specific content. It also asserts that it operates LexAI as a neutral platform intended for diverse and legitimate applications such as text drafting, summarisation, and research assistance. The company highlights that it has implemented due diligence measures, including disclaimers to inform users about the platform's limitations and mechanisms for reporting inappropriate or harmful outputs. InGen AI further maintains that LexAI's responses are generated autonomously based on its training data and do not reflect any active decisions or interventions by the company.

[¶7] However, NewsLink asserts that despite multiple notifications regarding infringing and misleading content produced by LexAI, InGen AI failed to act to address these issues, and that the generative model actively creates and disseminates content, which, in their view, renders InGen AI directly liable for any copyright violations or reputational harm resulting from LexAI's outputs. While InGen AI asserts that it strictly trains LexAI on publicly accessible content per their terms of use, evidence surfaced that suggests otherwise. NewsLink discovered that data leaks from their website occurred during training periods, which might have allowed LexAI to scrape paywalled content. Further investigations revealed that certain patterns in LexAI's training logs corresponded to bulk data accesses, suggesting that user interactions and behavior data from NewsLink's systems may have inadvertently been incorporated into its training dataset. While InGen AI denies these allegations, claiming no direct involvement, technical logs from NewsLink suggest repeated access to subscriber-only sections originating from server clusters associated with InGen AI's training operations. It was also disclosed that InGen AI utilises third-party data providers for specific training datasets. Notably, InGen AI faced unrelated controversies earlier this year, including backlash over an internal whistleblower report alleging lax oversight in the use of third-party data aggregators.

[¶8] NewsLink then approached the Telly High Court against InGen AI owing to the actions of LexAI, demanding the removal of its content from LexAI's training data and asking for compensation for the alleged harm — including reputational damage, financial losses, and potential misuse of sensitive data. InGen AI, however, contests the jurisdiction of Intian Courts over the matter, asserting that its servers and primary operations are based outside Intia, with no physical presence in the country.

[¶9] The Hon'ble Court framed the following issues and directed that unless compelling reasons are shown, no further issues shall be taken up for hearing:

ISSUES:

1. Does the Telly High Court have jurisdiction to entertain the matter?
2. Does LexAI's training on NewsLink's paywalled and proprietary content violate the Copyright law?
3. Does InGen AI qualify for safe harbour protections as an intermediary under the appropriate law(s)?
4. Is InGen AI liable for the unauthorised use of user-specific behavioural data, access to paywalled content, and scraping of sensitive information from NewsLink's servers while training LexAI?

NOTE:

1. All names, characters, places and incidents above are entirely fictional, with resemblance to any real-life equivalent being coincidental at best and mistaken at worst.
2. Republic of Intia is a fictitious country with a Constitution and laws in pari materia with the Republic of India.
3. The United States of Chester is a fictitious country with laws that are in pari materia to the United States of America.

This moot problem has been drafted by Mr Nikhil Naren, Chevening Scholar; Author and Columnist; Assistant Professor, Jindal Global Law School, Sonipat; Consultant, Digital Economy and Capacity Building, United Nations Conference on Trade and Development [UNCTAD], Geneva; and Of Counsel, Scriboard [Advocates and Legal Consultants], New Delhi.

Note: Any efforts made by the participating teams to contact Mr Naren will result in disqualification from the moot court competition.



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