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Screenwriting as Business or Service: An Indian Legal Analysis

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Abstract: ***Screenwriting is not just an art anymore, it is a business as well as a service. The distinction, however, is very subtle and not properly established, and confuses not just screenwriters but also certified professional chartered accountants. Screenwriting is very unique profession in the sense that it occupies both an intersection of creative artistry as well as commercial enterprise. This paper, therefore, examines whether screenwriting is classified as a "business" or a "service" under Indian law. What we focus here is its treatment in several fields of law such as intellectual property (IP), taxation, labour, and contract law frameworks and figure how it is treated. I explore several Indian statutes as well – notably the Copyright Act, 1957 for the rights purposes and the Central Goods and Services Tax (CGST) Act, 2017 for tax purposes– and we try to analyse how they classify and regulate screenwriting. My entire analysis covers screenwriters' rights in the works they create for eg. copyright ownership of screenplays, moral rights regarding the ownership, royalty entitlements in the future course and their obligations such as tax liabilities under service tax and also under GST. Screenwriting is majorly different from novel writing because it never gets published. The Life frame of a screenplay ends when the film is made on it and the screenwriters has a history of exploitation around the world. It is basically an instruction manual for filmmakers and not an end in itself. The paper also addresses the legal nature of a screenwriter's engagement, whether as independent contractors providing services or as employees, implicating labour and contract law (e.g. distinctions between contracts for service and of service) and as a business enterprise, by selling a screenplay to production house in return of a compensation. The paper highlights Indian case law only and is majorly from Indian Perspective. We researched from landmark Supreme Court judgments on copyright and authorship to recent disputes where screenwriters enforced their rights in films and OTT/web series.***

However, while writing this paper we chose to refrain from using screenplay works in television in order to narrow down the area of research as it would have become extremely vast then. So we focused on one particular sector as screenwriting work completely differs in the television sector and it is mostly a service as most TV production houses hires in-house writers to write their screenplays and mostly keep them on monthly wages. We did try to touch the International case studies to a limited extent, especially from the United States, only to support our arguments. Why United States? It is because United States is the top most industry for producing the quality films in the world and also because US copyright laws are more evolved than any other country in the world. United States was the first country to take copyright issues very seriously in our opinion. So the laws, case studies and judgements are used to compare how other jurisdictions also treat screenwriting – for instance, the American practice of treating screenwriting as a work-for-hire service are governed by union agreements rather than strong moral rights. No such thing exists in India as the Unions are mostly ineffective here and act as money –grabbing tools. Through this comparative lens, the paper contextualizes India's legal position and identifies areas for reform in the profession of screenwriting. The discussion in the paper is mostly geared toward industry professionals, screenwriters, and legal practitioners, emphasizing practical implications of statutes, case law, and contractual norms. There are several screenwriters whom I personally know, who without knowing their rights, are still filing their income tax under Business section. Also there is a debate whether a registered lawyer can perform screenwriting or not, because if it is a business, then Lawyers in India are prohibited from holding any business while performing duties of the law in order to maintain the sanctity of the profession. If it is service then they can do it probably. Results indicate that Indian law largely treats screenwriting as a service (particularly for taxation and contractual engagement), while recent legal developments strengthen screenwriters' status as authors with inalienable rights.

The paper concludes with suggestions to further clarify legal classifications and better protect screenwriters' interests in India, drawing on international best practices.

Keywords: Screenwriting, Copyright, Service Tax, GST, Moral Rights, Royalty, Contract Law, Labour Law, OTT, Film Industry, India, Writers' Guild, Work For Hire, Intellectual Property.

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I. INTRODUCTION

Wikipedia defines a screenwriter as:

"A screenwriter (also called scriptwriter, scribe, or scenarist) is a person who practices the craft of writing for visual mass media, known as screenwriting. These can include short films, feature-length films, television programs, television commercials, video games, and the growing area of online web series."[1]

It won't be an overstatement to say that screenwriting is the creative backbone of filmmaking and digital content production, yet its legal characterization straddles the line between art and commerce.

Despite its importance it has never been given the same status as the other fields of filmmaking has been given due to which there is tremendous exploitation in the profession of screenwriting.

In India's booming film industry over decades and the recent OTT (*over-the-top* streaming) industries, the question arises several times -

"Is screenwriting treated as a **business** or a **service** under the law?"

You will be surprised to know that even the professional chartered accountants are bewildered in which category the Screenplay writing belongs and often commit mistake of putting it under business section.

This classification must be clarified as it has far-reaching implications.

It affects –

1) Who owns the copyright in a screenplay, Producer or screenwriter?
2) How screenwriters are taxed?,
3) Do they enjoy labour protections?, and
4) What contractual rights and obligations bind them?

For decades, Indian screenwriters operated in a largely unregulated space – often signing away rights for one-time fees – but over time their rights have been recognized and recent changes in law have begun to recognize their contributions as more than just "work for hire."

This paper provides a structured legal analysis of screenwriting in India across several domains.

In intellectual property law, we examine how the Copyright Act, 1957[2] defines the screenwriter's rights (authorship, ownership, and moral rights) and how amendments in 2012[3] bolstered writers' claims to royalties[4].

Under taxation, we trace the shift from the earlier service tax regime – where certain literary works were exempt[5] – to the unified Goods and Services Tax (GST)[6], which now treats screenwriting transactions as taxable services[7].

Labour and employment law considerations are discussed to determine if a screenwriter is an independent professional or can ever be deemed an employee, engaged in a *contract of service* rather than a *contract for service*[8] [9].

In contract law, we delve into typical screenwriting agreements, which often involves the assignment of rights and clauses on credit and royalties with respect to the film they have written, reflecting whether the law views the writer's role as a service provider or something more.

Notably, the treatment of screenwriters can vary across media platforms. This paper focuses on cinema (film) and the digital sphere (OTT platforms and web series), deliberately excluding television broadcasting to narrow the scope, otherwise there would be no end to the research.

Screenwriters in film and streaming face similar legal issues in India, as both are generally governed by the same IP and contract principles and their workings are majorly the same.

However, industry practices may differ – for example, OTT series often involve writer's rooms and longer-term engagements, raising questions under labour law about the nature of such working relationships.

[1] Contributors to, writer who writes for films, TV shows, comics and games, Wikipedia.org (2001).
[2] Copyright Act, No. 14 of 1957 (India).
[3] Copyright (Amendment) Act, No. 27 of 2012 (India).
[4] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025)
[5] Dr Sanjiv Agarwal, SERVICE TAX ON COPYRIGHT SERVICES, Taxmanagementindia.com (2015).
[6] ClearTax, GST Law - Goods and Services Tax, CLEARTAX, https://cleartax.in/s/gst-law-goods-and-services-tax
[7] Goods and Services Tax – Media and Entertainment Sector, PwC & ASSOCHAM, https://www.pwc.in/assets/pdfs/publications/2018/gst-media-and-entertainment.pdf (2018).
[8] The Legal School, Contract of Service and Contract for Service, THE LEGAL SCHOOL, https://thelegalschool.in/blog/contract-of-service-and-contract-for-service
[9] SC IP, Who owns the Copyright in the Screenplay of Film? – An analysis of the Nayak Saga, SC IP (2023).

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It can be said that writer's room were created by the Production houses in order to exploit the changes which copyright laws brought in 2012 amendment as these amendments were conducive to the rights of the screenwriters.

This exploitation began when corporate entities took control of film production houses, predominantly employing underpaid and often unemployed writers who lack the resources to challenge their well-funded legal teams.

To enrich the analysis, we have also included international perspectives, particularly from the United States.

The U.S. system, with its powerful Writers Guild (WGA) and the "work made for hire" doctrine[10], treats screenwriting as a service rendered under contract, often with the studio or producer as the statutory author of the screenplay[11].

American screenwriters rely on collective bargaining for rights like residuals, since moral rights and statutory royalties are minimal[12].

By comparing this with India's approach (where moral rights are strong and statutory royalties for writers have only just been introduced[13]), we can identify gaps and opportunities in the Indian context.

The sections that follow are organized logically to cover: an overview of relevant literature and commentary on screenwriting's legal status; the methodology of this research; a detailed discussion segmented by legal domains (IP, tax, labour, contracts) with case law illustrations; the results or key findings of this analysis; and concluding observations.

Finally, we offer suggestions for industry stakeholders and lawmakers – aiming to clarify the business/service classification of screenwriting and to strengthen legal protections for screenwriters in India.

The goal is to aid industry professionals, screenwriters, and legal practitioners in understanding the current legal landscape and to highlight best practices for contracts and policies that balance creative rights with commercial needs.

II. LITERATURE REVIEW

Scholarly literature specifically on *screenwriting as business or service in India* is relatively sparse, but a growing body of work addresses screenwriters' rights and the legal challenges they face.

Most screenwriters are reluctant to pursue legal action due to the pervasive fear of industry-wide blacklisting. Instances have been reported where writers who initiated legal proceedings found themselves ostracized, as the film industry—at times functioning with cartel-like tendencies—tends to close ranks against those who challenge its practices.

It won't be an over statement to state that the screenwriters in Indian Film Industry are the most under paid and highly exploited entity.

Early academic discourse framed screenwriters under the paradigm of "creative labour." For instance, film historiographies by social scientists have documented the formation of screenwriter associations in India and their fight for recognition as workers.

A recent study by Rakesh Sengupta, *"Writers as Workers: The Making of a Film Trade Union in India,"* [14] traces the history of the Screenwriters' Association (SWA) since the 1950s and its efforts to redress precarious working conditions.

This research situates screenwriting firmly as labour – underscoring that screenwriters organized themselves as a **trade union** (with over 30,000 members, one of the largest in the world[15]) to claim rights akin to other workers in the film industry. Such historical literature provides context for why screenwriting should be viewed as a *service* rendered by skilled professionals rather than as mere sale of a script.

Legal commentary in India has increasingly turned to the question of screenwriters' rights in IP and contract law.

Commentators on prominent intellectual property forums such as SpicyIP[16]—founded by the late Prof. Shamnad Basheer, a distinguished IP scholar and policy advocate—hailed the 2012 amendments to the Copyright Act as a landmark reform aimed at strengthening the rights and bargaining power of writers.

Prashant Reddy[17], one of the authors on the blog and a graduate of NLSIU, Bangalore (2008), who holds an LLM in Law, Science & Technology from Stanford Law School (2013) and has worked in law firms and academia in India and Singapore, and co-

[10] work made for hire, LII / Legal Information Institute (2024), (last visited May 28, 2025).
[11] U.S Copyright Office, Standard Application Help: Author | U.S. Copyright Office, Copyright.gov (2025).
[12] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).
[13] ibid
[14] Rakesh Sengupta, Writers as Workers: The Making of a Film Trade Union in India, in The Palgrave Handbook of Screenwriting Studies 365 (R. Davies et al. eds., 2023), https://www.academia.edu/105017974/Writers_as_Workers_The_Making_of_a_Film_Trade_Union_in_India
[15] ibid
[16] Prashant Reddy, The constitutional challenge by film producers to the Copyright (Amendment) Act, 2012, SpicyIP (2013).
[17] T. Prashant Reddy, JOURNAL OF INTELL. PROP. STUD., https://journalofipstudies.org/t-prashant-reddy/

authored the book "Create, Copy, Disrupt: India's Intellectual Property Dilemmas (OUP)"[18], notes that the amendments were intended to overrule earlier precedents that favored producers and to "give independent rights to authors of literary and musical works in cinematograph films"[19].

The blogs on SpicyIP reported on constitutional challenges brought by film producers against these amendments, highlighting a tension; producers viewed the new writer-centric provisions (such as non-assignable royalties) as an impediment to their business, whereas writers and policy-makers saw them as correcting a historical imbalance.

These commentaries uniformly treat screenwriting as an authorship *service* that was previously undervalued and is now being legally elevated.

Several Trade journals and legal blogs have also analysed screenwriting under contract and tax law lenses.

A 2024 blog post by Mayank Grover and Ankita Panda, titled 'Whose Script is it: A Legal Perspective,'[20] explores recent copyright disputes, including the claim involving the Dharma Productions film *Jug Jugg Jeeyo*[21], produced by Karan Johar. The authors analyze how copyright subsists in film scripts and how contractual arrangements typically govern the assignment of these rights.

Grover's analysis reiterates that screenplay writing is covered by copyright as an "original literary work," and emphasizes the importance of timely contracts and registrations – implicitly treating the act of screenwriting as a service provided under contractual terms[22].

The article also discusses the 2012 amendments, confirming that regardless of contract, writers now retain an unwaivable right to royalties for uses of their work outside the film.

Taxation-focused literature (including practitioner articles on tax blogs and GST manuals) address whether providing a script or story amounts to a service.

Under the earlier Service Tax regime, some authors like Dr. Sanjiv Agarwal, a well-known CA from Rajasthan and a prolific writer, argued that creating an original literary work was not a "service" until it was commercially exploited[23]. With GST, however, guides by PwC Organization and others explain that transfers of intellectual property rights – including story and script rights – are treated as supplies of services subject to GST[24].

Industry-facing tax commentary e.g., ClearTax and Taxmann publications, have also alerted screenwriters that selling or licensing a script now attracts GST, usually at 12% or 18% depending on the nature of transfer[25].

These sources underscore a shift in legal classification from the pre-GST notion of an "intangible goods" sale (which attracted VAT) to a uniform "service" classification under GST for copyright transactions.

Comparative insights come from international literature. In the United States, screenwriting is frequently discussed in terms of *labour law and collective bargaining* rather than statutory IP rights.

The Writers Guild of America's[26] own publications emphasize that a writer's rights "are created and protected by the contract" with the studio[27], reflecting the view that screenwriting is a service rendered under contract.

Academic analyses of the WGA's Minimum Basic Agreement and Hollywood's *work-made-for-hire* doctrine (e.g., articles in entertainment law reviews) elucidate how U.S. law regards the screenplay as a commissioned work owned by producers in exchange for contractual benefits to the writer[28].

These writings, along with case studies of WGA strikes and residuals negotiations[29], provide a foil to Indian law. They highlight how, in the absence of strong moral rights, American screenwriters rely on viewing their craft as a service – backed by union power – to secure economic rights.

In summary, existing literature frames Indian screenwriting increasingly as a professional service that warrants legal protection.

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[18] T. Prashant Reddy & Sumathi Chandrashekaran, Create, Copy, Disrupt: India's Intellectual Property Dilemmas (Delhi, 2017; Oxford Academic online ed., Mar. 23, 2017), https://doi.org/10.1093/acprof:oso/9780199470662.001.0001.
[19] Films and the Copyright Amendment, Lawmatters.in (2010)
[20] Whose Script is it: A Legal Perspective, Singhania & Partners (2024).
[21] Jugjugg Jeeyo, WIKIPEDIA, https://en.wikipedia.org/wiki/Jugjugg_Jeeyo
[22] ibid
[23] Dr Sanjiv Agarwal, SERVICE TAX ON COPYRIGHT SERVICES, Taxmanagementindia.com (2015)
[24] Goods and Services Tax – Media and Entertainment Sector, PwC & ASSOCHAM, https://www.pwc.in/assets/pdfs/publications/2018/gst-media-and-entertainment.pdf (2018).
[25] Rakesh Bandal comment on Gst applicability on Film script writings, CAclubindia (2020).
[26] Writers Guild of Am., https://www.wga.org/
[27] Nuvotech Limited, What protection for a screenwriter does the Writers Guild offer?, Movieoutline.com (2025).
[28] U.S Copyright Office, Standard Application Help: Author | U.S. Copyright Office, Copyright.gov (2025).
[29] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).

There is recognition of the *service nature* in tax and labour contexts, and simultaneous recognition of the *authorship* aspect in IP law.

However, few comprehensive studies knit together these strands. This paper builds on the commentary and cases highlighted in blogs, news, judgements and academic writings to present an integrated analysis.

By doing so, it fills a gap, providing a holistic view of screenwriting under Indian law and drawing on international perspectives for a richer understanding.

III. METHODOLOGY

This research employs a doctrinal legal analysis combined with a comparative approach. The doctrinal analysis involves a close reading of Indian statutes, case law, and secondary legal sources to ascertain how screenwriting is classified and regulated in different legal domains.

Key statutes examined include the *Copyright Act, 1957* (particularly sections on authorship, first ownership, moral rights, and assignment of rights), the *Central Goods and Services Tax (CGST) Act, 2017* and associated notifications (to determine tax treatment of screenwriting transactions), provisions of Indian labour law such as the *Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981*[30] (to the extent applicable to film writers), and general contract law under the *Indian Contract Act, 1872*.[31]

The study also references relevant rules and policy documents, for instance, GST Council clarifications and copyright office publications, where pertinent.

Case law research is a critical component. We analyzed judicial decisions from Indian courts that involve screenwriters – ranging from classic Supreme Court precedents on copyright e.g., *R.G. Anand v. Delux Films*[32] on idea-expression dichotomy to recent High Court cases such as the 2023 *Nayak* case[33] concerning Satyajit Ray's[34] screenplay[35], and infringement suits by writers against producers.

These cases were selected to illustrate how courts classify the screenwriter's role, e.g., as author vs. work-for-hire employee, and what remedies are available to them under various laws.

Legal databases, the Indian Kanoon repository[36], and law reports were used to find primary case law, and those cases are cited in Bluebook format for precision.

The comparative aspect focuses predominantly on the United States, with brief forays into other jurisdictions for contrast. This part of the methodology entailed reviewing U.S. copyright law (Title 17 of the U.S. Code)[37] regarding "work made for hire,[38]" examining the Writers Guild of America's standard contract provisions, and noting any landmark U.S. cases or industry practices that define screenwriting as a service/business, for example, the WGA's role in securing residuals in the 1950s[39]. We also consulted commentary on European authors' rights (such as French law's recognition of screenwriters as co-authors of films[40]) to broaden the perspective, but we have done it with the sole purpose of proving our arguments and we do not intend to deep dive into European copyright laws.

The research is qualitative. It does not involve empirical data or surveys; instead, it synthesizes legal texts and interpretations. However, to ensure contemporaneity and accuracy, the research was not limited to pre-existing knowledge, rather I have mentioned my own conclusions in the paper.

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[30] Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, No. 50 of 1981 (India).
[31] Indian Contract Act, No. 9 of 1872 (India).
[32] R.G. Anand v. Deluxe Films & Ors., AIR 1978 SC 1613, (1978) 4 SCC 118 (India).
In this landmark judgment, the court laid down the principle of idea-expression dichotomy: it elabourates how copyright protects the expression of ideas—not the ideas, themes, or plots themselves. The Court further clarifies that even if two works share a common theme, copyright infringement arises only when an average viewer perceives the later work as having materially copied the earlier work's expression.
[33] RDB & Co. HUF v. HarperCollins Publishers India Pvt. Ltd., No. 3551 of 2023 (Del. High Ct. May 23, 2023).
The Delhi High Court held in this case that Satyajit Ray retained copyright over the screenplay of *Nayak*, distinguishing it from the cinematographic film, and affirmed that the novelization rights vested in his heirs and licensees and not the publisher of the work.
[34] Satyajit Ray, ENCYC. BRITANNICA, https://www.britannica.com/biography/Satyajit-Ray
[35] SC IP, Who owns the Copyright in the Screenplay of Film? – An analysis of the Nayak Saga, SC IP (2023).
[36] Indian Kanoon - Search engine for Indian Law, Indiankanoon.org (2025)
[37] U.S Copyright Office, Copyright Law of the United States | U.S. Copyright Office, Copyright.gov (2024)
[38] Doctrine of Work for Hire in Copyright Law: A Critical Survey with U.S. Cases, iPLEADERS, https://blog.ipleaders.in/doctrine-work-hire-copyright-law-critical-survey-us-cases/
[39] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).
[40] Contributors to, area of law in France, Wikipedia.org (2005).

Online searches were performed (using Google's web search and specialized legal search engines) to gather the latest commentary, news, and cases up to 2025. Sources like news articles for instance, coverage of the 2023 WGA strike and the 2024 recognition of SRAI – *Screenwriters Rights Association of India*[41] have been used to bring the discussion up to date[42]. Where these sources are used, they are cited to maintain verifiability.

By the way, recently the Screenwriters Rights Association of India (SRAI) has been officially registered as a Copyright Society in 2024, marking a major breakthrough in empowering Indian screenwriters to license their work, collect royalties, and assert their rights collectively and transparently.[43]

Every assertion in the discussion is supported by cited authority – be it statutory provisions, judgments, or reputed commentary – in line with Bluebook citation norms. The use of comparative material follows a contextual approach. U.S. and other foreign laws are not directly applicable in India but are used to inform the analysis of Indian law and to generate suggestions for improvement.

By combining doctrinal and comparative methods, the paper aims to thoroughly answer how Indian law treats screenwriting (as business or service) and what that means for stakeholders.

IV. DISCUSSION

A. *Screenwriting and Intellectual Property: Authorship, Ownership, and Rights*

Under Indian law, a screenplay is protected as an "original literary work"[44], which brings it squarely within the ambit of the Copyright Act, 1957. This confers upon screenwriters the status of *authors* in the eyes of the law.

The default rule in Indian copyright law is that the author of a work is the first owner of copyright (unless a specific exception applies)[45]. In the context of screenwriting, this raises the critical question - Does the screenwriter retain ownership of the script, or does it vest in a producer as part of a business arrangement?

The answer depends on the nature of the engagement – whether the writer is an independent service provider or an employee – as well as on contract provisions for rights transfer.

1) *Authorship vs. Work for Hire*

Indian law, unlike U.S. law, does not have an expansive "work made for hire" doctrine[46] for independent contractors. In India, only works created by employees in the course of employment (a *contract of service*) result in the employer being the first owner of copyright[47] (Copyright Act, 1957, Section 17[48]). If a screenwriter is engaged as a freelancer under a *contract for service*, they are the first owner of the screenplay's copyright, even if the script was commissioned by a producer[49].

The recent *Nayak* case[50] exemplifies this distinction. In that case, Satyajit Ray had been commissioned to write and direct the film *Nayak* in the 1960s; decades later, a dispute arose over a novelization of the screenplay.

The court examined whether Ray wrote the script under a contract of service (employment) or for service (independent contract). It concluded that Ray was not an employee of the producer but an independent creative professional, "a contract between equals," and therefore *Ray retained authorship and ownership of the screenplay*[51].

The producer's company, which claimed the rights, was held not to own the screenplay. Instead, the copyright remained with Ray and had passed to his heirs, who were free to license the novel adaptation[52].

This judgment underscored that in the absence of an employment relationship or explicit contractual assignment, the screenwriter's contribution is legally treated as an independent service resulting in the writer's ownership of the IP.

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[41] SpicyIP Tidbit: Screenwriters Rights Association of India Gets Registered as a Copyright Society, SPICYIP (Jan. 16, 2025), https://spicyip.com/2025/01/spicyip-tidbit-screenwriters-rights-association-of-india-gets-registered-as-a-copyright-society.html

[42] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).

[43] SpicyIP Tidbit: Screenwriters Rights Association of India Gets Registered as a Copyright Society, SPICYIP (Jan. 16, 2025), https://spicyip.com/2025/01/spicyip-tidbit-screenwriters-rights-association-of-india-gets-registered-as-a-copyright-society.html.

[44] SC IP, Who owns the Copyright in the Screenplay of Film? – An analysis of the Nayak Saga, SC IP (2023).

[45] ibid

[46] supra

[47] ibid

[48] Copyright Act, No. 14 of 1957, § 17 (India).
It lays down the general rule that the author of a work is the first owner of the copyright, subject to specific exceptions such as works created during the course of employment or under contractual agreements.

[49] ibid

[50] Copyright In The Screenplay Of The Film "Nayak" Vested With Satyajit Ray And Not With The Producer R.d. Bansal: Delhi High Court - SUNS LEGAL, SUNS LEGAL (2023)

[51] ibid

[52] ibid

The contrast with U.S. practice is stark; in the U.S., a screenplay can be a *work made for hire* if there is a written contract to that effect and it's a work commissioned for use in a motion picture[53].
In such cases, the producer/studio is considered the author in U.S. law, not the individual writer.
India, by not providing a similar shortcut for commissioned works, leans in favour of the individual writer as author unless the relationship is one of employment.
This reinforces the notion of screenwriting as a personal service of a creative nature, rather than a straightforward hire-and-own business transaction.

2) Assignment of Rights and Copyright Contracts:

In practice, of course, nearly all screenplays in commercial cinema and streaming are ultimately owned or controlled by producers or studios.
How does this square with the default rule of writer ownership?
The answer lies in copyright assignments or licenses. A screenwriter who is the first owner can transfer his/her rights by contract.
Typically, production houses insist on a written assignment of copyright from the writer to the producer at the time of entering the project or before the film's release.
Such contracts often characterize the writer's engagement as providing a service (writing the script) and include a clause assigning all rights in the script to the producer for an agreed fee.
It is through these assignments that screenwriting starts to resemble a "business" transaction – the script being an intangible commodity exchanged for money – but the law governing it treats it as an *author licensing or selling rights*, i.e. an IP-driven service.
The Indian Copyright Act has specific requirements and safeguards for assignments. Section 19[54] requires that an assignment be in writing and signed by the author, and it should specify the rights assigned and the duration and territory of assignment. Important for screenwriters, the 2012 amendments introduced sub-section (9) to Section 19[55] which provides that *"no assignment of copyright in any work to make a cinematograph film shall affect the right of the author… to claim royalties in case of utilization of the work in any form other than as part of the cinematograph film."*[56].
In simpler terms, if a screenwriter assigns a screenplay to a producer for making a film, that assignment does not extinguish the writer's right to share in royalties when the work is used in other ways (for example, adapted into a video game, web format, etc., or perhaps dubbed/reused outside the film).
Moreover, the Act inserted a proviso (in Section 18[57]) that an author of a literary or musical work included in a film "shall not assign the right to receive royalties" for uses of the work beyond the film itself, except to a legal heir or a duly registered copyright society – any contract to the contrary is void[58].
This was a radical change brought by the 2012 Amendment Act, influenced by lobbying from writers and lyricists (most prominently, writer-lyricist Javed Akhtar)[59]. It essentially means that even if a screenwriting contract in 2011 said "Writer waives all future royalties," that clause would be invalid after 2012, and the writer retains a statutory right to royalties.

3) Royalties and Moral Rights

Historically, Indian screenwriters were not paid royalties at all – they sold scripts for a lump sum and that was the end of the matter. For "112 years" since the beginning of Indian cinema, not a single screenwriter received royalties, as Bordoloi mentions in his article, "*The great Indian screenwriter heist: 112 years of missing royalties*" published on The New Indian Express in 2025.[60]

[53] U.S Copyright Office, Standard Application Help: Author | U.S. Copyright Office, Copyright.gov (2025).
[54] Copyright Act, No. 14 of 1957, § 19 (India).
It outlines the mode of assignment of copyright, requiring that such assignments be in writing, signed by the assignor, and specifying the rights assigned, the duration, and territorial extent of the assignment.
[55] *The Copyright Act*, No. 14 of 1957, § 19(9), *India Code* (1957).
It provides that if the period of assignment is not stated in the agreement, it shall be deemed to be five years from the date of assignment. This provision safeguards authors against indefinite loss of rights due to vague or one-sided contracts.
[56] Films and the Copyright Amendment, Lawmatters.in (2010).
[57] *The Copyright Act*, No. 14 of 1957, § 18, *India Code* (1957).
It empowers the owner of a copyright to assign the rights, either wholly or partially, and for the entire term or a specific duration, to any person. It forms the statutory basis for the voluntary transfer of copyright ownership.
[58] ibid
[59] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).

Internationally, by contrast, Hollywood writers secured residual payments as early as the 1950s through union action[61].

The 2012 amendment was India's attempt to bridge this gap. After a protracted struggle, including fierce resistance from producers (some of whom even mounted constitutional challenges and direly predicted industry ruin if writers got royalties)[62], the law now guarantees screenwriters a share of royalties for uses of their work outside the initial film.

To operationalize this, the Screenwriters Rights Association of India (SRAI)[63] was formed as a copyright society. Although registered in 2014, SRAI only received government recognition in 2024[64].

This means that now a collective management organization can collect royalties on behalf of screenwriters for secondary uses like TV broadcasts, OTT streaming of films, airline in-flight shows, etc. The recognition of SRAI is poised to be a game-changer for treating screenwriting as a service profession that continues to generate income for authors, rather than a one-off sale.

Apart from economic rights, Indian screenwriters (as authors of literary works) enjoy moral rights under Section 57 of the Copyright Act[65]. These include the *right of paternity*[66] (to be credited as author of the script) and the *right of integrity*[67] (to object to derogatory distortions of the work)[68].

Moral rights exist *independently* of the economic rights and even post-assignment[69]. Notably, a screenwriter cannot contractually waive moral rights – Indian law implies these rights are inalienable[70] (unlike in some countries like the UK where authors can waive moral rights).

In practice, asserting the right of integrity in the film context is complex – filmmaking is a collaborative process and scripts undergo changes. Indian courts have considered moral rights in the context of authors whose works were adapted.

In the *Mannu Bhandari* case (1987)[71], the novelist objected to a film adaptation that changed the ending of her story; while the case settled, the Delhi High Court affirmed that moral rights give an author a remedy even after assignment, emphasizing these rights override contract terms[72].

By analogy, a screenwriter could object if the final film *distorts* their screenplay in a way that harms their honour or reputation. In reality, most screenwriting contracts in India include clauses where writers consent to necessary changes in the script during filming, making a moral rights claim unlikely unless the change is truly egregious.

However, the *right of paternity* is highly pertinent – writers have a right to be credited for their work. The Screenwriters Association has standard credit guidelines and often intervenes if members are denied due credit. Indian law backs the writer here as failure to credit can be seen as violation of the author's special right to claim authorship.

In sum, the IP law framework in India treats screenwriting predominantly as an authorial service. The screenwriter is the originator and first owner of rights (service aspect as creator), but through business arrangements (assignments) those rights are utilized by producers.

Recent legal reforms have strengthened the writer's power as the law acknowledges that even after the "business deal" of assigning a script, the writer's entitlement to royalties and attribution remains and cannot be violated.

This hybrid approach – part author-rights, part service-contract – reflects an evolving recognition that screenwriters contribute creative value that the law should preserve even within commercial transactions.

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[60] ibid
[61] ibid
[62] ibid
[63] Registration of SRAI Marks a New Era for Screenwriters in India, The Print (May 3, 2025), https://theprint.in/yourturn/subscriberwrites-registration-of-srai-marks-a-new-era-for-screenwriters-in-india/2436362/.
[64] ibid
[65] *The Copyright Act*, No. 14 of 1957, § 57, *India Code* (1957).
It confers *moral rights* upon authors, independent of their economic rights. These include the right to claim authorship and to object to any distortion, mutilation, or other modification of their work that would prejudice their honour or reputation—even after the transfer of copyright.
[66] https://www.lexisnexis.co.uk/legal/glossary/right-of-paternity
The "right of paternity," also known as the moral right of attribution, entitles authors to be recognized as the creators of their work. Under UK moral rights law, it ensures that authorship is properly attributed whenever a work is commercially broadcast, performed, or displayed—and cannot be waived once asserted.
[67] "Right of integrity," Legal Glossary, LexisNexis UK.
The *right of integrity* is a moral right that allows authors to object to any derogatory treatment of their work that may distort, mutilate, or otherwise harm their honor or reputation. This right ensures the protection of the personal and reputational connection between the author and their creation, regardless of economic rights.
[68] Protection of "Moral Rights of Author," S.S. Rana & Co. (2021).
[69] ibid
[70] IPLF, Permissibility Waiver Of Moral Rights Under Copyright Regime - IPLF, IPLF (2022).
[71] Manu Bhandari v. Kala Vikas Motion Pictures Ltd., A.I.R. 1987 Delhi 139.
[72] Protection of "Moral Rights of Author," S.S. Rana & Co. (2021).

B. Taxation: Service Tax and GST – Screenwriting as Supply of Services

How a screenwriter's work is classified for tax purposes directly reflects whether the law sees it as a service.

Under Indian tax law, particularly post-2017, screenwriting is unequivocally treated as a service.

However, this was not always so clear under the previous regime, and even now there are nuances depending on how rights are transferred.

1) Pre-GST (Service Tax and VAT)

Before the introduction of the Goods and Services Tax (GST) in July 2017, India had a split system of indirect taxes – *service tax* on services (levied by the central government) and *VAT* (value-added tax) on sale of goods (levied by states).

Intellectual property, being intangible, sometimes fell into grey areas between goods and services. The law explicitly deemed certain transfers of IP as services and certain as goods. Under the Service Tax law (Finance Act, 1994, as amended)[73], there was a category for "copyright services."

But importantly, the law distinguished between different types of copyrighted works. Temporary transfer or licensing of a copyright was considered a taxable service *except when it pertained to original literary, dramatic, musical or artistic works*[74].

In other words, if a screenwriter licensed the rights in an *original literary work* (like a script or story) to a producer, it was not taxable under service tax – this was a conscious exemption to encourage authors.

As Dr. Sanjiv Agarwal explains in his 2015 article "Service Tax on Copyright Services" that: *"so long as a singer or a script writer or a film producer makes any original creation, it will remain outside the ambit of service tax, but the moment it is given for making a movie for commercial purpose, it will be taxed"*[75].

This somewhat confusing formulation meant: creating the script itself wasn't taxed (of course, because service tax only kicks in on a service provided for consideration), and if the script was licensed to make a film, that act *would* have been taxed as a service – but due to the exemption for "original literary works," in practice screenwriters' licensing to film producers was effectively tax-free under service tax. Meanwhile, *permanent* transfers of copyright (sale of rights) were often treated as sale of goods attracting VAT. Several state VAT laws (like Karnataka VAT) explicitly listed copyrights as goods subject to VAT[76].

For instance, a permanent assignment of a film script's copyright could be seen as sale of an intangible good. The overlap led to some complexity, in one scenario, a screenwriter assigning rights might face VAT; in another, licensing rights might have been service-tax-exempt.

2) Post-2017 (GST regime)

When GST came in 2017, it merged service tax and VAT into a single tax on "supplies." Under the GST framework, *all supplies of services or goods are taxable unless specifically exempt*. A welcoming change was that *The GST Council* decided to tax IPR transactions mostly as services.

According to the GST rate notifications, *temporary or permanent transfer of intellectual property rights (IPR)* in respect of goods other than IT software would be treated as supply of services post 2017.

The tax rate initially was set at 12% for such IPR services[77]. Later revisions moved certain items to 18%. In effect, whether a screenwriter assigns a screenplay (permanent transfer of copyright) or licenses it for use by a producer, GST applies (contrast with earlier regime where an assignment might have been VAT or exempt).

A PwC's 2018 publication on GST in India's Media & Entertainment sector highlights that under GST *"the supply of all intellectual property rights (in respect of goods other than IT software) attracts GST at the rate of 12%"* and that both permanent and temporary transfers are taxable, whereas previously one of those might have been exempt or under VAT[78]. The GST regime thereby clearly treats the act of providing a script to a producer – whether by sale or license – as a service provided by the writer (or script owner) to the producer rather than a business transaction.

[73] The Finance Act, No. 32 of 1994, §§ 64–96-I, India Code (1994) (as amended).
The Service Tax law in India was introduced through Chapter V of the Finance Act, 1994, empowering the central government to levy tax on specified taxable services. Over time, the provisions were expanded and amended to cover a wider range of services until its subsumption under the Goods and Services Tax (GST) regime in 2017.
[74] Dr Sanjiv Agarwal, SERVICE TAX ON COPYRIGHT SERVICES, Taxmanagementindia.com (2015).
[75] ibid
[76] ibid
[77] Goods and Services Tax – Media and Entertainment Sector, PwC & ASSOCHAM, https://www.pwc.in/assets/pdfs/publications/2018/gst-media-and-entertainment.pdf (2018).
[78] ibid

One practical implementation of this under GST is the use of the Reverse Charge Mechanism (RCM)[79] for certain copyright-related services. The government was aware that several authors (writers, composers, etc.) are individuals who are creative people and does not own businesses and hence might not be registered under GST (registration is compulsory only if annual turnover exceeds a threshold).

To ease compliance, GST notifications specify that when an *individual author or artist* transfers or licenses a copyright to a publisher/producer, the GST shall be paid by the recipient (the publisher/producer) under reverse charge[80].

For example, if a screenwriter assigns a film script's copyright to a production house, the production house is liable to pay GST on that transaction (and can claim input credit), instead of the writer charging GST.

The CAclubindia forum[81] contributors clearly summarises this: *"if film scripts are supplied along with copyright, GST is payable by the producer on reverse charge; if a writing service is provided without transfer of copyright, then the writer charges 18% GST"*[82].

This implies two possible tax treatments:

- Rights transfer scenario: Screenwriter assigns or licenses copyright – GST at applicable rate (12% or 18% as notified) via reverse charge by producer.
- Work-for-hire service scenario (no rights given): Screenwriter is paid to draft a script but does not part with IP – GST 18% (the standard service rate) forward charge.

In reality, the first scenario is the norm in films/OTT because producers require the rights. The second scenario might occur if a writer is hired purely as a consultant or to doctor a script without owning final IP, but even then producers typically insist on assignment of any contributions. Nonetheless, GST law accounts for both.

For completeness, it's worth noting income tax (direct tax) aspects too. Screenwriters earning income from writing can classify it as "professional income" under the Income Tax Act.

They can deduct expenses related to writing, and if they are employees (rarely the case), it would be salary income.

Some veteran screenwriters operate via loan-out companies or sole proprietorships, effectively running a small business of providing writing services. The income tax law doesn't force a classification of writing as business vs profession – both are taxed similarly with minor differences in presumptive schemes.

But the very fact that many writers consider their earnings as "professional fees" rather than business revenue dovetails with the legal treatment of their work as the provision of creative services.

To summarize taxation, under GST, screenwriting is treated as a service by default.

The transaction of a scriptwriter providing a script (and its rights) to a producer is a taxable supply of services.

This reinforces the conceptualization of screenwriting as a service in the legal domain. The shift from the earlier regime (where some parts of a writer's remuneration might not have been taxed or fell under goods) to GST has streamlined and left little doubt about this classification. For screenwriters and producers, this means compliance – writers who are above the threshold or not using RCM must register and possibly charge GST, and producers must account for GST either way.

While this imposes a tax burden (18% GST is higher than the old 15% service tax, and an exemption was removed[83]), it also legitimizes screenwriting as a recognized service profession. The inclusion in GST also enables credit flow; producers can claim input tax credit on writer fees, potentially making them more amenable to paying writers higher fees (since taxes are creditable).

C. Labour and Employment Law: Independent Contractor vs. Employee

Screenwriting, as practiced in India, is rarely a nine-to-five job with a salary – it is typically project-based work. Thus, in the eyes of labour law, most screenwriters are independent contractors providing services (a contract *for* service) rather than employees (contract *of* service).

This distinction is crucial because employees are covered by various labour statutes (minimum wage, social security contributions, work conditions, etc.), whereas independent contractors are largely governed only by their contracts and commercial laws.

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[79] What Is RCM Under GST?, INDIAFILINGS, https://www.indiafilings.com/learn/what-is-rcm-under-gst/#:~:text=Under%20GST%2C%20the%20Reverse%20Charge,remits%20it%20to%20the%20government
The Reverse Charge Mechanism (RCM) under GST shifts the tax liability from the supplier to the recipient of goods or services, requiring the recipient to directly pay the applicable tax to the government.

[80] GST Applicability on Film Script Writings, CAclubindia, https://www.caclubindia.com/forum/gst-applicability-on-film-script-writings-539034.asp

[81] ibid

[82] ibid

[83] Goods and Services Tax – Media and Entertainment Sector, PwC & ASSOCHAM, https://www.pwc.in/assets/pdfs/publications/2018/gst-media-and-entertainment.pdf (2018).

3) Contract of Service vs. Contract for Service

Indian courts often use common law tests to differentiate employees from contractors – the control test, organization (integration) test[84], and, more recently a multifactor "balancing" approach[85].

Applying these parameters to screenwriters:

- Does the producer control not just what is written but how, when, and where the writer works and created the work?
- Is the writer integrated into the producer's organization like a staff member, or are they free to work on their own schedule and even for others simultaneously?

In almost all cases, a screenplay writer has significant autonomy in the creative process, is hired for a specific task (writing the script or screenplay for a film/series), and is not a regular employee of the production company.

The *Nayak* case, which answers several pertinent questions regarding this, also discussed earlier, explicitly examined this, and the court found that Satyajit Ray's relationship with the producer was *not* one of master-servant or employer-employee[86].

Instead, Satyajit Ray, as a writer, was providing his skilled services as a creator under a contract for a specific film – a classic independent contractor scenario. The court even noted it was a "contract between equals" (Ray being a renowned filmmaker, Mr. Bansal being a big producer)[87]. While not every writer has equal bargaining power with producers, the nature of work remains similar.

If, hypothetically, a screenwriter were a full-time, salaried staff member of a studio (say a streaming platform's in-house writer's room staff), then that writer would be an employee and labour laws would kick in.

As an employee, the first ownership of copyright in any work created in the course of employment would vest in the employer (producer) under the proviso to Section 17 of the Copyright Act[88] (which the 2012 amendments partially curtailed for commissioned works like songs, but generally if you're an employee, employer is author of any work made during employment).

However, such arrangements are uncommon in India's film sector. Studios here typically contract writers per project or per season in the case of web series, rather than hiring them as permanent staff.

This is unlike, say, U.S. television, where staff writers on long-running shows might be employees (though even there, they are often on fixed-term contracts per season, and their employment benefits come via the WGA union agreements rather than being ordinary corporate employees).

4) Labour Protections and Cine Workers Act

Recognizing the film industry's freelance nature, the Indian government enacted the *Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981*.[89]

This law was intended to regulate working conditions for "cine-workers" – which includes various film industry workers who are employed in production and whose remuneration does not exceed a certain amount. The definition of "cine-worker"[90] under that Act extends to anyone employed in a film production to do any work (behind or in front of the camera) for hire or reward, provided their wages are below the threshold. Screenwriters can fall under "cine-workers" if they work for hire on a film and earn within the limit (the wage cap was originally low; it has been updated over time for inflation). If a screenwriter is a *cine-worker* under this Act, the producer must issue a letter of appointment, ensure timely payment of wages, and contribute to the Cine Workers' welfare funds (under separate welfare legislation of 1981). In practice, however, many established screenwriters exceed the wage threshold, and those below it may not even be aware of or enforce their rights under the Cine Workers Act. Enforcement of this Act in Bollywood has been erratic; it has seen more use in cases of non-payment or accidents on set involving stunt workers or junior artists, which nowadays is specifically covered by insurance, so it is not a burden on producers. Producers are also bound to cover the tragic cases occurring on sets due to pressure from the media and to save the film from bad publicity.

[84] Tests Identifying a Contract of Employment – Employment Law Essay, LawTeacher.net, https://www.lawteacher.net/free-law-essays/employment-law/tests-identifying-a-contract-of-employment-employment-law-essay.php
[85] SC IP, Who owns the Copyright in the Screenplay of Film? – An analysis of the Nayak Saga, SC IP (2023)
[86] ibid
[87] ibid
[88] supra
[89] The Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Rules, 1984, G.S.R. 677(E), Gazette of India, Extraordinary, Part II, Section 3(i), dated Sept. 21, 1984, effective Oct. 1, 1984.
[90] Section 2(b) of the Cine-Workers and Cinema Theatre Workers (Regulation of Employment) Act, 1981 defines a "cine-worker" as any person employed in the production of a feature film in various capacities—ranging from artistic to technical—whose remuneration falls below the government-notified threshold. The provision aims to protect low-paid film workers through statutory regulation.

For writers, such claims are rare, but the statute's existence implies that legally, a screenwriter *could* be seen as a worker entitled to labour protection if the engagement is structured like employment.

5) Trade Unions and Collective Bargaining

The Screenwriters' Association (SWA)[91], formerly the Film Writers' Association, is registered under the Trade Unions Act, 1926. This gives it the legal status to represent its members (screenwriters and lyricists) and even call for collective action.

Historically, SWA has functioned more as a fraternity and service organization – providing registration of scripts (to prove authorship dates), arbitrating credit disputes, and lobbying for legal reforms – rather than engaging in strikes or collective bargaining agreements with producers.

However, it has occasionally flexed its muscles. For example, in 2023, during the Writers Guild of America strike in Hollywood, SWA[92] advised its members not to take up projects for American productions, in solidarity, effectively respecting the WGA's[93] picket line in India[94].

This hints at a future where SWA could coordinate more on labour action. Still, unlike the WGA, the SWA has not negotiated a binding minimum basic agreement with producers in India.

The film industry in India is largely non-unionized in terms of collective contracts, although there are federations (like FWICE – Federation of Western India Cine Employees[95]) that set some wage benchmarks for certain crew roles.

One reason screenwriters haven't had a WGA-style contract is the nature of Indian labour law[96] – only "workmen" (a category of employees involved in manual, unskilled, technical or clerical work) can avail industrial dispute mechanisms.

Screenwriters, being creative professionals, likely do not fall under the definition of "workman" under the Industrial Disputes Act[97] (they perform functions of a literary nature, often supervisory or managerial in crafting a story). Therefore, they cannot, for instance, invoke labour courts for wrongful termination or collective disputes in the same way factory workers can. This again underscores that the law views them not as industrial employees, but as independent service providers or at best as *consultants.*

6) Contracts and Working Conditions

Since labour legislation offers limited cover, the working conditions of screenwriters (timelines, number of drafts, credit, payment schedule) are governed by contracts and industry custom.

The SWA has published model contract templates for writers, which include clauses for reasonable timelines, revision payments, and arbitration in case of dispute. These templates aim to standardize the engagement as a fair services contract – treating the writer as a professional who delivers a screenplay (much like a consultant delivering a report) in exchange for fees and credit. Producers are not legally bound to use these models, but many do adopt basic terms from them to avoid conflict with the writers' union.

Unfortunately, a large number of writers remain unaware of the initiatives undertaken by the Screenwriters Association (SWA), including the availability of standard contractual frameworks. This lack of awareness is compounded by concerns over organizational inefficiencies and alleged corruption within certain Indian institutions, which—unlike their more structured and transparent counterparts in the United States—often deter writers from seeking institutional support or legal recourse.

It is worth noting that some screenwriters form their own companies (LLPs or Pvt Ltd companies) and then contract with producers through those entities.

This is a way to limit liability and manage taxes, effectively turning their screenwriting into a small business. However, legally this doesn't change the nature of what they do – it remains a contract for creative services, only now between two corporate entities (writer's company and production house).

[91] SWA - Screenwriters Association, Swaindia.org (2025).
[92] Writers' strike: What happened, how it ended and its impact on Hollywood, Los Angeles Times (May 1, 2023), Updated Oct. 19, 2023.
The 2023 Writers Guild of America (WGA) strike marked a pivotal moment in Hollywood labour history, as over 11,000 screenwriter's halted work to demand fair compensation in the streaming era, stronger residuals, protections against AI-generated content, and better working conditions. The strike, which lasted from May to September 2023, significantly disrupted film and television production, drawing attention to longstanding inequities in the entertainment industry and sparking parallel labour movements across creative sectors.
[93] Writers Guild America West, Wga.org (2023).
[94] Bharti Dubey, Underpaid and uncredited: These are the troubles of Indian screenwriters - #BigStory, The Times of India (2023).
[95] FWICE, Fwice.org (2018).
[96] Labour Laws in India, National Crime Investigation Bureau.
[97] The Industrial Disputes Act, No. 14 of 1947, India Code (1947

7) Case Studies – Disputes and Remedies

Labour disputes per se (like unfair termination) are not prominent with screenwriters, but disputes do arise regarding credit and payment which resemble breach of contract or IP infringement matters.

For instance, if a producer terminates a writer mid-project and hires another to finish the screenplay, there could be a dispute on who gets credit or if ideas were taken without payment.

It is important to note that screenwriting involves both technical and creative elements, whereas story ideation is primarily a purely creative process. This distinction raises critical questions regarding ownership—specifically, who holds the rights to what aspect of the work, and to what extent. These disputes usually end up in civil courts or arbitrations rather than labour tribunals. A notable case was *Jyoti Kapoor vs. Kunal Kohli*[98], where the writer, Jyoti Kapoor alleged her script was used to make the film *Phir Se* by the director/actor Kunal Kohli without giving her the due credit or taking prior permission.

She sued for breach of confidence and copyright violation, and the Supreme Court of India in 2015 ruled in her favor, finding substantial similarities between the film and her screenplay[99]. The court awarded her compensation and mandated on-screen credit to her as the story writer[100] of the movie. This outcome – compensation and credit – is essentially the enforcement of her rights as an independent contractor and author, not as an employee. However, the level of exploitation within the Indian film industry is such that Jyoti Kapoor was credited merely with "Story Idea," while significant writing roles were attributed to others. She was denied appropriate recognition for her creative contribution, including standard credit titles.

Similarly, in the *Jannat 2* case, the Bombay High Court in 2012[101] granted an injunction against the film's release on the complaint of writer Kapil Chopra, who claimed the movie was based on his registered script and he was denied due credit[102]. The injunction (though later lifted on settlement) signaled judicial recognition of the screenwriter's contribution and again treated it as an issue of IP/contracts (credit and payment), not a master-servant issue.

In contrast, if a screenwriter were an employee, their remedy for grievances might lie in labour law (e.g., unlawful termination claims), such as for writers working Television industry. The absence of such cases indicates that screenwriting is not structured as employment in India. Even writers' credit issues are resolved via civil litigation or union arbitration rather than labour adjudication.

8) Comparative international insight (United States)

In Hollywood, many film and TV writers are technically freelancers, but when they work on a WGA signatory project, they are treated as if they were employees for purposes of benefits and collective bargaining. They get union healthcare, pensions, and are paid through payroll companies with tax withholding. Yet, legally, the studio often insists the screenplay is *work-for-hire*.

This peculiar arrangement underscores that screenwriting is a service rendered in an employment-like framework in the U.S. The WGA has negotiated limits on how free a studio is to treat writers; for example, there are rules on how many free rewrites a writer can be asked to do, minimum compensation, and residuals for reuse. Indian screenwriters lack such collective agreements, but the movement of SWA and the statutory changes are pushing in that direction, to acknowledge writing as skilled labour deserving ongoing remuneration and fair working terms.

In summary, Indian labour law by default does not place screenwriting in the category of formal employment – it's a profession or trade. The classification is that of an independent service provider. This has the downside of fewer labour protections, but on the upside, it grants writers freedom to work for multiple clients and to negotiate terms on each project. The industry's self-regulation through SWA and similar bodies fills some gaps, treating screenwriting as a service profession that needs guidelines (much like lawyers or doctors have professional bodies, though those are regulated professions, whereas screenwriting is not state-regulated).

D. Contract Law Dimensions: Agreements, Terms, and Enforcement

Contracts are where the "rubber meets the road" in defining screenwriting as either a service or a sale. In practice, a screenwriting contract in India is usually framed as a "Screenplay Writing Services Agreement". The screenwriter (sometimes called "Service Provider" or simply "Writer" in the contract) agrees to render writing and related services for a film or series, often in multiple stages (story, treatment, screenplay, dialogues, etc.), in exchange for remuneration.

[98] Jyoti Kapoor & Anr. v. Kunal Kohli & Ors., Bombay High Court, C.A. No. 5434–35 of 2015, decided May 19, 2015
[99] Vishal Joshi, Karnal-born script writer wins case against Kunal Kohli, Hindustan Times (2015).
[100] ibid
[101] Kapil Chopra v. Kunal Deshmukh & Ors., Bombay High Court, Appeal (L) No. 322 of 2012, decided August 21, 2012 (interim injunction restraining satellite release of Jannat 2)
[102] Vishal Joshi, Karnal-born script writer wins case against Kunal Kohli, Hindustan Times (2015)

The contract also invariably contains an assignment of copyright (or an exclusive license) to the producer, since the producer needs to own or control the script to make the film content. Let us break down the typical terms and legal considerations:

1) Scope of Services: The contract will describe the how, when, where, and what of the work the writer is expected to deliver – e.g., a first draft screenplay of X length, a certain number of revisions or polish sessions, maybe involvement during shooting for dialogue changes. This cements the notion that the writer is performing a *service*. Some agreements even explicitly state, "Writer agrees to render writing services for the Project…to the satisfaction of the Producer." The *deliverable* is the script (and rewrites), much like a contractor delivering a design or a report. Failure to deliver on time or in an acceptable form can be treated as a breach of contract.
2) Fee Structure: Many screenwriting contracts split the fee into milestones (e.g., 30% on delivery of first draft, 20% on second draft, 50% on final approval, etc.). This payment schedule aligns with the idea of ongoing service provision. In contrast, if it were a pure sale, one might expect a one-time lump sum. By structuring payments for work done at various stages, the contract underscores that the writer is being compensated for *effort and time* (service) rather than just selling a pre-existing script. There are also cases where a writer might be paid weekly or monthly for a set period while writing (akin to a consulting retainer) – again indicating a service.
3) Intellectual Property Clauses: A crucial part is where the writer transfers rights to the producer. A typical clause might read: "*The Writer hereby assigns to Producer all rights, including copyright in and to the screenplay and all versions thereof, throughout the world in perpetuity*." This is the business end of the deal – converting the fruits of the service into property of the producer. Indian contract law allows assignment of future copyright as well, but with an important caveat post-2012: any assignment of rights in a medium not known at the time has to be specifically mentioned, otherwise it won't include that medium[103]. For example, older contracts that did not mention streaming/OTT rights could be interpreted as not assigning those rights, since OTT as a medium wasn't commercially in use at the time – although most modern contracts now include all conceivable media. Additionally, as discussed, the contract cannot take away the writer's right to royalties for uses beyond the film itself; if it tries to, that portion is void[104]. Many contracts still have clauses where writers purport to waive rights to future royalties, either out of ignorance or producers' insistence, but legally, those clauses are unenforceable after the Amendment[105]. Instead, producers now often clarify that the agreed fee is in lieu of all present and future rights *except* those statutorily reserved to the writer. With SRAI active, contracts may evolve to explicitly acknowledge the writer's right to collect through the society for certain exploitations.
4) Credit and Moral Rights in Contracts: Contracts usually specify how the writer will be credited (e.g., "Screenplay by X" in the main titles, etc.). While moral rights exist by law, specifying credit in the contract provides a clear mutual understanding and can be enforced as a contractual obligation. Some contracts include a clause that the writer will not unreasonably withhold consent to changes and that any *failure to accord credit* as per the contract allows the writer to seek remedies. Often, disputes about credits are resolved through SWA's credit arbitration rather than court, but having it in the contract makes it a breach of contract if violated. Notably, contracts cannot ask the writer to waive the right to be identified altogether – that would contradict Section 57[106] (and likely be void as against public policy, aside from moral rights doctrine). However, sometimes ghost-writers[107] do sign agreements to not claim authorship (NDAs and ghost-writing clauses). The enforceability of those is debatable under moral rights – an author cannot be forced to permanently hide their identity, but they can choose not to enforce the right to claim credit. Since moral rights are unassignable, a ghost-writer theoretically could later assert credit, though doing so would breach their NDA. This legal grey area hasn't been fully tested in Indian courts.

[103] Films and the Copyright Amendment, Lawmatters.in (2010).
[104] ibid
[105] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025)
[106] *The Copyright Act*, No. 14 of 1957, § 57, *India Code* (1957).
Section 57 of the Copyright Act, 1957, establishes the moral rights of authors in India. These include the right to claim authorship of the work and the right to object to any distortion, mutilation, modification, or other acts that may harm the author's honor or reputation. These rights exist independently of copyright ownership and remain even after economic rights have been transferred or assigned.
[107] In screenwriting, a **ghostwriter** is a writer hired to create or revise a script without receiving official credit. Common in both Bollywood and Hollywood, they often work under NDAs and help polish or rewrite scripts behind the scenes, allowing the credited writer to retain sole authorship.

5) Exclusivity and Competitive Restrictions: Is the screenwriter free to work on other projects while under contract? Most film writing contracts are not exclusive beyond the script at hand (given the freelance nature), though they might require the writer not to write a similar script for someone else during a certain period or not to divulge the story to anyone (confidentiality). These terms again reflect the *service-oriented* nature of the relationship as the producer is buying the writer's creative effort and ideas for this project and wants to ensure those services (and the resulting script) are unique to them. It's not like a traditional employment non-compete, but rather a project-specific exclusivity.

6) Remedies and Dispute Resolution: If a screenwriter fails to deliver, the producer's remedy is typically to terminate the contract (perhaps pay only for work done) and maybe seek damages if delays caused loss. Conversely, if the producer fails to pay or gives the film to another writer without crediting the first, the writer can sue for breach of contract and also potentially for copyright infringement (if their script was used without credit or further payment). Many contracts have arbitration clauses, some naming the SWA's arbitral body or a sole arbitrator. The enforcement of arbitration awards for writers has been happening quietly; for instance, SWA's arbitration might rule that a writer deserves shared credit or some compensation, and producers often comply to avoid public disputes. In cases that did go to court, what's revealing is that courts often treat the matter as one of *contractual entitlement and copyright*, not as an employment issue. For example, in *Kapil Chopra v. Vishesh Films*[108] (the *Jannat 2* case), the Bombay High Court[109] looked at the correspondence and the fact that the writer had registered his script with SWA in 2007 and found that there was a prima facie case that the producer had access to and used his script[110]. The injunction was a remedy to protect the writer's copyright (an IP remedy) and also indirectly vindicated his contractual expectation of credit/payment. Likewise, Jyoti Kapoor's Supreme Court case was argued on grounds of contract (breach of confidence, an equitable doctrine akin to contract) and copyright, not on any labour law. This trend confirms that when disputes arise, the law sees the screenwriter as a service provider whose agreement and IP rights need enforcement, rather than as a wronged employee.

7) International Comparison in Contracts: U.S. screenwriting contracts, especially under the WGA, are very detailed in terms of payments (for drafts, for production bonus, for sequels, etc.) and include separated rights (like the writer retains publication rights to the script, a right to buy back the screenplay if unproduced, etc.). Indian contracts historically were very one-sided – a flat fee for all rights, no residuals, and often vague on credit. That is changing under the influence of the new law and awareness. We can foresee Indian contracts evolving to include clauses about royalty collection (e.g., "Writer shall have the right to receive royalties through SRAI for any use of the work other than as part of the film, as per Section 19(9)[111] of the Act"). Already, some progressive contracts mention the 2012 Act and state that nothing in the contract is intended to override the writer's statutory rights. This shows the blend of service and statutory author-rights in contracts.

So, one can say that Screenwriting agreements in India treat the engagement as a **service contract with a transfer of IP**. The contract is the instrument that transforms the creative service into a commodity (the script rights) for the producer.

However, statutory interventions (like unwaivable royalties and moral rights) place boundaries on absolute commodification. The legal enforceability of screenwriting contracts – through civil court or arbitration – underscores that these are private law matters of exchange of services and rights. There is no special "screenwriter contract act"; general contract principles apply (offer, acceptance, consideration, capacity, etc.). As long as a contract is not unconscionable or against public policy, courts uphold them. An interesting hypothetical: if a contract tried to completely bar a writer from ever speaking about or claiming authorship of a script (a gag clause), a court might hold that void for violating the Copyright Act's moral rights provision[112]. Thus, contractually, screenwriting is a service subject to negotiated terms, but those terms operate within a legal framework that acknowledges the writer's continuing rights as an author.

E. Treatment Across Different Media: Cinema vs. OTT/Web Series (Excluding Television)

Within the film and digital content industries (excluding traditional television serials), does the legal treatment of screenwriting differ? Broadly, the same legal principles apply to a theatrical movie screenplay, an OTT web-series writing, or a direct-to-digital film.

[108] Kapil Chopra v. Kunal Deshmukh & Ors., 2012 SCC OnLine Bom 1302 (India).
[109] Dibyojyoti Baksi, Court orders complete injunction on Jannat 2, Hindustan Times (2012)
[110] Law Essentials, Kapil Chopra v. Kunal Deshmukh & Ors, 2013 [1], Law Essentials (2021)
[111] supra
[112] Protection of "Moral Rights of Author," S.S. Rana & Co. (2021).

However, there are practical differences in how work is done and deals are structured, which can highlight certain legal points.

In **feature films (cinema)**, typically one or two screenwriters (or a small team) are responsible for the story, screenplay, and dialogue. They often work freelance, subject to project to project. The contract ends once the final script is delivered (sometimes with a clause that they will be consulted for changes during production, but they are not continuously employed). They usually get one-time fees (plus now maybe royalties via SRAI when the film is exploited on other platforms). Historically, film writers had very little leverage except their personal reputation. This is why duo Salim-Javed in the 1970s famously started demanding screen credit on movie posters, which was revolutionary at the time. Now it's standard to credit film writers, due in part to their efforts and moral rights law.

For OTT and web series, the process can resemble a writers' room model (borrowed from U.S. television). A head writer or showrunner may lead a team of staff writers and episode writers. Contracts in these cases might be slightly closer to employment – for example, a streaming service could hire a head writer on a long-term exclusive contract for the duration of the series, paying a monthly salary or an overall package for multiple episodes.

The writers' room staff might even work on the premises of the production company for a few months. Does this make them employees? Not automatically – unless they are on the company's payroll with tax deductions and bound by HR rules like any other employee, they're still likely treated as independent contractors but with full-time commitment during the contract term.

The head writer might incorporate as a company and invoice the platform for writing services of the team. Each episode writer might have a contract assigning copyright of that episode's script to the producer.

One new complexity here is joint authorship – if a series episode is co-written by multiple people, or a writing team collaborates on a season, the default under copyright law would make them joint authors of the final script (unless clearly delineated).

Contracts usually handle this by having each contributor assign their contribution to the producer, and often an interse agreement that the showrunner or creator will be deemed the author for credit purposes. The law itself doesn't prohibit multiple authors, but producers avoid any co-owner situation by contract.

Another aspect is format rights and show bibles – for series, the concept and characters might spawn spin-offs, remakes, etc. Writers' contracts for OTT shows might include clauses about first right to write subsequent seasons or a guarantee of payment if another writer takes over (not common yet in India, but that's how WGA deals often work – paying a creator if their show is continued without them). These sophisticated clauses reflect the evolving business of series writing but they all are grounded in contract and IP assignment principles we discussed.

From the perspective of statutes, there's no separate law for OTT vs. film writing. The Copyright Act protections, GST rules, etc., all apply equally. One distinction: the Cinematograph Act, 1952 regulates certification of films for public exhibition in cinemas, but web series are not under that regime (they are self-regulated by digital platforms for content), atleast till 2025; the time at which I am writing this research paper.

This has no direct bearing on screenwriters' legal status, but indirectly, film writers have to be mindful of censorship laws (if a scene might be cut by censors, etc.), whereas web writers have more freedom (subject to IT Act content rules). However, this does not affect whether their writing is a service or not – it only affects the content.

To the extent that screenwriting for different media might fall under different industrial bodies (the Producers Guild for film vs. the OTT platforms consortium for web), a writer's negotiation dynamics could change. For instance, big OTT platforms sometimes insist on more comprehensive contracts (including morality clauses, NDA, etc.) because of global standards.

They might also be more prompt with royalties' compliance because many are international companies accustomed to paying residuals elsewhere. Anecdotal evidence suggests some OTT producers have begun honouring the royalty clause by agreeing in contracts that writers will get X% of gross from certain exploitations, or simply deferring to SRAI once operational. Film producers, especially smaller ones, might be slower to adapt.

1) International perspective (briefly on TV vs Film writers)

In the U.S., historically film writers sold their scripts outright (one-time payment, work-for-hire), whereas TV writers were often staff writers with episodic fees and residuals for reruns. The lines have blurred with streaming. India might follow a similar path in the future, as the US corporate companies have started flexing their muscles here as well and changing the dynamics of work.

However, film writing remains mostly one-off freelance deals, while series writing moves toward a more continuous engagement model. Nevertheless, legally both are treated as contracts for service and the writer as a supplier of creative work.

In conclusion, whether it's cinema or OTT, legally the classification of screenwriting leans towards **service provision**. The nuances of contracts in web series (writers' room, potential quasi-employment setups) are still navigated within contract and IP law, not by

reclassifying those writers as employees under labour statutes. It will be interesting to see if in the future any web-series writer tries to claim they were effectively an employee and, say, claim overtime or provident fund – but given current practices, that would be an uphill battle unless the engagement was structured with all attributes of employment. For now, all screenwriting outside TV broadcast is firmly in the freelance/service category under Indian law, with protections stemming from IP law and contract terms, rather than employment law.

F. International Case Studies: Lessons from the United States (and beyond)

To put India's approach in context, comparing it with other jurisdictions – especially the **United States** – is illuminating. The U.S. treats screenwriting in a manner that is in many ways the polar opposite of India's traditional approach, yet recent Indian developments show convergence in some respects (like acknowledging royalties).

1) United States

In the U.S., the default rule under copyright law (17 U.S.C. § 201(b)) is that if a work is a *"work made for hire,"* the employer or commissioning party is deemed the author and owner of the work ab initio. A work made for hire covers works prepared by employees within the scope of employment, and certain commissioned works (including contributions to motion pictures) if there's a written contract saying so[113]. What this means for screenwriters is that studios almost always ensure that screenplay contracts include a clause declaring the screenplay a *work made for hire*. If the writer is a true independent contractor (not on payroll), they double-secure rights by also having the writer assign any residual rights to the studio. Consequently, unlike in India, the studio or producer is legally the first owner/author of the script in most cases. The screenwriter in the U.S. thus doesn't have authorship or moral rights in the script (moral rights for writers are not recognized in U.S. law, aside from very narrow rights for visual artists under VARA[114], which don't cover scripts). The screenwriter's protection comes entirely from contract and guild agreements.

The Writers Guild of America (WGA), through its collective bargaining agreement (the Minimum Basic Agreement, MBA), secures for writers: minimum fees, credit rights (with a credit arbitration system for disputes[115]), residuals (payments for reuses of the film/TV episode on TV, video, streaming, etc.), pension and health plans, and other working condition norms. Essentially, the WGA treats screenwriting as labour that should be fairly compensated and given due credit, even though legally the product of that labour is owned by the studios. It's a trade-off that has worked in the U.S. – writers trade their author's rights for guaranteed benefits and participation in the success of the work through residuals.

One instructive case is the history of how Hollywood writers won residuals. As noted by the notable columnist Satyen Bordoloi, by 1953 the WGA had secured residual payments for screenwriters for re-releases and later TV broadcasts of films[116]. Over subsequent decades, these residuals were expanded to new media (cable, home video, streaming). In India, nothing of that sort existed until the law mandated royalties in 2012, and only now in 2020s are writers beginning to actually see the possibility of such continuing income[117]. The WGA's success highlights that screenwriting was seen as a *service worthy of ongoing remuneration*, which the industry contractually agreed to.

Another aspect from the U.S. is how disputes are handled. Because of the guild system, many disputes (like credits) never go to court; they are arbitrated internally. But there have been some court cases around ideas and contracts. For example, *Buchwald v. Paramount Pictures Corp.* (1990)[118] was a famous case where writer Art Buchwald sued Paramount alleging they stole his script treatment to create the Eddie Murphy film *Coming to America*. Buchwald won on a breach of implied contract theory (that Paramount had accepted his submission under an implied promise to pay if they used it)[119]. The case never reached a definitive copyright infringement holding, focusing instead on the *business of screenwriting* – the idea that studios must honour the understanding with writers who pitch ideas. California law now recognizes the *Desny v. Wilder* (1956)[120] doctrine[121], that if a writer

[113] U.S Copyright Office, Standard Application Help: Author | U.S. Copyright Office, Copyright.gov (2025)

[114] The Visual Artists Rights Act (VARA), 17 U.S.C. § 106A, is a federal law that provides moral rights to authors of "works of visual art." It was the first U.S. federal law to recognize an artist's personal connection to their work, aligning the U.S. with European-style author protections.

[115] Nuvotech Limited, What protection for a screenwriter does the Writers Guild offer?, Movieoutline.com (2025).

[116] Satyen K Bordoloi, The great Indian screenwriter heist: 112 years of missing royalties, The New Indian Express (2025).

[117] ibid

[118] Art Buchwald v. Paramount Pictures Corp., 1990 Cal. App. LEXIS 634 (Cal. Ct. App. Jan. 31, 1990).

[119] *Buchwald v. Paramount Pictures Corp.* (Cal. Ct. App. Jan. 31, 1990) addressed a breach of contract claim brought by humorist Art Buchwald after Paramount produced *Coming to America*, which echoed Buchwald's treatment *King for a Day*. The court found Paramount liable, ruling that its net-profit formula was unconscionable "Hollywood accounting," and awarded Buchwald damages.

[120] Desny v. Wilder, 46 Cal. 2d 715, 299 P.2d 257 (Cal. 1956).

[121] In Desny v. Wilder, 46 Cal. 2d 715 (1956), the California Supreme Court established the foundational "idea submission" doctrine in entertainment law. The court held that while ideas themselves are not protected under copyright, they can be legally protected if offered under an implied-in-fact contract—meaning that if an

submits a script or idea to a producer who knows payment is expected if used, it can form an implied contract. This is akin to treating the submission of a script as a service or at least a transaction, not mere sharing of an idea. Indian law has also seen "breach of confidence" used in the Jyoti Kapoor case[122], which is a similar concept.

2) UK/Europe

In the U.K., screenwriters who are employees have employer-owned copyright, similar to U.S., and if freelance, they own copyright but typically assign it to producers. The U.K. has moral rights (right to be identified and right to object to derogatory treatment), but writers often sign contracts waiving these rights (which U.K. law allows). There's also a convention of royalty participation for certain uses via collective licensing. For instance, British screenwriters might get royalties for secondary uses through organizations like ALCS (Authors' Licensing and Collecting Society). Many European countries consider screenwriters as co-authors of the film. France is a prime example. French law explicitly recognizes the scriptwriter (scénariste) and dialoguist, along with the director and composer, as authors of an audio-visual work[123]. These authors automatically have rights to proportional remuneration when the film is exploited. They cannot waive their moral rights (which are perpetual in France)[124]. Instead of one-time buyouts, French producers typically enter into exploitation contracts which include profit-sharing or royalty payments to the author. This model is closer to what India's 2012 amendment envisions (though India's enforcement is lagging). So internationally, one can see two models: the Anglo-American *work-for-hire + union contract* model, and the Continental *author's rights + mandatory remuneration* model. India is somewhat hybrid – leaning towards the Continental model in law (writers are authors with unassignable rights) but with an industry culture historically closer to the Anglo model (one-time payments, no strong union contracts yet).

Another notable international development is the EU's Directive on Copyright in the Digital Single Market (2019/790)[125], which among other things requires member states to implement measures ensuring authors (including screenwriters) receive "appropriate and proportionate remuneration" for the exploitation of their works, and it grants authors transparency rights to get information on how their works are exploited and a best-seller clause to renegotiate if the initial deal becomes unfairly low in hindsight[126]. These are cutting-edge author-protective measures that align with moral rights philosophies. India's law already had some of this spirit (royalty share, voiding unfair contracts via statute). The challenge is in implementation.

3) Implications for India

The U.S. case shows that even without statutory rights, collective action can treat screenwriting as a service deserving of continuous reward (residuals) – effectively achieving via contracts what moral rights/royalties achieve via statute in India. At the same time, the U.S. strongly categorizes screenwriting as a service in terms of ownership (studio as author). India doesn't go that far; it keeps the writer as author but imposes on them a duty (through contract) to transfer rights for the film's sake. The international comparison suggests that India's current trajectory – statutory protection plus emerging collective administration (SRAI) – could potentially give Indian writers a more secure position than even U.S. writers in terms of rights, albeit without the robust union-negotiated minimums yet.

One must also acknowledge that in practical terms, global productions that involve Indian screenwriters may bring in their own legal expectations. For example, an American studio hiring an Indian writer for a Netflix series might stipulate New York law and WGA rules in the contract, which could be an interesting conflict of law if an issue arose (e.g., could an Indian writer claim Indian statutory royalties if the contract said all rights bought out? Arguably yes for exploitation in India, though that's a murky area internationally). So as Indian talent collaborates globally, understanding both systems is valuable for practitioners.

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individual submits an idea with the expectation of payment, and the recipient understands and accepts those terms by using the idea, a binding agreement exists. This case became a cornerstone for writers seeking legal protection for pitched concepts, especially in Hollywood.

[122] Vishal Joshi, Karnal-born script writer wins case against Kunal Kohli, Hindustan Times (2015).

[123] Contributors to, area of law in France, Wikipedia.org (2005).

[124] Copyrights - Nature of right in France - DLA Piper Guide to Going Global, Dlapiperintelligence.com (2024).

[125] Directive (EU) 2019/790 of the European Parliament and of the Council of 17 April 2019 on copyright and related rights in the Digital Single Market, OJ L 130/92 (May 17, 2019)

This Directive overhauled EU copyright rules to address the challenges of the digital age, harmonising exceptions for text- and data-mining, education, and cultural preservation; simplifying cross-border licensing; enhancing transparency and remuneration for authors and performers (Arts 18–22); and formalising platform liability for user-generated content (Art 17). It aimed to reduce the "value gap," modernise the internal market, and ensure accessible rights clearance across member states.

[126] Rebecca Giblin, New rights for French authors: what's working and what's still to get done?, The Author's Interest (2018).

International case studies reinforce the classification of screenwriting as a service-based profession – whether it's a unionized labour service in the U.S. or an authorial professional service in Europe. They also underscore why legal systems intervene: to ensure that this service, which results in valuable IP, is rewarded fairly and that creators maintain some rights. India's legal framework now aspires to the best of both worlds: *treat the screenwriter as an author with enduring rights (like Europe), but also allow contracts that enable business exploitation and possibly collective bargaining (like the WGA model).* The success of this hybrid approach will depend on enforcement and industry acceptance.

V. RESULTS

Drawing together the threads of the analysis, we can answer the core question:

Does Indian law predominantly treats screenwriting as a service, albeit a service of a special kind, backed by intellectual property rights?

This conclusion emerges from multiple legal angles:

1) Intellectual Property: The screenwriter is the author and first owner of copyright in the screenplay (unless they are in a *contract of service* as an employee, which is rare)[127]. This affirms that the act of writing is an exercise of one's own skill and labour – consistent with providing a creative service. However, because films and series require producers to hold rights, screenwriters almost invariably assign their copyrights to producers via contract. This assignment is a commercial transaction – one that historically resembled a sale of the script, but legally it is effectuated by the writer performing the service of creating the work and then transferring it. The *result* is that a screenwriter's relationship to their work is two-fold - Initially as owner (service output), and subsequently as assignor of rights (part of business deal). Importantly, Indian law now injects protections into this process, even after assignment, the writer retains the moral right to claim credit and object to certain distortions, and an inalienable right to royalties for uses of the work beyond the original film[128]. These rights ensure that the screenwriter is not treated as having simply sold a good with no further stake; rather, akin to how a service provider's reputation and ongoing involvement might persist, the writer's legal connection to the work endures.

2) Taxation: Under the GST regime, screenwriting transactions are classified as supplies of services. Whether a screenwriter licenses their story or assigns the script rights to a producer, the law deems it a service for tax purposes, taxable at 12% or 18% GST[129]. In practice, individual screenwriters often fall under reverse charge (so the producer pays the GST), but this does not change the characterization – it is definitively not considered a sale of goods. The earlier service tax era's partial exemptions for literary work underscore that writing was seen as a creative activity rather than a standard service, but that carve-out is gone under GST, reflecting that now the law uniformly treats the exploitation of scripts as a service industry activity. The *result* here is unambiguous: legally, screenwriters (unless on salaries) are service providers and not traders of goods, aligning with the "screenwriting as service" viewpoint.

3) Labour/Employment: The vast majority of screenwriters are independent contractors, not employees, which places them outside typical labour law protections. The analysis of case law (e.g., the Ray-*Nayak* case) confirms that even high-profile, long-term engagements have been viewed as contracts for service, not of service[130]. Therefore, screenwriting is not considered a form of employment (which would have made it more of a traditional business hierarchy with employer-employee relations). Instead, each writing project is akin to a freelance gig. The *result* is that screenwriters must rely on contract law and industry arrangements for their protection and benefits, rather than labour statutes – reinforcing the notion of writing as a professional service. At the same time, screenwriters have unionized (SWA) under the labour law framework for trade unions, which is notable: they collectively behave like a service-sector union negotiating terms and pushing for legislative change, rather than invoking rights as "workmen." The Cine Workers Act technically can cover some writers, but its limited usage means that de facto the industry doesn't treat writers as wage labourers, but as creative professionals.

4) Contract Law and Industry Practice: The terms of screenwriting contracts in India treat the engagement as the provision of creative services (script development, rewrites, etc.) in exchange for compensation and credit. The necessity of an assignment clause in those contracts is a unique feature stemming from copyright needs, but doesn't negate the service nature of what the

[127] SC IP, Who owns the Copyright in the Screenplay of Film? – An analysis of the Nayak Saga, SC IP (2023).
[128] supra
[129] Goods and Services Tax – Media and Entertainment Sector, PwC & ASSOCHAM, https://www.pwc.in/assets/pdfs/publications/2018/gst-media-and-entertainment.pdf (2018).
[130] supra

writer is doing. One could compare: a consultant delivers a report and then the client owns the report – similarly, a screenwriter delivers a script and assigns ownership of that script. The *result* is a hybrid contract – partly service (because it involves doing work and delivering a result) and partly sale (because rights in the deliverable are transferred). Indian law enforces these contracts as commercial agreements. When disputes arise (e.g., plagiarism claims, credit disputes), courts have provided remedies like injunctions, damages, or specific performance (credit), treating the matter as one of protecting the writer's rights and the bargain between writer and producer[131]. These remedies underscore that the legal system supports the notion that a screenwriter's contribution is valuable and safeguarded through law – whether via contract enforcement or copyright law – which is consistent with how one would treat a professional service provider whose work product has been misused.

5) Cinema vs. OTT: There is no fundamental divergence in legal treatment between film and OTT screenwriting. Both fall under the same copyright, tax, and contract principles. Any differences are in execution (like writers' rooms) rather than legal status. Thus, across mediums (except traditional TV which we did not cover, and where writers often were employees in India's state broadcaster historically), screenwriting is uniformly seen as a creative service rendered for production of content. The *result* is consistency: a web-series writer and a film writer both face the same issues of needing to assign rights, pay GST if applicable, and negotiate their contracts, without a different legal classification stepping in.

6) Comparative Reflection: Compared to the U.S., where screenwriting is unquestionably a service (with writers often considered akin to employees for benefits, but not for authorship), India's approach yields a scenario where writers are in some ways more empowered (they legally hold authorship until assigned and have moral/royalty rights). The *result* is that Indian screenwriters, on paper, have a strong legal foundation to claim status not just as service providers but as co-creators in the business. However, the exercise of these rights is still catching up with the law – implementation is in infancy (SRAI just recognized, producers just starting to pay attention to royalty obligations). In contrast, in jurisdictions like France, the norm of paying writers royalties is well-settled. India is moving in that direction.

7) Case Law Emphasis: Indian case law has increasingly upheld screenwriters' claims, whether it's to authorship (Ray case), to injunctive relief against unauthorized use (Kapil Chopra *Jannat 2* case[132]), or to credit and compensation for idea theft (Jyoti Kapoor case[133]). The judiciary has thereby signalled that the industry must respect screenwriting as a protected activity – not something that can be uncompensated or taken lightly. This is an important result because it means screenwriting is no longer an "invisible" service. Courts have, in effect, elevated its profile by recognizing the rights of writers in multiple judgments.

In synthesis, screenwriting in India is legally treated as a service profession underpinned by strong IP rights. It is not categorized as a mere *business* in the sense of trade of goods, nor fully as *employment* under labour law. Instead, it occupies a category similar to other professional services (like lawyers, architects, etc.), who provide deliverables but also have intellectual rights (for architects, moral rights in their designs, for instance). The law provides that screenwriters must be paid for their work (contract/tax enforce that), be credited for their work (moral rights enforce that), and continue to benefit from their work (royalties and moral rights enforce that). The business of filmmaking then incorporates those services and rights into exploitable films.

The results of this analysis highlight a positive trajectory, Indian law, especially after 2012, has developed a relatively comprehensive framework acknowledging screenwriting as a creative service with both economic and personal rights attached. This is a welcome evolution for industry professionals and legal practitioners, as it clarifies many previously grey areas (like entitlement to royalties or legal ownership of scripts). The next section will build on these findings to suggest practical steps and reforms to further strengthen the legal treatment of screenwriting in India.

VI. CONCLUSION

Screenwriting in India stands at the intersection of art, law, and commerce – and the law has increasingly tilted in favour of recognizing the screenwriter's craft as a protected service. Through this analysis, we conclude that while screenwriting involves the creation and subsequent commercial exploitation of a literary work (the script), Indian legal frameworks categorize it predominantly as the provision of a service by the screenwriter, rather than a straightforward sale of a product or a traditional employment role. This nuanced classification is evident in multiple facets as a screenwriter is an author (service-renderer) in the first instance, a supplier of copyrighted content under tax laws, and typically an independent contractor under labour laws.

[131] supra
[132] supra
[133] ibid

The implications for industry professionals are significant. Producers must understand that hiring a screenwriter is not just about buying a story; it is about engaging a creative professional who has certain inextinguishable rights. Gone are the days when a writer could be paid off and forgotten – today a writer has the legal backing to claim credit and royalties, and to enforce these rights in court if necessary. For screenwriters, the legal developments are empowering, they enter negotiations with the knowledge that the law supports fair compensation (including future earnings from their work) and attribution. However, with great power comes responsibility – writers too should act professionally, delivering quality work and honouring contracts, as the flip side of being treated as a professional service is to behave like one.

From a legal practitioner's viewpoint, this area of law now calls for interdisciplinary awareness. A lawyer drafting or reviewing a screenwriting contract must consider contract law, copyright law, tax law, and even labour implications. They must ensure that the contract clearly assigns rights to the producer (to avoid future disputes like the *Nayak* case[134]), but also that it does not overreach into void territory (such as waiving royalties or moral rights, which would be struck down[135]). Similarly, advising a screenwriter involves ensuring they register their works (with SWA or copyright office), honour confidentiality (to preserve breach of confidence claims), and are aware of their tax obligations.

A comparative lens shows India is moving towards global best practices in protecting writers. The U.S. model of union-driven benefits and the European model of statutory rights are both partially reflected in India's current regime. The conclusion one can draw is that screenwriting is increasingly being "professionalized" in India – legally and economically. It is no longer an informal arrangement in the shadow of the glamor of directors and actors; it's a recognized field with its own set of laws and norms.

However, the journey is incomplete. Law in books does not automatically translate to law in action. Enforcement of royalties, as the New Indian Express piece quipped, has been "112 years of missing royalties" for Indian screenwriters, and only now in 2025 is that starting to change[136]. Going forward, it will be essential for stakeholders to bridge the gap between what the law promises and what the industry delivers. Producers need to update their practices (for example, by reporting film exploitation data to SRAI for royalty distribution), and writers need to assert their rights through the mechanisms now available.

In closing, this legal analysis paints a hopeful picture. Screenwriting in India, though rooted in freelance and work-for-hire traditions, is evolving into a well-defined service sector under the law. It carries both the freedom and uncertainty of entrepreneurship (since most writers are freelancers) and the security of legal rights (thanks to statutes and case law acknowledging their contributions). For a thriving creative industry, this balance is healthy – it incentivizes writers to produce original, high-quality content (knowing they'll be credited and share in success), and it assures producers that once rights are acquired on fair terms, they can capitalize on the content across platforms. The narrative of Indian screenwriting is thus shifting from one of anonymity and one-off transactions to one of professionalism and partnership. Legally, we conclude that screenwriting is neither just a business nor just a service – it is a creative service embedded within a business framework, deserving of the careful legal protections India has begun to put in place. With continued vigilance and cooperation between creators, industry, and lawmakers, this framework can ensure that the people who "bleed on paper" to create the magic of movies and series are duly respected and rewarded for their services in the long run.

VII. SUGGESTIONS

While the legal landscape for screenwriting in India has improved, further steps can solidify and clarify the status of screenwriting as a service and enhance protections for screenwriters. Here are several suggestions addressed to policymakers, industry bodies, and the creative community:

1) Implement and Monitor Royalty Payments: With the Screenwriters Rights Association of India (SRAI) now operational, the government (through the Copyright Office) and industry guilds should closely monitor royalty collections and distributions. Producers and platforms should be educated and perhaps legally mandated (via rules or statutory orders) to report all exploitations of films/series to the relevant copyright societies. A transparent system will ensure writers actually receive the royalties envisaged by law[137]. If voluntary compliance is lacking, the government could consider rules under Section 33A of the Copyright Act to require registration of agreements and usage with copyright societies for works to be exploited. Essentially, the promise of continuing income makes screenwriting a sustainable service career, and fulfilling that promise will attract and retain writing talent.

[134] supra
[135] supra
[136] supra
[137] ibid

2) Standard Minimum Contract Guidelines: Industry organizations like the Producers Guild of India and SWA should collaborate to adopt a set of minimum terms for screenwriting contracts, analogous to a collective bargaining agreement (even if not legally binding as one). These guidelines can cover minimum pay scales for different budget productions, a cap on free rewrites, timely payment schedule, and default royalty-sharing arrangements (beyond the statutory minima). Having standard terms would reduce disputes and negotiation time. It can also include boilerplate language preserving writers' moral rights and royalty rights so that no contract accidentally (or deliberately) conflicts with the law. While each deal will vary, a baseline "industry standard contract" endorsed by major studios and SWA can serve as a norm. This acts like a quasi-union contract and underscores screenwriting as a service profession with expected norms (much as WGA's MBA does in the U.S.).
3) Arbitration and Dispute Resolution Mechanism: To avoid lengthy litigation that writers can definitely not afford, the industry should strengthen alternative dispute resolution avenues. SWA already provides arbitration for credit disputes. This could be expanded to payment disputes or rights reversion disputes as well. The government could assist by recognizing such arbitration under the Arbitration and Conciliation Act for swift enforcement. A dedicated Film Industry Disputes Tribunal (proposed in some circles) could also be considered – a fast-track body for resolving copyright and contract disputes in media. Swift dispute resolution fortifies the sense that screenwriting services will be honoured and disagreements sorted without years in court, which in turn encourages writers to assert rights (like going to arbitration for non-payment) without fear of interminable processes.
4) Labour Law Inclusion and Social Security: While screenwriters are freelancers, there is a case to be made for bringing them under certain social security nets. The new *Code on Social Security, 2020*[138] has provisions for gig and platform workers. The government could clarify that freelance artists including screenwriters are "self-employed professionals" eligible to opt into schemes for health insurance, pension, etc., perhaps via a government-backed welfare fund. Alternatively, amending the Cine Workers Welfare Fund rules to explicitly include writers (regardless of income cap) could provide access to certain benefits. This wouldn't make them employees, but would acknowledge that as service-providers in the film business, they too deserve a safety net. Such measures would highlight that the state recognizes screenwriting as a form of work (service) worthy of welfare considerations, not merely a hobby or luxury.
5) Tax Relief or Simplification for Small Creators: To encourage upcoming screenwriters, the government could consider tax incentives. For instance, reinstating some form of exemption or GST concession for small writers (as service tax once did by excluding original literary works[139]) could be mooted. Currently, the GST threshold (₹20 lakh for services in most states) means many small writers don't need to register. That threshold could be periodically increased for inflation or a special higher threshold for individual IP creators could be set, to ease compliance burden. Additionally, the Income Tax Act could have a presumptive taxation scheme for individuals earning from literary or artistic work, simplifying tax filings for writers (similar to how there's one for professionals under Section 44ADA[140], which could be publicized for writers). These measures cement the idea that government policy views screenwriting as a genuine profession/service contributing to the economy and culture.
6) Awareness and Capacity Building: Many screenwriters, especially newcomers, are not fully aware of their legal rights or how to navigate contracts. It is recommended that SWA, along with law schools or NGOs, conduct regular workshops and publish guides on "Legal Basics for Screenwriters." This should cover how to read a contract, the significance of clauses (assignment, indemnity, etc.), how to register a copyright, and how to invoice and manage taxes as a service provider. Empowering writers with legal literacy will lead to more equitable dealings. It will also reduce cases of writers inadvertently signing unfair deals. Industry bodies could also educate producers – especially in regional industries – about the new norms (for example- that asking a writer to waive royalty is pointless and illegal[141]). A well-informed industry is less likely to fall into old exploitative patterns.
7) Incentivize Studios to Offer Profit Sharing: While the law mandates royalty for uses outside the film, one could encourage producers to voluntarily offer profit-sharing or box office bonuses to writers for the film itself if it succeeds. This is outside legal requirements, but some forward-thinking contracts already do it (a bonus if a film enters the "100 crore club," for example). If major studios adopt this as best practice, it further aligns writers' interests with the project's success and treats

[138] Code on Social Security, No. 36 of 2020 (India).
[139] Dr Sanjiv Agarwal, SERVICE TAX ON COPYRIGHT SERVICES, Taxmanagementindia.com (2015).
[140] Income-tax Act, No. 43 of 1961, § 44ADA (India).
Section 44ADA of the Income-tax Act, 1961 provides a presumptive taxation scheme for professionals, allowing eligible individuals to declare 50% of their total gross receipts or turnover as taxable income, simplifying compliance for small service providers.
[141] Legal Aspects of File Sharing, WIKIPEDIA, https://en.wikipedia.org/wiki/Legal_aspects_of_file_sharing

them as partners in the creative enterprise. The government can encourage this through soft measures (e.g., National Film Awards criteria could include a prize for Best Original Screenplay that also acknowledges if the writer had a profit share, giving studios reputational incentive).

8) International Collaboration and Recognition: As Indian screenwriters contribute to international projects and vice versa, it would be beneficial to have mutual recognition arrangements between guilds (e.g., SWA and WGA) and perhaps bilateral understandings on royalties' collection (since films travel globally). SRAI should engage with foreign collecting societies so that if an Indian writer's work is shown in, say, Europe, the European society can collect and remit royalties to SRAI, and similarly for foreign works shown in India. This ensures that the notion of ongoing remuneration for the screenwriting service extends beyond borders. It also signals to Indian writers that their services are part of a global market, subject to legal protection worldwide, not just at home.

9) Legal Precedents and Publication: Courts could assist by writing detailed judgements in screenwriter disputes that lay down guiding principles for the industry. For instance, a judgment outlining how to assess substantial similarity in script plagiarism, or how to determine if a screenwriter is an employee or contractor, would provide valuable clarity. While one cannot dictate how courts write judgments, stakeholders can help by bringing well-argued cases that invite such clarity. If the judiciary clearly pronounces that "screenwriters are to be treated as authors and independent contractors unless exceptionally proven otherwise" (as they effectively did in the Ray case[142]), it sets a strong precedent discouraging producers from attempting to claim otherwise.

In implementing these suggestions, it is crucial that industry professionals and legal experts work in tandem. Screenwriting, as a service, thrives in an environment where creativity is respected and rewarded, and where legal frameworks are smoothly integrated into business practices. India has made commendable progress by updating its laws; now the focus should be on cultural and systemic change to follow through. Producers should see writers as long-term collaborators, not one-off vendors; writers should embrace the responsibilities of professionalism that come with their enhanced rights.

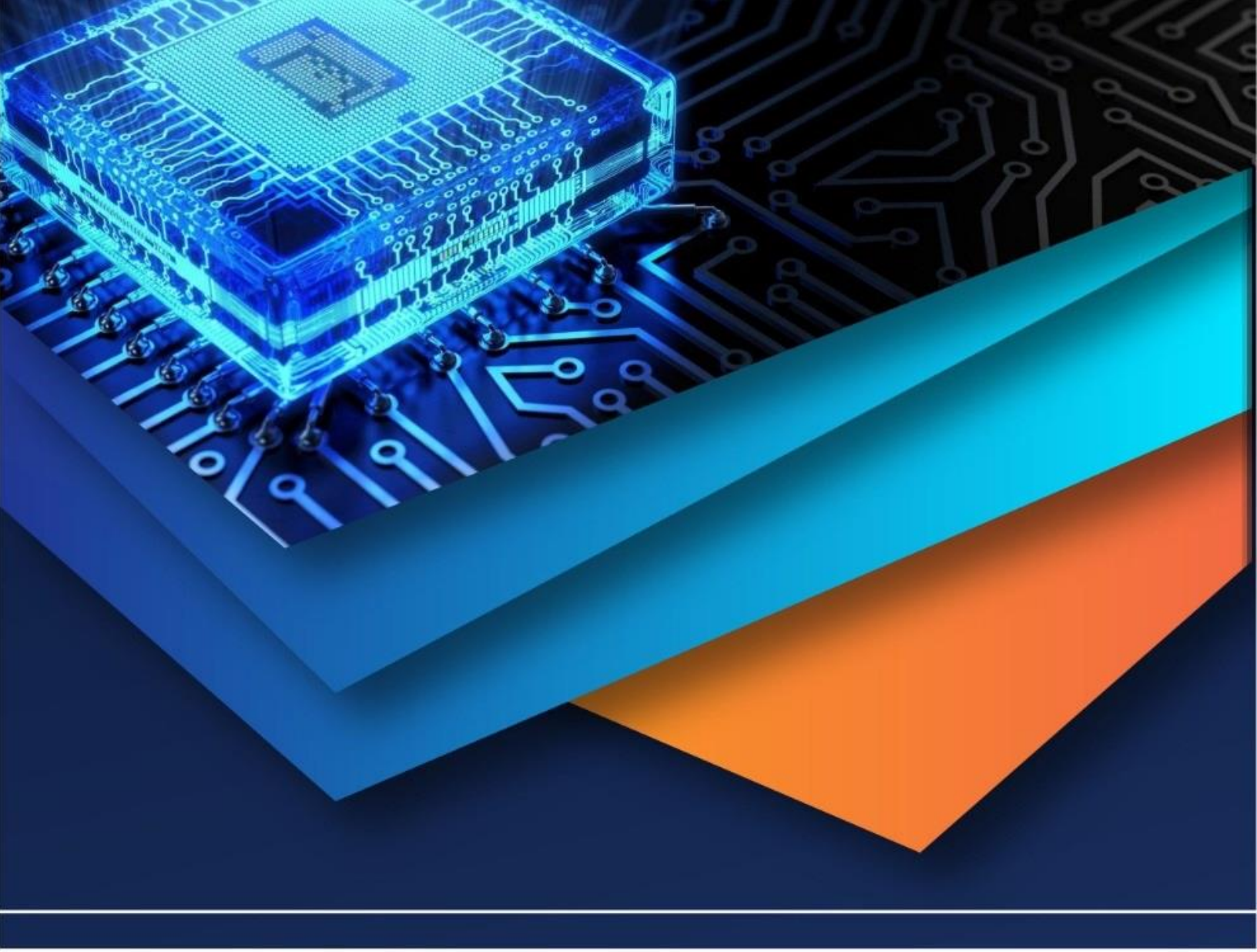
By adopting the above suggestions, India can move closer to a harmonious regime akin to the best aspects of Hollywood and European models – one that treats screenwriting as a dignified profession and service, under fair contract terms, with legal protections ensuring that the storytelling talent at the heart of cinema and streaming is nurtured and retained. The result will be not only justice for creators but also a likely boost in the quality of content, as better conditions attract better writing – a beneficial outcome for the entire industry and audience.

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