

## Socio-economic Implications of Protecting Geographical Indications in India

Kasturi Das Fellow

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#### **Acknowledgement**

The author is grateful to Kaushik Ranjan Bandyopadhyay (Senior Fellow, Asian Institute of Transport Development, New Delhi) for providing insightful comments on an earlier version of this article. Views, errors and omissions are solely the author's responsibility.

## 1. The Backdrop

The protection of Geographical Indications (GIs) has, over the years, emerged as one of the most contentious intellectual property rights (IPRs) issues in the realm of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) of the World Trade Organization (WTO). TRIPS defines a GI as any indication that identifies a good as originating from a particular place, where a given quality, reputation or other characteristics of the good are essentially attributable to its geographical origin. GIs, as defined by TRIPS, need not always be geographical names (such as name of a town, region or country) to designate the origin of the goods to which they are associated, but may consist of symbols as well, if such symbols are capable of indicating the origin of the goods concerned without literally naming the place of their origins. One such indication is 'Basmati' for particular varieties of fragrant rice produced in certain regions of India and Pakistan. 'Basmati' is not a geographical name. But if it is perceived as an indication of rice originating from those particular geographical regions of India and Pakistan, then 'Basmati' can very well qualify as a GI.<sup>1</sup>

GIs serve to recognise the essential roles played by geographic and climatic factors and/or human know-how in the end quality of certain products. Much like trade marks, the economic rationale of GI is based on the 'information asymmetry'

<sup>1</sup> In strict legal sense, 'Basmati' is yet to become a GI. Since the geographical area pertaining to 'Basmati' belongs partially to India and partially to Pakistan, both the countries have to arrive at a system of joint protection of this indication. However, owing to a number of politico-economic reasons surrounding this commercially significant indication, in particular, and political sensitivities and complexities between these two countries, in general, such a system is yet to be worked out. The case of 'Basmati' also indicates that political boundary of a nation is not relevant for determining the geographical area pertaining to a GI.

between buyers and sellers in the market and role of reputation, conveyed through distinctive signs, in tackling such asymmetry. Thus GI acts as a signaling device that helps the producers to differentiate their products from competing products in the market and enable them to build a reputation and goodwill around their products, which often fetch a premium price.

Various studies have quantified the price premium associated with certain GI-products. A consumer survey undertaken in the European Union (EU) in 1999, for instance, found that 40 percent of consumers would pay a 10 percent premium for origin-guaranteed products.<sup>2</sup> Econometric models employing hedonic pricing techniques also support the willingness to pay more for GI products. Though anecdotal, these studies bear testimony to the fact that GIs do have the potential to fetch a significant increase in the value-added through premium pricing.

Protected effectively, GIs may yield certain socioeconomic benefits. For instance, GI is often regarded as a potential means for protecting 'traditional knowledge'. While the suitability of GI in performing this role is not free from limitations, it is widely believed that effective protection of a GI-product, by way of preventing loss of value through copying, free riding or usurpation, could go a long way in increasing the inflow of cash income to the community involved in its production. Hence, GI is often cited as a tool that has the potential to contribute to rural development — though indirectly — through a reduction in income poverty.

Given its commercial potential, the legal protection of GI assumes enormous significance. Without such protection, competitors not having legitimate right on a GI might ride free on its reputation. Such unfair business practices result in loss of revenue for the genuine right holders of the GI and also misleads the consumers. Moreover, such practices may eventually hamper the goodwill and reputation associated with the GI. In order to rule out its misuse and to tap the potential economic and socio-economic benefits emanating from this IP, it is essential to ensure an appropriate legal protection for GIs at the national as well as the international level.

At the international level, prior to the TRIPS Agreement, which for the first time brought to the fore the specific legal concept of GI in the multilateral arena, there were mainly three international conventions dealing with protection of related concepts like 'indications of source' and 'appellations of origin': the Paris Convention for the Protection of Industrial Property (1883), the Madrid Agreement (1891) and the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958). While the Paris Convention and the Madrid Agreement dealt with 'indications of source', the Lisbon Agreement focused on protection of 'appellations of origin' (see Box 1).

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<sup>&</sup>lt;sup>2</sup> WTO (2004).

#### BOX 1

#### 'Geographical Indications' vis-à-vis 'Appellations of Origin' and 'Indications of Source'

Although 'geographical indications', 'indications of source' and 'appellations of origin' are closely related concepts, there exist significant differences among them in terms of their legal definition and scope of protection. As far as 'indication of source' is concerned, there are two multilateral agreements dealing with it, viz.

the Paris Convention for the Protection of Industrial Property (1883) and the Madrid Agreement (1891). Neither of these treaties, however, contains a clear-cut definition of the term 'indication of source'. According to WIPO (1998), however, "Indication of source" means any expression or sign used to indicate that a product or service originates in a country, region or a specific place'. Coming to 'appellation of origin', Article 2.1 of the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration (1958) defines the term as follows: 'In this Agreement, "appellation of origin" means the geographical name of a country, region, or locality, which serves to designate a product originating therein, the quality and characteristics of which are due exclusively or essentially to the geographical environment, including natural and human factors'. The TRIPS Agreement is the first multilateral agreement dealing with 'geographical indications' (GIs) as such. Article 22.1 of TRIPS defines GIs as follows: 'Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin'.

'Indications of source' may be geographical names (such as name of a country, region or city), which directly indicate the origin of the products to which they are attached. However, besides geographical names, figurative or written symbols or emblems may also qualify as 'indications of source' if they serve to evoke the geographical origin of the product, though indirectly. For instance, the image of the Taj Mahal may act as an 'indication of source' for products of Indian origin. In this respect, 'indications of source' are similar to GIs because, GIs need not always be geographical names (e.g. Darjeeling), but may consist of symbols as well (e.g. 'Basmati'), if such symbols are capable of indicating the origin of goods without literally naming the place of their origin. By definition, however, GIs do not include all 'indications of source'. In order to qualify as a GI, a product to which the indication is attached not only needs to originate from the geographical location indicated by it, but must also have a quality, reputation or some other characteristics, which are essentially attributable to that geographical origin. Since all 'indications of source' do not fulfill these additional requirements, they fail to qualify as GIs. In other words, by definition, an 'indication of source' is a 'simple IGO', whereas a GI is a 'qualified IGO'.

'Appellations of origin' are more restrictive than either 'indications of source' or Gls. First, an 'appellation of origin' must be a geographical name of a country, region, or locality, thereby directly indicating the geographical origin of the product to which it is attached. Thus, unlike 'indications of source' or GIs, figurative or written symbols cannot qualify as 'appellations of origin'. Second, whereas, the definition of GIs contains the additional requirement (apart from the requirement that the product designated by a GI must originate from the geographical location indicated therein) that a given quality, reputation or other characteristic of the good must essentially be attributable to its geographical origin, the comparable requirement in the case of 'appellations of origin' excludes 'reputation' as a sufficient condition. In other words, as per the TRIPS definition of GIs, 'reputation', 'quality', and 'other characteristic' are each individually sufficient conditions in their own right to qualify for GI status. However, as per the Lisbon Agreement, a geographical name may qualify as an 'appellation of origin' only if the quality and characteristics of the product identified by it are due exclusively or essentially to the geographical environment, including natural and human factors. Consequently, goods having a certain 'reputation' but no quality/characteristics attributable to their geographical origin would remain outside the scope of protection as 'appellations of origin' but may qualify for protection as GIs (Rangnekar, 2002, p.10). Thus, while all 'appellations of origin' would qualify as GIs, not all GIs are capable of getting protection as 'appellations of origin'.

Nevertheless, given the restricted scope of protection afforded by these multilateral conventions and the limited number of signatory states, none of these treaties could render any significant impact on the global protection of these indications. Given such a scenario, the advent of the TRIPS Agreement constituted an important step forward for the international protection of GIs. First, it provided the 'minimum' standards of protection for GIs (along with all other IPRs covered by TRIPS), which as many as 153 (as of now) Member countries of the WTO were bound to comply with in their respective national legislations,<sup>3</sup> and second, it was backed by an enforcement mechanism in the form of the dispute settlement understanding of the WTO. Given such wide-ranging applicability and enforceability, TRIPS did herald a significant upgrading of the standards of protection for GIs. However, there remains the problem of a hierarchy in the levels of protection based on an arbitrary categorisation of goods under TRIPS. This is because, although TRIPS contains a single, identical definition for all GIs, irrespective of product categories, it mandates a two-level system of protection - (i) the basic protection applicable to all GIs in general (under Article 22); and (ii) additional protection applicable only to the GIs denominating wines and spirits (under Article 23). It is widely argued that this kind of hierarchical protection is problematic, because Article 22 fails to provide a sufficient intellectual property protection for the benefit of the genuine right holders of a GI. A producer not belonging to the geographical region indicated by a GI may use the indication, as long as the good's true origin is indicated on the label, thereby freeriding on its reputation and goodwill.

Importantly, there is no logical or legal reason, which could justify the discriminatory treatment between GIs associated with wines or spirits and those designating other goods. The origin of this hierarchical protection may only be traced back to the negotiating history of the Uruguay Round (1986-94). A close look at this history clearly reveals that the higher level of protection for wines and spirits was granted solely for the political reason of persuading the European Communities (EC) to join consensus on the Uruguay Round package, despite strong opposition from many other countries.

At the national level, there exist significant divergences among WTO Members with regard to the modes of protection of GIs. The WTO Secretariat has classified all these diverse means of protection into three broad categories: (i) laws focusing on business practices; (ii) trade mark law; and (iii) *sui generis* protection.<sup>4</sup>

As far as India is concerned, although the country has had in its possession a considerable number of products that could qualify as geographical designators, the initiatives to exploit this potential began only recently when the country established a *sui generis* system of GI protection with the enactment of 'The Geographical Indications of Goods (Registration & Protection) Act, 1999' (GI Act), coupled with the 'Geographical Indications of Goods (Registration and Protection) Rules, 2002 (GI Rules). Prior to the enactment of this legislation there was no separate law dealing

<sup>4</sup> For further details, refer WTO(2001).

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<sup>&</sup>lt;sup>3</sup> WTO Members, however, are free to grant a higher level of protection under their national laws, provided such protection does not contravene the provisions of TRIPS (See Article 1.1 of TRIPS).

specifically with GIs in India. However, there were three different ways in which the then-existing legal systems of the country could be utilized for preventing the misuse of GIs: (i) under the consumer protection acts; (ii) through passing-off<sup>5</sup> actions in courts; and (iii) through certification trade marks<sup>6</sup> (Das, 2006a, p.465). The GI Act was drafted as a part of the exercise in the country to set in place national intellectual property laws in compliance with India's obligations under TRIPS. Under the purview of the GI Act, which came into force, along with the GI Rules, with effect from 15 September 2003, the Central Government of India has established the Geographical Indications Registry with all India jurisdiction in Chennai. The GI Act is being administered by the Controller General of Patents, Designs and Trade Marks - who is the Registrar of Geographical Indications.

Interestingly, unlike TRIPS, the counterpart of Article 23 in the GI Act does not restrict itself to wines and spirits only. Rather, it has been left to the discretion of the Central Government to decide which products should be accorded such higher level of protection. This approach has deliberately been taken by the drafters of the Indian Act with the aim of providing the Article 23-type stringent protection to GIs of Indian origin, most of which do not relate to wines or spirits. However, other WTO Members are not obligated to ensure Article 23-type protection to all Indian GIs, thereby leaving room for their misappropriation in the international arena.

Aware of the inadequacy of the protection granted under Article 22, since 1996, India, along with a host of other like-minded countries (e.g. the EU, China, Kenya, Mauritius, Nigeria, Pakistan, the Slovak Republic, Slovenia, Sri Lanka, Switzerland, Thailand and Turkey) has been pressing for an 'extension' of the ambit of Article 23 (henceforth 'extension') to cover all categories of goods. However, countries like the United States (US), Australia, New Zealand, Canada, Argentina, Chile, Guatemala, Uruguay are strongly opposed to the 'extension'. Although, the issue of 'extension' is a part of the ongoing negotiations on TRIPS at the WTO under the ongoing Doha Round of trade talks, owing to the wide divergence of views among WTO Members, not much progress could be achieved in this regard so far. Interestingly, in sharp contrast with some of the other controversial IPRs issues in realm of the WTO, such as access to medicine, or TRIPS-CBD,<sup>7</sup> on which there exist a

<sup>&</sup>lt;sup>5</sup> In its simplest form, the principle of passing-off states that 'No-one is entitled to pass-off his goods as those of another'. The principal purpose of an action against passing off is therefore, to protect the name, reputation and goodwill of traders or producers against any unfair attempt to free ride on them. Though, India, like many other common law countries, does not have a statute specifically dealing with unfair competition, most of such acts of unfair competition can be prevented by way of action against passing off.

<sup>&</sup>lt;sup>6</sup> 'Certification trade mark' means a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of the goods or performance of services, quality, accuracy or other characteristics from goods or services not so certified and registrable as such. 'Certification trade marks' can be registered under the Trade Marks Act of India.

<sup>&</sup>lt;sup>7</sup> The TRIPS-CBD issue refers to the ongoing negotiations at the WTO on the relationship between TRIPS and the Convention on Biological Diversity (CBD). TRIPS/CBD has traditionally been a North-South issue under TRIPS. Developing countries, like India, Brazil, China, Peru, among others, have argued that while the patent regime introduced by TRIPS affords protection to technologies that have been developed using biological material, the rights of countries providing the material, as recognized

clear-cut North-South divide, in case of GIs, particularly on 'extension', one can find developing countries joining hands with developed countries either as demandeurs or opponents, depending on their respective stakes in GIs.

On the domestic front, India has meanwhile made considerable strides towards ensuring protective cover for its rich heritage of traditional products under the GI Act. Till 15 August 2009. 106 GIs of Indian origin were registered in India. These include diverse categories of products, such as Darjeeling (tea), 'Malabar pepper', 'Pochampally Ikat' (textiles), 'Madhubani paintings', 'Bastar wooden craft' (handicraft). However, there are several practical challenges confronting the stakeholders in India when it comes to the realization of the potential benefits ingrained in the registered GIs. Apart from effective enforcement of GIs in the relevant markets (domestic and export), success of a GI is contingent, in a large measure, upon appropriate marketing and promotion of the product - tasks that are not only resource-intensive but also challenging to execute for many stakeholders from a developing country like India. Another tricky issue is how to ensure that a fair share of the benefits (if any) accruing from the GI status of a product percolates down to the actual producers/artisans. The present article attempts to explore the prospects of India in exploiting the potential benefits embedded in GIs and the key challenges confronting the country in its endeavour to realize such benefits.

The paper is organized as follows. Section 2 provides a snapshot of the TRIPS provisions on GIs. Section 3 analyses certain significant features of the GI Act while Section 4 enumerates the GI registration process in India in brief. Section 5 depicts the state of play of GI registration in the country, followed by a discussion in Section 6 on how the registration process has been facilitated by public and quasi-public interventions of diverse nature and kind. Section 7 brings to the fore some of the key challenges confronting the stakeholders in India, such as foreign registration, enforcement (in home as well as abroad), brand-building and promotion. Section 8 examines the overall prospects of GIs in protecting traditional knowledge and facilitating rural development in India. Section 9 then delves deeper into the possible socio-economic implications of GIs in India by taking the handloom sector of the country as a case in point and drawing on the experiences of two registered GIs from this sector, namely 'Pochampally Ikat' and 'Chanderi Fabric'. Section 10 concludes the paper.

by the CBD, are completely ignored. Notably, it is the countries of the South that are endowed with the lion's share of the biological materials and the associated traditional knowledge (TK). With a view to rectifying the aforesaid lacunae of TRIPS and ensuring implementation of both TRIPS and CBD in a mutually supportive manner, developing countries have been insisting on an amendment of TRIPS for the past several years. The original proposal called for an amendment establishing an obligation for WTO Members to require patent applicants to meet the following conditions: (i) disclose the origin of biological resources and/or associated TK; (ii) provide evidence of PIC; and (iii) provide evidence of benefit sharing. The proposal further suggested that in cases where insufficient, wrongful or lack of disclosure would be discovered after the grant of a patent, the legal regime would include provisions for revocation of the patent in question (Das 2008b).

## 2. Highlights of the TRIPS Provisions on GIs

TRIPS provides the minimum standards of IPRs protection that WTO Members are obliged to comply with. Members however, are free to implement more extensive protection, provided such protection does not contravene the provisions of the Agreement. TRIPS also leaves it up to the Member countries to determine the appropriate method of implementing the provisions of the Agreement within their own legal system and practice (**Article 1.1** of TRIPS).

Section 3 of Part II of the TRIPS Agreement incorporates provisions for protection of GIs in three articles:

- Article 22 contains a definition of GIs and sets out the general standards of protection that must be available to all GIs;
- Article 23 deals with the additional protection granted to GIs for wines and spirits; and
- Article 24 lays out certain exceptions and also creates room for future negotiations in GIs.

#### 2.1 Article 22: Basic Protection

Section 3 of Part II of TRIPS begins by defining GIs in **Article 22.1**, as follows:

Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

Implicit in the TRIPS definition is the idea that the indication must evoke the geographical origin of the good. However, it need not necessarily be a geographical name. Any other symbol (e.g. 'Feta' cheese) would suffice as long as it succeeds in evoking the geographical origin of the good. Notably, the definition categorically refers to 'good', thereby leaving out services from the scope of GI protection.<sup>8</sup> As per the definition, the good must necessarily possess 'a given quality', 'reputation' or 'other characteristic' essentially attributable to the designated geographical area of origin. It is important to note that, *ceterius paribus*, each one of these qualifiers is in its own merit a sufficient condition for the grant of GI protection. However, TRIPS does not define any of these qualifiers, leaving it to the discretion of WTO Members. Given such flexibilities available in the definition of the subject matter (GIs) under TRIPS, its counter parts in the national legislations of Member countries vary widely.<sup>9</sup>

<sup>&</sup>lt;sup>8</sup> Notwithstanding this, Articles 24.4 and 24.6 of TRIPS contain explicit reference to services. A close look at the negotiating history of the TRIPS Agreement, however, reveals that the preferred term in this context was 'product'. it is only in the Brussels draft dated 3 December 1990 that the term 'good' is found to replace 'product' with the simultaneous removal of the bracketed term 'services' [For further details, Das, 2007a, pp. 19-20. However, in some countries services are also included, for example in Azerbaijan, Bahrain, Croatia, Jamaica, Saint Lucia, and Singapore.

<sup>&</sup>lt;sup>9</sup> For further details, refer to WTO (2001).

**Article 22.2** requires WTO Members to provide the legal means for interested parties to prevent the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the good. It further prohibits any use, which constitutes an act of unfair competition within the meaning of Article 10*bis* of the Paris Convention (1967).<sup>10</sup>

**Article 22.3** obliges Members to refuse or invalidate the registration of a trademark, which contains or consists of a GI with respect to goods not originating in the territory purported, when this could mislead the public as to the true place of origin of the product. This provision, among a few others, has been included with the aim of tackling the conflicts that may arise between GIs and trademarks.

**Article 22.4** extends the protection enshrined in the previous three paragraphs of Article 22 to a GI, which, although literally true as to the territory, region or locality in which the good originates, falsely represents to the public that the good originates in another territory. In other words, this provision relates to 'homonymous' GIs. 'Homonymous' GIs are geographical names, which are spelled and pronounced alike, but which designate the geographical origin of products stemming from entirely different geographical locations. For instance, 'Rioja' is the name of a region in Spain as well as a region in Argentina and the designation is used for wines produced in both countries.<sup>11</sup> This kind of situation often arises in the case of former colonies. For instance, when people from one country, say France, emigrated to another country and set up a village/town there, they might have given that new village/town the name of their native village/ region of origin, which may be famous for a special kind of good, say, cheese. In such a case, if the new village/town produced cheese under its name it could (depending on the circumstances of each case, of course) falsely represent to the public the origin of the cheese.<sup>12</sup>

## 2.2 Article 23: Additional Protection for Wines and Spirits

In contrast to Article 22, which relates to any good, Article 23 deals exclusively with wines and spirits. Under **Article 23.1**, using a GI identifying wine/spirit for

<sup>&</sup>lt;sup>10</sup> Article 10*bis* of the Paris Convention reads as follows:

<sup>(1)</sup> The countries of the Union are bound to assure to nationals of such countries effective protection against unfair competition.

<sup>(2)</sup> Any act of competition contrary to honest practices in industrial or commercial matters constitutes an act of unfair competition.

<sup>(3)</sup> The following in particular shall be prohibited:

<sup>1.</sup> All acts of such a nature as to create confusion by any means whatever with the establishment, the goods, or the industrial or commercial activities, of a competitor;

<sup>2.</sup> False allegations in the course of trade of such a nature as to discredit the establishment, the goods, or the industrial or commercial activities, of a competitor;

<sup>3.</sup> Indications or allegations the use of which in the course of trade is liable to mislead the public as to the nature, the manufacturing process, the characteristics, the suitability for their purpose, or the quantity, of the goods.

<sup>&</sup>lt;sup>11</sup> See Addor and Grazioli, 2002, p. 879.

<sup>&</sup>lt;sup>12</sup> See Gervais, 1998, p. 128.

wine/spirit not originating in the place indicated by the GI is prohibited, even where the true origin of the wine/spirit concerned is indicated and/or a translation is used and/or the indication is accompanied by expressions such as 'kind', 'type', 'style', 'imitation' or the like.

**Article 23.2** is, in a way, the counterpart of Article 22(3), with the difference that unlike the latter, the former allows refusal or invalidation of registration of a trade mark irrespective of whether the public is being misled.

**Article 23.3** deals with the case of 'homonymous' GIs for wines (not spirits), whose use is not misleading (or deceptive) under Article 22(4) of TRIPS. In such cases both the indications have to be protected and each Member must determine the practical conditions under which such homonymous indications will be differentiated from each other. In doing so, each Member must ensure that consumers are not misled and that the producers concerned are treated equitably.

Finally, to facilitate the protection of GIs for wines, **Article 23.4** requires negotiations to be undertaken in the TRIPS Council for 'establishment of a multilateral system of notification and registration of geographical indications for wines eligible for protection in those Members participating in the system'. The Singapore Ministerial Declaration of 1996 extended this provision to spirits as well.<sup>13</sup> The ongoing negotiations on the multilateral register is as per the mandate enshrined in this provision.

#### 2.3 Article 24: International Negotiations and Exceptions

Article 24 of TRIPS deals with international negotiations and also includes a series of exceptions, most notably in relation to continued and similar use of GIs for wines and spirits; prior 'good faith' trade mark rights; and generic designations. These exceptions and concessions were included in this Article to take into account the concerns raised by some WTO Members that protection of GIs would challenge what they considered to be 'acquired rights', as will be discussed later in this chapter.

For instance, by virtue of the exception included in **Article 24.4** of TRIPS, a Member country is not obliged to prevent continued and similar use of a particular GI of another Member identifying wines or spirits where such an use takes place in connection with goods or services by any of its nationals or domiciliaries who have used that GI in a continuous manner with regard to the same or related goods or services in its territory either (a) for at least ten years preceding 15 April 1994<sup>14</sup> or (b) in good faith preceding that date.

In order to take care of the potential conflicts that may arise between GIs and trademarks, **Article 24.5** contains what is often called the 'grandfather clause' 15 in

 $^{14}$  This is the date of the Ministerial Meeting concluding the Uruguay Round of Multilateral Trade Negotiations.

<sup>&</sup>lt;sup>13</sup> See WTO Document IP/C/8 dated 6 November 1996, paragraph 34.

<sup>&</sup>lt;sup>15</sup> The grandfather clause is the TRIPS provision, which allows right holders to maintain certain acquired rights, even if TRIPS inconsistent (see Addor and Grazioli, 2002, p. 872).

favour of trademarks that are identical with or similar to GIs, provided certain conditions are satisfied. This provision states that:

'Where a trademark has been applied for or registered in good faith, or where rights to a trademark have been acquired through use in good faith either:

- (a) before the date of application of these provisions in that Member as defined in Part VI; or
- (b) before the geographical indication is protected in its country of origin;

measures adopted to implement this Section shall not prejudice eligibility for or the validity of the registration of a trademark, or the right to use a trademark, on the basis that such a trademark is identical with, or similar to, a geographical indication.'

Another exception contained in **Article 24.6** relating to generic names states that:

'Nothing in this Section shall require a Member to apply its provisions in respect of a geographical indication of any other Member with respect to goods or services for which the relevant indication is identical with the term customary in common language as the common name for such goods or services in the territory of that Member. Nothing in this Section shall require a Member to apply its provisions in respect of a geographical indication of any other Member with respect to products of the vine for which the relevant indication is identical with the customary name of a grape variety existing in the territory of that Member as of the date of entry into force of the WTO Agreement.'

**Article 24.8** relating to patronymic GIs upholds the right of any person to use, in the course of trade, his/her name or the name of his/her predecessor in business, except where such name is used in such a manner as to mislead the public.

As per **Article 24.1**, Members undertake 'to enter into negotiations aimed at increasing the protection of individual geographical indications under Article 23'. The provision further clarifies that the exceptions provided for in Article 24 'shall not' be used by any Member to refuse to conduct negotiations or to conclude bilateral or multilateral agreements. However, it further stipulates that in the context of such negotiations, 'Members shall be willing to consider the continued applicability of these provisions' to individual GIs under negotiation. This means that, notwithstanding the exceptions granted under Article 24, WTO Members may be required to enter into negotiations to phase out these exceptions. Notably, Article 24 exceptions, coupled with the provision for future negotiations implies that the additional protection granted to wines and spirits under Article 23 is also subject to certain exceptions, which are open to future negotiations, leaving room for bilateral or multilateral agreements among WTO Members to phase out such prior rights.

**Article 24.9** relieves Members from any obligation to protect a GI, which (i) is not protected in its country of origin, or, (ii) ceases to be protected in that country, or, (iii) has fallen into disuse in that country. This provision underscores the need for

ensuring appropriate GI protection at the national level of a WTO Member, in the absence of which other WTO Members would have no obligation whatsoever to protect the GIs of the former country within their respective territories.

#### 3. Select Features of the Indian GI Act<sup>16</sup>

The definition included in the GI Act is fairly broad. Section 1(3)(e) defines a GI as follows:

"geographical indication", in relation to goods, means an indication which identifies such goods as agricultural goods, natural goods or manufactured goods as originating, or manufactured in the territory of a country, or a region or locality in that territory, where a given quality, reputation or other characteristic of such goods is essentially attributable to its geographical origin and in case where such goods are manufactured goods one of the activities of either the production or of processing or preparation of the goods concerned takes place in such territory, region or locality, as the case may be.

The explanation added to this definition clarifies that for the purposes of this clause, any name which is not the name of a country, region or locality of that country is also eligible to get protection as a GI, provided the required conditions are satisfied. This clearly creates room for providing protection to symbols other than geographical names, such as 'Basmati' (rice), 'Alphonso' (mango).

Notably, while the TRIPS definition<sup>17</sup> refers to 'goods' as a whole, Section 1(3)(f) of the GI Act specifies that:

"goods" means any agricultural, natural or manufactured goods or any goods of handicraft or of industry and includes food stuff;

However, since the aforesaid categories of goods basically cover the entire gamut of 'goods', the definition in the GI Act does not seem to deviate from the scope of coverage of 'goods' under Article 22.1 of TRIPS (Das, 2007a, p.28).

While TRIPS requires 'a given quality, reputation or other characteristic' of the good to be essentially attributable to its geographical origin, the GI Act, in case of manufactured goods, includes the additional requirement that, one of the activities of either the production, or processing, or preparation of the good concerned must also

<sup>&</sup>lt;sup>16</sup> For a comparative assessment of TRIPS provisions on GIs and the Indian GI Act, refer to Das (2007a), pp. 28-32.

<sup>&</sup>lt;sup>17</sup> Article 22.1 of TRIPS defines GIs as under:

Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.

take place in the place of its geographical origin. This requirement is more stringent than that under Article 22.1 of TRIPS.

As for 'a given quality, reputation and other characteristic', TRIPS does not clarify any of these requirements further. Thus TRIPS is silent on whether these requirements imply only such qualities and characteristics, which may be attributed to 'natural factors' (e.g. climate, topography, etc.), or whether those characteristics that result from 'human factors' (e.g. specialized skills of artisans) may also be covered under the definition contained in Article 22.1. Unlike TRIPS, the GI Act explicitly mentions 'human factors'. Section 11(2)(a) of the GI Act, which stipulates what an application for GI registration should contain, refers to the 'geographical environment, with its inherent natural and human factors'. Again, as per Section 32(1) of the GI Rules, an application for a GI is required to be supported by 'the detailed description of the human creativity involved' and 'the particulars of special human skill involved'. The significance of the explicit reference to 'human factors' in the GI Act may be appreciated when judged in light of the fact that India has in its possession numerous handicrafts and handloom products that are apt to be protected as GIs and in the production of these items specialized human skills and craftsmanship play a significant role (Das, 2006b, p.50).

The GI Act contains a system of registration.<sup>18</sup> Registration is *prima facie* evidence of validity.<sup>19</sup> While the initial registration is for a period of ten years, it may subsequently be renewed.<sup>20</sup> A GI may be registered under more than one class of goods. For instance, 'Pochampally Ikat' has been registered under three classes: 24, 25 and 27.<sup>21</sup> A single application may be made for registration of a GI for different classes of goods and the fee payable is to be in respect of each class.<sup>22</sup> Any right to a registered GI is not a subject matter of assignment, transmission, licensing, pledge, mortgage or any such other agreement.<sup>23</sup> Generic names, however, are not registrable under the GI Act. Registration of a GI as a trademark is also not permitted.

A registered GI is protected against infringement. An interesting feature of the GI Act is the distinction that it makes between the two concepts: 'registered proprietor' and 'authorized user'. The 'Registered proprietor' in relation to a GI means any association of persons or of producers or any organization for the time being entered in the register as proprietor of the GI.<sup>24</sup> 'Authorized user' means the

<sup>&</sup>lt;sup>18</sup> Section 20(1) of the GI Act states that no person 'shall' be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an 'unregistered' GI. The register is to be divided into two parts: Part A and Part B. The particulars relating to the registration of the GIs are incorporated in Part A, while the particulars relating to the registration of the authorized users are contained in Part B (Section 7 of the GI Act).

<sup>&</sup>lt;sup>19</sup> Section 23(1).

<sup>&</sup>lt;sup>20</sup> As per Section 18(1) of the GI Act.

<sup>&</sup>lt;sup>21</sup> These classes are categorized as follows:

<sup>24:</sup> Textiles and textile goods, not included in other classes, bed and table covers.

<sup>25:</sup> Clothing, footwear, headgear.

<sup>27:</sup> carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hanging (non-textile).

<sup>&</sup>lt;sup>22</sup> Section 11(3) of the Act.

<sup>&</sup>lt;sup>23</sup> Section 24 of the GI Act.

<sup>&</sup>lt;sup>24</sup> Section 1(3)(n) of the Act.

authorized user of a GI registered under the GI Act.<sup>25</sup> Any person claiming to be the producer of the goods in respect of which a GI has been registered may apply in writing to the Registrar for getting registered as an authorized user of the GI concerned.<sup>26</sup> Upon registration, the GI Registrar is required to issue each to the applicant and the authorized users, if registered with the GI, a certificate of registration. Importantly, it is the 'authorized users' and not the 'registered proprietor' who have the exclusive right to use the GI.<sup>27</sup> This approach gels well with the 'collective right' nature of GIs, since those who might enter the trade subsequent to the registration could also get registered as 'authorized users'. However, both the 'registered proprietor' and the 'authorized users' can take infringement actions. The GI Act has provision for relief<sup>28</sup> in respect of infringement of a GI, which can be obtained by both the registered proprietor and the authorized users.<sup>29</sup> The GI Act also provides for criminal remedies for falsification or false application of a GI or sales of a good to which a false GI is applied.<sup>30</sup>

Another important feature is that while Article 23 of TRIPS restricts the additional protection only to wines and spirits, under the GI Act, the Central Government of India has been given the discretion to accord similar protection to other categories of goods also, by way of notifying such goods in the Official Gazette (Das, 2008a, p. 484).<sup>31</sup> <sup>32</sup>

The Central Government may, if it thinks necessary so to do for providing additional protection to certain goods or classes of goods under sub-section (3), by notification in the Official Gazette, specify such goods or class or classes of goods, for the purposes of such protection.

#### Section 22(3) reads as follows:

Any person who is not an authorized user of a geographical indication registered under this Act in respect of the goods or any class or classes of goods notified under sub-section (2), uses any other geographical indication to such goods or class or classes of goods not originating in the place indicated by such other geographical indication or uses such other geographical indication to such goods or classes of goods even indicating true origin of such goods or uses such other geographical indication to such goods or classes of goods in translation of the true

<sup>&</sup>lt;sup>25</sup> Section 1(3)(b).

<sup>&</sup>lt;sup>26</sup> Section 17(1).

<sup>&</sup>lt;sup>27</sup> Section 21(1)(b) and 21(1)(c) of the GI Act.

<sup>&</sup>lt;sup>28</sup> Section 67 of the Act creates ground for obtaining relief. The relief, which a court may grant in any suit for infringement or for passing off includes injunction (subject to such terms, if any, as the court thinks fit) and at the option of the plaintiff, either damages or account of profits, together with or without any order for the delivery- up of the infringing labels and indications for destruction or erasure.

<sup>&</sup>lt;sup>29</sup> Section 21(1)(a).

<sup>&</sup>lt;sup>30</sup> Any person found to be guilty of being involved in falsification or false application of a GI or sales of a good to which a false GI is applied, would generally be punishable with imprisonment for a term of at least six months but which may extend to three years and with fine which "shall" not be less than fifty thousand rupees but which may extend to two lakhs rupees (Sections 39 and 40). If a person, having already been convicted of an offence under Sections 39 or 40, is again convicted of any such offence, s/he will generally be punishable for the second and for every subsequent offence, with imprisonment for a term of at least one year but which may extend to three years and with fine of at least one lakh rupees but which may extend to two lakhs rupees. There are certain other penalty provisions for say, falsely representing an unregistered GI as registered (Section 42), falsification of entries in the GI Register (Section 44), etc.

<sup>31</sup>Section 22 (2) of the GI Act states:

## 4. Registration Procedure of GIs in India

Section 11(2) of the GI Act specifies the documentation requirements for applying for a GI in India. Section 32(1) of the GI Rules replicates these provisions and in addition stipulates a few more documentation requirements that include, among other things, the following:

- A statement as to how the GI serves to designate the goods as originating from the concerned geographical territory in respect of specific quality, reputation or other characteristics that are due exclusively or essentially to the geographical environment, with its inherent natural and human factors; and the production, processing or preparation of which takes place in such geographical location;
- The geographical map of the territory concerned;
- The particulars regarding the appearance of the GI as to whether it is comprised of the words or figurative elements or both;
- An affidavit as to how the applicant claims to represent the interest of the association of persons or producers or any organization or authority established by or under any law;
- The standards benchmark for the use of the GI or the industry standard as regards the production, exploitation, making or manufacture of the goods having specific quality, reputation, or other characteristic of such goods that is essentially attributable to its geographical origin with the detailed description of the human creativity involved, if any, or other characteristic from the definite geographical territory;
- The particulars of the mechanism to ensure that the standards, quality, integrity and consistency or other special characteristic in respect of the goods to which the GI relates, which are maintained by the producers, makers or manufacturers of the goods, as the case may be;
- The particulars of special human skill involved or the uniqueness of the geographical environment or other inherent characteristics associated with the GI to which the application relates;
- The particulars of the inspection structure, if any, to regulate the use of the GI in respect of the goods for which application is made in the definite territory, region or locality mentioned in the application.

Upon receipt of an application, it is scrutinized by the examiners and in case any deficiencies are found, a notice is sent to the applicant to rectify them. After rectification, the applicant is required to send her reply within one month from the

place of origin or accompanied by expression such as "kind", "style", "imitation", or the like expression, shall infringe such registered geographical indication.

Similar divergence may be found in other provisions of the GI Act that correspond to Articles 23.2 and 23.3 of TRIPS (Sections 25 and 10, respectively).

<sup>&</sup>lt;sup>32</sup> For the ongoing debate in the WTO on extension of Article 23 protection for all GIs, in which India is also one of the proponents, refer to Das (2009b).

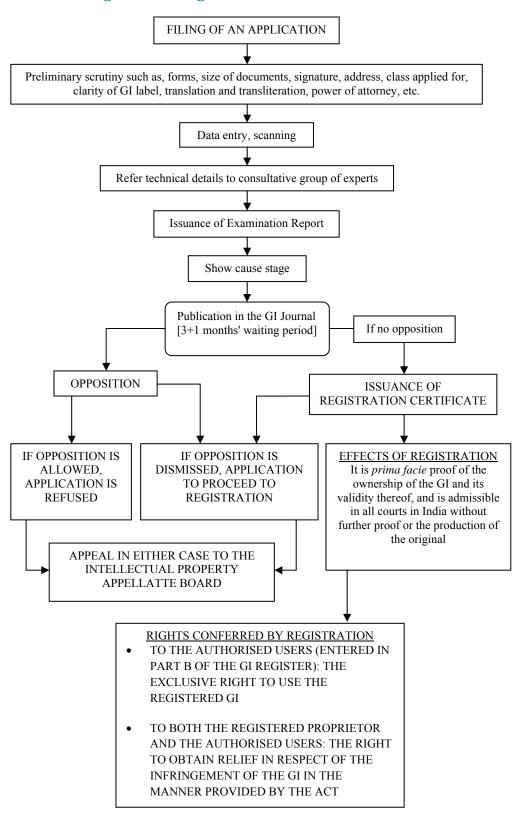
date of receipt of the notice. The next stage is the constitution of a Consultative Group of technical experts, chaired by the Registrar, to ascertain the correctness or otherwise of the particulars furnished in the application. Subsequent to examination, the Registrar may refuse the application altogether or may accept it either absolutely or subject to certain conditions, modifications, etc. Accordingly, on the basis of the comments provided by the Consultative Group, an Examination Report is issued by the Registrar. Compliance, if any, is to be done within two months from the date of communication of the Examination Report to the applicant. Once the objections raised in the Examination Report are satisfactorily responded to by the applicant, and the application is accordingly accepted by the GI Registry, it is advertized in the GI Journal, which is a bi-monthly, bi-lingual (English and Hindi<sup>33</sup>) statutory publication. Upon advertisement, any person may, within a specified time period (generally 3 months, but if needed 4 months), oppose the application in writing. If the application passes through the specified time period unopposed, or in the event of an opposition, if it is decided in favour of the applicant, the Registrar is required to register the concerned GI as well as the authorized users and include the particulars in the GI Register.<sup>34</sup> Upon registration of a GI, the Registrar is required to issue each to the applicant and the authorized users a certificate sealed with the seal of the GI Registry. Notably, the date of filing of the application is deemed to be the date of registration.

Figure 1 provides a schematic diagram demonstrating the GI registration procedure in India.

<sup>&</sup>lt;sup>33</sup> Hindi is the national language of India.

<sup>&</sup>lt;sup>34</sup> The particulars relating to the registration of the GIs are incorporated in Part A, while the particulars relating to the registration of the authorized users are contained in Part B (Section 7 of the Act).

Figure 1: GI Registration Procedure in India



Source: GI Registry, Chennai, India.

## 5. Registration Status of GIs in India

Around 1500 products from India have reportedly been identified as having the potential to get registered as GIs (Natarajan, 2008). Till 15 August 2009, 106 GIs got registered with the GIs Registry (Annex 1). Though all of the registered GIs were of Indian origin till that date, a few foreign applications, including 'Pisco' from Peru, 'Champagne' from France, and 'Napa Valley' from the United States, were lying at different stages of the registration process: .

Table 1: Product-wise distribution of GIs registered in India till 15 August 2009

Row no.	Product category	No. of registered GIs
1	Handicrafts	73
2	Agricultural Products	24
3	Manufactured Products	6
4	Horticulture	2
5	Foodstuff	1
6	Total GIs registered	106

A striking feature of Indian GIs is the variety of product categories to which they belong. These include textiles, handicrafts, paintings, agricultural products, horticultural products, beverages, among others. This is in sharp contrast with the European scenario, where GIs predominantly relate to wines and spirits, or other food and agricultural products.<sup>35</sup> Table 1 depicts the distribution of registered GIs in India as per certain broad product categories. As may be noted from this table, 73 out of the total of 106 (i.e. around 69%) registered GIs are in the category of handicrafts (including handlooms, paintings, etc.). Notably, often these are also the products that are based on the traditional knowledge (TK) being passed on from one generation of the artisans' community to the next, clearly reflecting India's rich heritage of TK in arts and crafts of diverse genres; and the significant roles that GIs can potentially play in the context of these products. It may also be noted from Table 1 that out of 106 registered GIs, 24 (i.e. around 23%) belong to agriculture. The predominance of artisanal and agriculture-related products among the registered GIs, which taken together comprise 97 out of the total of 106 (i.e. 91.5%) clearly indicates that GIs have a significant potential to facilitate rural development in India. However, the realization of this potential is fraught with a range of difficulties, as will be discussed later in this article.

<sup>&</sup>lt;sup>35</sup> The EU has in its possession some 4800 registered GIs, 4200 for wines and spirits and another 600 for other categories, mainly food products (European Commission (2003), p.2).

## 6. Public and Quasi-public Interventions on GIs in India

In Economics' parlance, GIs belong to the category of club goods, i.e. goods that are largely non-rivalrous in consumption but excludable.<sup>36</sup> In order to be able to use the indication a producer must belong to the demarcated geographical region and must also produce her product as per the specifications associated with the GI. Hence, GIs satisfy the criterion of excludability, because producers who do not satisfy the aforesaid two criteria can be excluded from enjoying the benefits of the GI. However, within the 'club', i.e. among the producers who are entitled to use the GI, consumption is largely non-rivalrous in the sense that the enjoyment of the GI by one producer does not generally come in the way of enjoyment of the same by another, thereby satisfying the second criterion of club goods as well. In other words, GIs are a form of collective monopoly right that erects entry barriers on producers either within or outside the relevant geographical area by way of specifying the geographical area, product characteristics, techniques of production, inputs to be used and so on. For the group of producers (and their products) that qualify for protection, GIs provide an opportunity to capture the rent embedded in the appellation (Rangnekar, 2004, p.15). However, the collective nature of GIs also brings to the fore significant collective action problems in various stages of its organization and governance. These may take the form of 'free-riding' or 'prisoner's dilemma' on the part of the players along the supply chain of a GI-product. The term 'free-riding' refers to a situation where individuals do not to reveal their genuine preferences, for some reason or the other, and in the process enjoy certain benefits without actually paying for it. This problem arises in case of public goods and leads to a 'market-failure' where either there is noproduction or under-production of the public good in question and sub-optimal allocation of resources. 'Prisoner's dilemma' describes a situation where lack of information or other factors impedes cooperative action among different agents (prisoners). Consequently, each agent acting on limited information makes decisions that are sub-optimal when compared to an outcome based on cooperative action (Rangnekar, 2004, p.19).

The fact that GIs confront these collective action problems in various stages of their organization and governance is evident. For instance, in the pre-establishment stage, a sub-group of producers may take the initiative to develop their product as a GI, while other producers not willing to take the risk may abstain from it. However, once the GI gets established, courtesy the efforts and investments put forward by the sub-group of interested producers, the other producers who initially preferred to

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<sup>&</sup>lt;sup>36</sup> Early work mainly in public finance differentiated goods into two groups, public and private, based on two key properties: excludability and rivalry. Excludability reflects the possibilities of, and the ease in, excluding an individual from enjoying the benefits of a good. A non-excludable good means that everyone can enjoy and/or access the good without payment. Rivalry relates to the distribution of benefits between consumers of the good and whether an individual's consumption of the good rivals similar consumption by other individuals. A pure private good is one characterized both by excludability and rivalrous consumption, whereas a pure public good is both non-excludable and non-rivalrous. A club good is an intermediate category in the sense that it satisfies one criterion from both these extremes (Rangnekar, 2004, p.20).

abstain may wish to join the league and reap the benefits of the GI-status of the product, thereby attempting to free-ride on the painstaking efforts of the forerunners.

The requirement for coherence and authenticity with respect to the product specifications that distinguishes a GI requires all producers in the supply chain, irrespective of their position as intermediate or final producers, to behave in accordance with the regulated codes of practices. Opportunistic behaviour on the part of a single producer in the form of say, shaving the quality standards for making higher profits may jeopardize the collective reputation of the indication, eventually downgrading its value - a scenario quite akin to the Prisoner's Dilemma described above.

As mentioned earlier, the registered proprietor of a GI in India has to be an 'association of persons or of producers'. Such a requirement often entails creation of a new 'association', thereby triggering the collective action problem upfront. In fact, as products using GIs pre-exist their registration and protection, the process of registration raises substantive issues concerning reorganization and governance of the supply chains. There are a number of specific tasks to be completed while reorganizing the supply chains. These may include demarcating the geographical territory pertaining to the GI, defining the GI-product, specifying its distinguishing characteristics, establishing the good-place link, agreeing on codes of practices to be followed while producing the product, developing mechanisms for quality-control, methods of governance along the supply chain, among others. The registration process of a GI is, therefore, likely to involve some re-organization of the product's existing supply chain, leading to modifications in well-established commercial relations and distribution channels (Rangnekar, 2004, p.3). This often results in new economic opportunities for some new players at the cost of some pre-existing ones, thereby creating room for conflicts.

Certain other typical features of GIs compound the collective action problems. For instance, the process of defining a GI and codifying the practices implicates the entire supply chain. The successful working of a GI, therefore, requires cooperation among all the actors along the supply chain. This implies cooperative behavior on the part of the firms belonging to a particular stage of the supply chain, producing similar products, and hence competing with each other in the market place. While such a combination of cooperation and competition is a unique feature of GIs, it also complicates the collective action problem further. Such complexities involved in different stages of organization and governance of a GI generally calls for an independent and representative body to mediate among the firms. Public or quasipublic institutions, (ideally) representing the interests of all firms in the supply chain, are best suited at resolving these problems through appropriate interventions.

As for India, the third party intervention is found to assume different forms in different cases. It includes (i) a number of central or state-level government and semi-government departments/bodies [e.g. the Textiles Committee,<sup>37</sup> the Tea Board

<sup>&</sup>lt;sup>37</sup> The Textiles Committee is a statutory body, with perpetual succession, under the administrative control of the Ministry of Textiles, Government of India. Textiles Committee is playing a pioneering role in facilitating GI registration in India, either in collaboration with the UNCTAD India Programme or with other relevant organizations all across India.

of India,<sup>38</sup> UP Export Corporation Ltd.,<sup>39</sup> Himachal Pradesh Patent Information Centrel; (ii) various inter-governmental organizations [e.g. the UNCTAD (United Nations Conference on Trade and Development) India Programme, 40 UNIDO (United Nations Industrial Development Organization)]; (iii) business associations [e.g. CII (Confederation of Indian Industries)<sup>41</sup>], and (iv) civil society organizations [e.g. NEED (Network of Entrepreneurship & Economic Development)], among others, GI registration has often been made a part of wider projects with broader objectives. For instance, registration of 'Chanderi Fabric' as a GI was a part of a much wider Cluster Development Programme undertaken by the UNIDO in association with the stategovernment of Madhya Pradesh (GoMP&UNIDO, 2003, p.1). On many occasions, organizations of different genres are also found to collaborate amongst each other to facilitate the registration of GIs and its working post-registration. For instance, the registration process of 'Pochampally Ikat' had the backing of a number of organizations including the Textiles Committee, Directorate (Handlooms & Textiles) of the state government of Andhra Pradesh, Weavers Service Centre (WSC), CII, and APTDC (Andhra Pradesh Technology Development Centre) [Chari, 2008]. Application for 'Lucknow Chikan Craft' was filed by a consortium comprising of stakeholders, civil society organizations as well as government bodies (i.e. Lucknow Chikan Handicraft Association, NEED, Shilp Sadhana and UP Export Corporation Ltd.); while the UNCTAD India Programme and the Textiles Committee played the role of facilitators in getting this GI registered. 42In view of a general lack of awareness about GIs in India, several awareness-building initiatives have also been undertaken by the Textiles Committee,<sup>43</sup> the UNCTAD India Programme, the GI Registry,<sup>44</sup> Department

<sup>&</sup>lt;sup>38</sup> Tea Board of India is a statutory body under the Ministry of Commerce and Industry, Government of India. Tea Board of India has not only facilitated registration of 'Darjeeling' (tea), but is also the registered proprietor of this world-renowned GI of India.

<sup>&</sup>lt;sup>39</sup> UP Export Corporation Ltd. is an undertaking of the state government of Uttar Pradesh (UP). It is part of the consortium that has filed the application for 'Lucknow Chikankari' – an age-old and famous GI of the state of UP.

<sup>&</sup>lt;sup>40</sup> UNCTAD India Programme is a project launched jointly by UNCTAD (United Nations Conference on Trade and Development), Ministry of Commerce (government of India) and DFID (Department for International Development), United Kingdom. In case of GIs, UNCTAD India's multi-pronged interventions have the following components: (i) Econometric analysis on likely impacts of GI registration; (ii) Awareness building on GIs: benefits and procedural requirements; (iii) Creating an inventory of potential GI products through a detailed study at the state level; (iv) Facilitating GI registration; and (v) Post-registration impact studies (Banga, 2008).

<sup>&</sup>lt;sup>41</sup> CII is one of the premier business associations in India.

<sup>&</sup>lt;sup>42</sup> The UNCTAD India Programme, in association with the Textiles Committee or other partner organizations (e.g. NEED), is reportedly facilitating GI registration of 16 products, including 'Pipili Applique Craft', 'Banaras Brocades and Sarees', 'Lucknow Chikan Craft', 'Muzaffarpur Shahi Litchi', among others. Facilitation of the textiles GIs is a component of a nation-wide programme entitled 'Strategies and Preparedness on Trade and Globalisation in India in the Textiles & Clothing sector' that UNCTAD India Programme has launched in association with the Textiles Committee and the Ministry of Commerce and Industry, Government of India.

<sup>&</sup>lt;sup>43</sup> Textiles Committee has so far organized around 35 such awareness building workshops (Personal communication with the Textiles Committee).

<sup>&</sup>lt;sup>44</sup> GI Registry has organized around 90 awareness building workshops (Natarajan (2008)).

of Industrial Policy and promotion (Govt. of India), CII,<sup>45</sup> and several civil society organizations, among others [Natarajan, 2008]. In a nutshell, GI registration has been facilitated in India through various alternative modes and third-party interventions of diverse nature and form. A close look at the third column in Annex 1 also reveals that a substantial number of GIs in India have been registered in the names of some central or state government departments or bodies. However, it may be mentioned here that at the state-government level, no specific department/body has been given the responsibility of dealing with GIs. Hence, though various state-government agencies are found to be actively engaged in the exercise, there is no homogeneity among these initiatives and involvements across states. In fact, be it at the public, quasi-public or private level, diverse institutional arrangements are found to be emerging all across India to facilitate GIs.

There is no denying the fact that registration is essential towards ensuring better legal protection of GIs in India. Without adequate legal armour, competitors might free-ride on the reputation of an appellation. GI status can also help in securing a premium price in the market. Notably, the willingness of at least a niche section of the consumers to pay a premium for GI-products has been revealed in quite a few empirical studies, though predominantly in the context of developed countries. A consumer survey undertaken in the European Union (EU) in 1999, for instance, found that 40% of the consumers would pay a 10% premium for origin-guaranteed products (WTO, 2004). Econometric models employing hedonic pricing techniques also support the willingness to pay more for GI products. 46 Although GI as a concept is still at its infancy in India, a study conducted by the UNCTAD India Programme has revealed that in case of agricultural products the premium in India could be in the range of 10-15% whereas in case of non-agricultural products it could be 5-10% (Banga, 2008). While such anecdotal evidences bear testimony to the commercial potential ingrained in GIs, actual realization of such potential is contingent upon a range of other factors. In fact, there exist a number of post-registration challenges and hurdles that the stakeholders need to overcome in order to be able to exploit the potential benefits embedded in this IPR. Given that the GI initiatives in India are still at a nascent stage, it may be rather premature to assess the performance of the country in this field; nevertheless, in the rest of the article an attempt is being made

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 $<sup>^{45}</sup>$  CII, in Collaboration with The United States Patent & Trademark Office (USPTO) organized road shows on GIs to create awareness on the importance of GI for better market access on sustainable development.

The road shows were being supported by the Department of Industrial Policy and promotion (DIPP) Government of India and held between 3-30 September 2008 in various cities across India. (Source: <a href="http://www.commodityonline.com/news/CII-USPTO-conducts-roadshows-on-GI-11464-3-1.html">http://www.commodityonline.com/news/CII-USPTO-conducts-roadshows-on-GI-11464-3-1.html</a>, accessed on 5 September 2008).

<sup>&</sup>lt;sup>46</sup> One econometric study found that certain regional designations for 'Bordeaux' wines command a large price premium—as much as US \$15 per bottle–in the case of the 'Pomerol' designation (see Landon and Smith, 1998). Another such study found that wines with a 'Napa Valley' designation were priced 61 percent higher than wines with a 'California' designation (see Bombrun and Sumner, 2003). Evidence for price premium is not limited to wines alone. For instance, econometric work on the Spanish market for meat products showed that products bearing the 'Galician Veal' label commanded a premium of US \$ 0.21 per kilogramme (Loureiro and McCluskey, 2000).

to bring to the fore some of the key issues and concerns pertaining to management of GIs.

## 7. Major Challenges Confronting Indian GIs

This section delves into some of the major challenges confronting the stakeholders of GIs in India by drawing on some of their experiences.

#### 7.1 Registration in Foreign Jurisdictions

An essential prerequisite for establishing GI status in foreign countries is obtaining legal protection made available by those countries. However, it may turn out to be a daunting task to acquire legal armour in various target countries as per their respective legal frameworks. More so because, there exist significant divergences among countries with regard to the modes and the purposes of protection of GIs. Notably, TRIPS (Article 1.1) leaves it up to the Member countries to determine the appropriate method of implementing the provisions of the Agreement within their own legal framework. The WTO Secretariat<sup>47</sup> has classified the diverse means of protection available for GIs in different WTO Member countries into three broad categories: (i) laws focusing on business practices (e.g. common laws—particularly in relation to passing-off; laws relating to the repression of unfair competition; or the laws meant for consumer protection); (ii) trade mark law; and (iii) *sui generis* protection (such as, laws specifically dedicated to the protection of GIs, like in India) (Das, 2008a, pp.465-66).

In countries that require registration of GIs under a *sui generis* system, the claimants to a GI are required to codify distinctive facts related to their products, production processes, uniqueness, geographical origin, etc. Specifying these facts in rigorous legal language, as per the requirements of the country concerned is a technical and costly venture. In Europe, for instance, such one-time effort alone could cost around US\$20,000 (Waglé, 2007, p.25).

As far as protection under trademark laws is concerned, they generally prohibit the registration of a name with a geographical meaning. Therefore, GIs are often protected via a collective or a certification mark where such provisions exist. Where they are not available, however, Indian GI right holders may be forced to seek a limited protection - for their logo only - via a figurative trademark registration.

In countries where protection is available via unfair competition and consumer protection acts, GI right holders may have to spend a considerable amount of money trying to fend off abuses in foreign markets. They may have to launch costly legal actions to seek protection of their GI. In such a case, right holders are often required to prove that their GI is not a generic name and that it has acquired distinctiveness. This can be done via consumer surveys which are expensive and not

<sup>&</sup>lt;sup>47</sup> For further details, see WTO document IP/C/W/253, 4 April 2001.

always conclusive. As for securing protection via passing-off actions, it is also a difficult, expensive and largely an uncertain process.

Public/quasi-public agencies in India may have an important role to play in assisting the stakeholders that are not equipped enough to deal with such technical and costly ventures in various foreign destinations. By far, 'Darjeeling' tea is the only Indian GI that has made considerable strides towards ensuring legal protection in foreign countries, courtesy the significant support provided by the Tea Board of India for this purpose (Table 2). Notably, although 'Darjeeling' tea got registered as a GI in India only in October 2003, attempts to ensure IPR armour for this famous indication started way back in 1986 and continued thereafter through various means, such as trademark, certification trademark or collective mark (Das, 2006a, p. 480).

Table 2
Registration of 'Darjeeling' Word and Logo in Various Countries
(As on 3 February 2007)

Country	Nature and subject-matter of registration	Year of registration
India	Certification Mark for 'Darjeeling' logo	1986
International registration –Germany, Austria, Spain, France, Portugal, Italy, Switzerland and former Yugoslavia	Collective Mark for 'Darjeeling' logo	1986
Benelux registration – Belgium, Netherlands, Luxembourg	Collective Mark for 'Darjeeling' Logo	1988
Canada	Official Mark for 'Darjeeling' logo	1989
Japan	Trade Mark for 'Darjeeling' logo	1989
USA	Trademark for Darjeeling Logo	1991
UK	Certification Trade Mark for 'Darjeeling' word.	1996
India	Certification Mark for 'Darjeeling' word	1998
Egypt	Trademark for 'Darjeeling' Logo	1999
UK	Certification Mark for the 'Darjeeling' logo	2001
USA	Certification Mark for 'Darjeeling' logo	2003
Russia	Trademark for 'Darjeeling' word	2003
India	'Darjeeling' word as a geographical indication	2003
India	'Darjeeling' logo as a geographical indication	2003
India	Copyright registration for 'Darjeeling' logo	2004
Russia	Trademark for 'Darjeeling' Logo	2005
Lebanon	Collective mark for 'Darjeeling' word	2005
Lebanon	Collective mark for 'Darjeeling' Logo	2005
Australia	Certification Mark for 'Darjeeling' logo	2005
EU member countries	Community Collective Mark for 'Darjeeling' word	2006

Source: Darjeeling Tea Association, Kolkata, India.

## 7.2 Enforcement in India and Abroad

Once legal rights over a GI are obtained, they have to be defended and enforced. This entails continuous monitoring of the markets to determine whether counterfeit goods are being passed off. In addition, disputes may crop up with competitors regarding whether their products and/or marketing efforts are infringing on the GI. While the counterfeiting and infringement cases may at times get settled out of the court, they may often end up into legal battles in courts.

While the rampant misuse of many Indian GIs demonstrates the urgent need for effective enforcement, the extent of misuse that has already cropped up makes the task rather difficult. Take for instance, 'Darjeeling' tea. Notwithstanding the multipronged initiatives undertaken on the part of the Tea Board towards ensuring adequate legal shield for 'Darjeeling' in India and abroad, on an average around 40 million kgs of tea per annum is being sold globally as 'Darjeeling tea', whereas the actual production of authentic Darjeeling tea hovers around nine million kgs only.<sup>48</sup> Instances of misuse from within and outside the country are galore for Indian handicrafts and handloom products, posing serious threats to their survival. For instance, Chinese imitations of famous 'Banarasi'49sarees (that has applied for GI registration now) are flooding the Indian market over the past several years. It is learnt that master craftsmen from Varanasi (where authentic 'Banarasi' sarees are being produced) are being lured to China to produce these imitations with cheaper Chinese silk. Poor quality imitations are also being produced within India, particularly in the Surat region of the Indian state of Gujarat. These power loom-made imitations cost only one-tenth of the price of an original 'Banarasi' saree, thereby posing tough competition. The scenario is so grim that a large section of weavers and their families in Varanasi are now forced to look for alternative means of livelihood, often in menial jobs. In the case of 'Kashmir Pashmina' (shawls),50 already a registered GI in India, threats come from power-loom made substitutes such as, Semipashmina, Silk-pashmina and various other categories of woolen shawls produced within India as well as from shawls produced in Nepal<sup>51</sup> or China that are often

<sup>&</sup>lt;sup>48</sup> There are certain other nuances intertwined with the very system of trading of authentic Darjeeling tea that leaves room for the blending companies to take undue advantage of the brand equity associated with the name 'Darjeeling'. For details, refer to Das, 2006a, pp.482-83.

<sup>&</sup>lt;sup>49</sup> The 'Banarasi Silk' saris made in Varanasi has been famous for centuries for its luxurious, intricately designed cloth.

<sup>&</sup>lt;sup>50</sup> Pashmina is one of the most famous varieties of shawls produced in Kashmir since ages. Pashmina is an exceptionally light, soft and warm fabric made of *pashm* fibers obtained from the fleece of a central Asian species of mountain goat called Chyangra or Capra Hiracus.

<sup>&</sup>lt;sup>51</sup> Perhaps due to wide publicity by the Nepal shawl industry, a misconception has by now become widespread that Pashmina is originally a product of Nepal and not of Kashmir. Even a google search reveals that there exists a number of web portals associated with sales of Pashmina that refer to it as originating from Nepal. In fact, this so called 'Pashmina' industry in Nepal is a major foreign currency earner for the country. There are over a hundred 'Pashmina' producing units in Nepal, out of which 95% are in the Kathmandu valley alone. Over 90% of 'Pashmina' manufactured in Nepal is exported and only 10% is consumed locally. Nepal 'Pashmina' is exported to around 40 countries, mainly in Europe, America and Asia. As per media reports, of late Nepal 'Pashmina' has earned a bad name in the international market after low-quality 'Pashmina' started to become part of the Nepali export kitty to

passed off as original Pashmina in the global market, where there is a huge demand for these high-end shawls.

However, enforcement of GIs associated with such traditional arts and crafts products would be an extremely challenging venture even within India, let alone in other countries. In the first place, handlooms and handicrafts are sold from a variety of formal and informal outlets in India making it a Herculean task to keep vigilance on imitations. Moreover, there are so many varieties of blended and machine-made products available in the market that regulating this trade is far from easy.

Notwithstanding such difficulties, it is encouraging to see that the right holders of some of the registered GIs in India have started taking initiatives towards enforcement of their legal rights within the country. The experience of 'Pochampally Ikat' is worth a mention here. In May 2005, it came to the notice of the right holders of this GI that a retailer in Hyderabad<sup>52</sup> was selling imitations of 'Pochampally Ikat' sarees, while a Mumbai-based manufacturer was manufacturing and whole-selling these imitations. In June 2005, a case was filed in the Delhi High Court against the manufacturing and selling of these imitations. Importantly, this was the first ever infringement case filed under the GI Act in India. However, the defendants (both the manufacturer and the retailer) accepted the charge of infringement and pleaded for out-of-the-court settlement. Declaring their unawareness about the GI protection of 'Pochampally Ikat', they claimed to have destroyed all the fake sarees and undertook that thereafter such sarees would not be available in the market or else they would be ready to pay the requisite penalty (Textiles Committee, 2007, pp. 57-58). Finally, the matter was resolved out-of-the-court.

'Pochampally Ikat' is also taking other initiatives towards enforcement including, formation of state-level/district-level committees for facilitating coordinated action with the involvement of the state enforcement machinery towards combating counterfeiting. The action points include, collecting information on the infringers; developing a database of possible infringers; sending caution notices to the infringers; filing of infringement suits; among others (Chari, 2008).

The enforcement strategies adopted by 'Chanderi Fabric', another famous Textiles GI of India, include survey of selling points and supply chains of duplicate 'Chanderi' in Indian metros; intimating dealers regarding legal implications of such misuses and the potential penalties that may ensue; filing of cases against infringement, among others (Gulati, 2007).

Enforcement of GIs in foreign jurisdictions is an even greater challenge for stakeholders from a developing country like India. Monitoring the foreign markets requires hiring the services of a watch dog agency, which is a very expensive proposition. So is fighting legal battles overseas, particularly in the developed countries, which generally entails hiring legal services from those countries at exorbitant rates (at least as per developing country standards). 'Darjeeling' tea is the only Indian GI that has already been exposed to such challenges in a large measure. In

the international market. Even, polyester and woolen mixed materials are being exported in the name of Pashmina in recent days. Nepali 'Pashmina' entrepreneurs say that it is also due to the break-neck competition in the international market (*The Himalayan Times (2007)*).

<sup>&</sup>lt;sup>52</sup> Hyderabad is the capital of Andhra Pradesh- the state where Pochampally is situated.

order to prevent the misuse of the 'Darjeeling' word and the logo, the Tea Board has since 1998 hired the services of Compumark — a reputed watch dog agency. Compumark is required to monitor and report to the Tea Board all cases of unauthorized use and attempted registration. Pursuant to Compumark's appointment, several cases of attempted registrations and unauthorized use of the 'Darjeeling' word and the logo have been reported. Some of these have been challenged through oppositions and cancellations and some through negotiations.<sup>53</sup> Notably, marks thus opposed did not always relate to tea alone, but also to other categories of goods or even services (Table 3).

Table 3
Select Cases of Misuse of 'Darjeeling' Opposed by the Tea Board of India

Country	Nature of misuse and product(s) misusing
France	DARJEELING - perfumes, articles of clothing and telecommunication
Germany	Device applications with DARJEELING logo
Israel	DARJEELING - agricultural & horticultural products
Japan	DIVINE DARJEELING- coffee, cocoa, tea
Japan	DARJEELING with India map
Japan	DARJEELING Logo - serving tea, coffee, soft drinks
Norway	DARJEELING - telecommunication
Russia	DARJEELING - Tea
Russia	DARJEELING Logo - Tea
Sri Lanka	SAKIR DARJEELING TEA - Tea
USA	DARJEELING NOVEAU - Tea

Source: Darjeeling Tea Association, Kolkata, India.

The Tea Board, however, has faced a number of hurdles in its endeavour to ensure enforcement of 'Darjeeling'. As revealed by its first-hand experiences, different legal provisions in different countries may often result in a failure to ensure enforcement even after long drawn legal battles.<sup>54</sup> While victory is not guaranteed, such legal battles involve huge expenses. Table 4 depicts the extent of legal expenses incurred by the Tea Board on enforcement of 'Darjeeling'. Notably, these figures exclude the administrative expenses including those relating to the relevant personnel working for the Tea Board, the cost of setting up monitoring mechanisms, software development costs, etc. While the Tea Board had the support and financial backing of the Ministry of Commerce and Industry, Government of India, it may not be possible for many other Indian GIs to incur such prohibitive expenses on enforcement. For want of government support, the exorbitant expenses involved in appointing an international watch dog agency and fighting legal battles abroad are likely to restrict, to a large extent, the ability of the GI right holders in India to ensure enforcement of their rights in overseas markets.

<sup>&</sup>lt;sup>53</sup> For instance, Bulgari, Switzerland agreed to withdraw the legend 'Darjeeling Tea fragrance for men' pursuant to legal notice and negotiations by the Tea Board.

For further details on cases relating to 'Darjeeling', refer to: <a href="http://www.wto.org/english/res\_e/booksp\_e/casestudies\_e/case16\_e.htm">http://www.wto.org/english/res\_e/booksp\_e/casestudies\_e/case16\_e.htm</a> (viewed on 9 September 2008).

Table 4
Legal expenses on enforcement of 'Darjeeling'

Year	Expenses (US\$ 000)
1999 - 00	26.23
2000 - 01	54.6
2001 - 02	54.44
2002 - 03	77.08
2003 - 04	85.43
2004 - 05	130.09

Source: Darjeeling Tea Association, Kolkata, India.

#### 7.3 Brand-building and Marketing

When it comes to reaping commercial benefits out of GI status, it needs to be recognized that GIs do not sell themselves. The market potential for this 'niche' is actually contingent on the consumer recognizing and valuing the product-place link. Hence, the success in exploiting the commercial potential of a GI is, to a great extent, dependent on effective marketing and promotional efforts to develop consumer perceptions about the product, its quality and value. Building up reputation about a GI-product is not an easy task, however. It takes enormous time, patience, resources, quality control and well-crafted marketing strategy, to name a few, to create a valuable GI. 'Champagne', for instance, is said to have taken as long as 150 years to develop that premium brand-image.

Marketing and promotion of GI-products in foreign countries is certainly more challenging and tricky than doing so in the domestic market, particularly for those GIs that do not have any reputation in the global market. The greatest challenge in this respect is posed by the developed countries, where consumers actually have sufficient incomes to potentially pay a premium. While marketing efforts in these countries require a sustained commitment of resources for a long period of time, there is no set formula to ensure the success of an emerging GI in these markets, nor is there any guarantee of such success. For most of the Indian GIs that do not have any established image in these markets, consumers in the developed countries would have to be informed of the existence of a GI as well as its whereabouts and would be required to be convinced of the quality associated with it. Once consumers have been successfully induced to try the new product and have enjoyed a positive experience, a different form of marketing effort would be required. Novelty consumption must be replaced by sustained consumption. This is an even more difficult task, because consumers would be continually presented with new novel products. Given that consumer preferences are often unstable, the initial success enjoyed by a novel GI may not be sustainable over time, making the resource-intensive marketing and promotional efforts a risky venture (Yeung and Kerr, 2008, pp.16, 20).

As far as distribution channels are concerned, different routes may have to be adopted in different countries for selling the same product. For instance, for the ethnic/traditional crafts products Direct-Retail Importers may be appropriate for distribution in the Unites States, whereas in the European Union buying & selling agents and various Fair Trade channels may turn out to be a better route (Frost &

Sullivan, 2005, p.395). In case of agro-food products, selling through retailers and supermarkets may be the best option in countries with highly concentrated supply chains (e.g. the UK); whereas, using local markets, direct selling and specialized outlets may turn out to be a better option in countries that are dominated by such marketing avenues (e.g. Italy, parts of France, etc.) [Rangnekar, 2004, p.33]. Importantly, producers of GI-products may have to contend with the economic power of various intermediaries to reach the market. Processors, for instance, are increasingly penetrating the supply chains of agro-food products to substantially control most aspects of the production process, often making the primary producer significantly dependent on them. In the case of coffee and tea, where India has in its possession quite a few GIs, a handful of processing companies control a large share of the global trade. Equally problematic is the position occupied by a handful of retail companies, on account of their growth and concomitant economies of scale and scope (Rangnekar, 2004, pp.27-29). Given such complexities, an appropriate marketing and distribution strategy is an essential prerequisite for a GI to act as an effective commercial tool.

Importantly, success of any brand-building exercise in GIs is contingent, in alarge measure, upon standardization and quality control. Empirical research using hedonic price technique has revealed that consumers' willingness to pay a premium for a GI-product is strongly correlated to its quality. This calls for specifying quality standards during the registration process and strict adherence to those standards by all actors in the supply chain. However, arriving at an agreement on standards is in itself a difficult exercise owing to the collective action problems. Even when standards are agreed to, there must be a realization by all the actors that adherence to the codes of practices is essential for the success of the GI. Breach of standards even on the part of a single actor, be it intentional or unintentional, may eventually turn out to be damaging for the reputation and value of the GI. According to some commentators, given the collective nature of the rights to a GI, provision for the exclusion or neutralization of those who under-perform or purposely threaten the integrity of the GI must be made prior to establishing the GI – in other words the individual's rights in the GI must be made conditional on performance and integrity (Yeung and Kerr, 2008, p.25).

Quality control and enforcement calls for establishment of an effective regulatory mechanism, preferably comprising third parties. However, the flip-side is that stringent standardization and quality control may often end up imposing detrimental rigidities in the system hindering its ability to accommodate innovations and experimentations in line with technological development as well as change in consumer tastes and preferences. Moran (1993) has observed that 'Countries adopting systems of geographic indications which are too rigid or restrictive may find that they undermine the innovation and flexibility that is one foundation of the success of their industries'. Such rigidities may render the GI uncompetitive in the market over time. An interesting case in point is the comparison often drawn between the Australian and the French wine industries. According to some commentators, while the French wine industry is prisoner to rigid production methods, at least in those areas covered by the French Appellations d'Origine Contrôllée (AOC) systems, the Australian industry relies on innovation and flexibility

to respond to consumer demand, often posing tough competition for French AOC wines. Hence, every system of GI registration struggles to accommodate the tension between, on the one hand, the legitimacy derived from strict quality and origin rules, and on the other hand, the desire to assuage the detrimental effects of rigid regulation by adopting more liberal rules relating to geographical origin and product standards (Caenegem, 2003, pp.715-17). The challenge lies in striking the right balance between the two, which is easier said than done.

Coming to India, as mentioned in Section 4, there is a provision in the Indian GI Act and Rules that calls for furnishing of information on the 'particulars of the mechanism to ensure that the standards, quality, integrity and consistency or other special characteristic...which are maintained by the producers, makers or manufacturers of the goods...'. It also requires the applicant to furnish the 'particulars of the inspection structure, if any, to regulate the use of the GI ... in the definite territory region or locality mentioned in the application" (emphasis added). However, as indicated by the phrase 'if any', the inspection structure is not a mandatory requirement to be fulfilled while registering GIs in India. As for quality control, often furnishing details about initiatives/plans to set in place quality control mechanisms (rather than already established mechanisms) may be sufficient to get a GI registered, while the mechanism may follow suit. In our view, while it is imperative on the part of the GI Registry to implement these provisions stringently, it is also important for the stakeholders of GIs in India to ensure that appropriate quality control mechanisms are set in place. In fact, many GIs in India are already taking steps in that direction. 'Darjeeling' is a front-runner in this regard. While 'Darjeeling' tea got its GI-status only in October 2004, an inspection structure was established by the Tea Board way back in February 2000. In order to ensure the supply of genuine Darjeeling tea the Tea Board set up a statutorily compulsory system of certifying the authenticity of the Darjeeling tea being exported, under the purview of the Tea Act 1953. The system makes it compulsory for all the dealers in Darjeeling tea to enter into a licence agreement with the Tea Board on payment of an annual licence fee. Under this system, 300 entities dealing with Darjeeling tea have registered with the Tea Board. The terms and conditions of the agreement require, *inter alia*, that the licensees must furnish information relating to the production and manufacture of Darjeeling tea and its sale, through auction or otherwise. The Tea Board is thus able to compute and compile the total volume of Darjeeling tea produced and sold in a given period. No blending with teas of other origin is permitted. Certificates of origin are then issued for the export consignments under the Tea (Marketing and Distribution Control) Order, 2000, read with the Tea Act, 1953. Data is entered from the garden invoices (the first point of movement outside the factory) into a database, and the issue of the certificate of origin authenticates the export of each consignment of Darjeeling tea by cross-checking the database and garden invoice number. The customs authorities in India have, vide Customs notification dated 25 June 2001 (making all exports of Darjeeling Tea subject to mandatory proof of such certificates of origin), instructed all customs checkpoints to check for the certificates of origin accompanying the Darjeeling tea consignments and not to allow the export of any tea as Darjeeling tea without this certificate. This ensures the supply-chain integrity of Darjeeling tea until consignments leave the country. Hence, all Darjeeling tea leaving the shores of India

today is guaranteed 100% Darjeeling Tea. The Tea Board has also sought the support of all overseas buyers, sellers, tea councils and associations so that they insist on the certificates of origin to accompany all export consignments of Darjeeling tea. The purpose of all these initiatives is to ensure that the overseas buyers are supplied with 100% Darjeeling tea in their consignments.

As for 'Muga silk', this unique variety of golden-coloured, natural silk fabric of the Indian state of Assam, got registered as a GI in July 2006 without any established inspection and quality control mechanism in place. However, realizing the importance of quality control and homogeneity in building a brand image, initiatives are now underway on the part of the state-government of Assam, in association with certain other agencies, to set in place an effective inspection structure that would deal, among other things, with issues like traceability; geographical origin and boundary, and would also take care of the quality aspect in different stages of the supply chain through a system of third-party quality control and assessment. The inspection structure is thus envisaged as a comprehensive system that would certify 'Muga Silk' both in terms of origin and conformity to precise rules of processing and manufacturing to guarantee its 'typicity'. With this aim in view, the Law Department of Assam is supposed to prepare appropriate rules in line with those pertaining to some of the famous European GIs like 'Champagne', 'Cognac', etc.(Sarma, 2008).

In case of 'Chanderi Fabric', quality is becoming a critical consideration in marketing especially for high-end consumers in India and abroad. Hence, the GI implementation strategies of the Chanderi Development Foundation (CDF) – the registered proprietor of this GI – include quality aspect, among other things:

- Use of the GI status as a distinguishing marketing tool;
- Ensure the quality to uphold the GI standards;
- Brand building efforts through:
  - ✓ Use of the GI Logo on each product;
  - ✓ Creation of similar bill book by all users;
  - ✓ Use of tags, brochures etc. for awareness building of consumers.
- Sensitization workshops and publicity campaigns for GI in various cities;
- Creation of a cluster level website for larger outreach (Gulati, 2007).

When 'Pochampally Ikat' became the first handloom product of India to get GI status under the GI Act in December 2004, it attracted a lot of media attention which helped in the revival of this brand. The multi-pronged approach of the Cluster Development Programme, under which the GI got registered, also helped in product development, diversification, design innovation, quality control, among other things and contributed in building the brand image of 'Pochampally Ikat'. Interestingly, some of the producers of 'Pochampally Ikat' also got their own trademarks registered with the aim of developing their own brands, such as 'Chikat', 'Ikat Art'. The latest initiative of establishing a Pochampally Handloom Park (to be discussed later in this article) is aimed at developing 'Pochampally Ikat' as a brand and taking it to another level.

While some GIs in India have initiated the marketing and promotional efforts in the right earnest, as exemplified above, their eventual success would be contingent

upon their ability to devote adequate resources and sustained efforts as per well-knit strategies. Many registered GIs in India are yet to venture effectively into this risky and challenging territory. Most of them are not yet geared towards global markets. In fact, a number of registered GIs would not be recognized even in other parts of India beyond the vicinity of their geographical origin, let alone in foreign countries. Hence, despite their GI-status, such products are unlikely to sell at a premium all over India, unless appropriate marketing and promotional efforts are undertaken to build them as brands at least within the country, if not in the rest of the world.

## 8. GIs, Traditional Knowledge and Rural Development

GI is often regarded as a potential means for protecting 'traditional knowledge' (see Box 2). This is because, GI as an instrument of intellectual property (IP) protection has certain peculiar features, which in contrast to other IPRs, are considered to be relatively more amenable to the customary practices of the indigenous communities:

- GI is a collective right,
- Knowledge remains in the public domain,
- Rights are (potentially) held in perpetuity (though registration might be required in some countries, like in India),
- The scope of protection is relatively circumscribed in the sense that (i) the right holders do not have the right to assign and (ii) they are required to remain within the demarcated geographical territory in order to be able to enjoy their GI rights (Das, 2007a, pp.3-4).

In addition, GIs are considered to be relatively free of the many adverse socio-economic implications of corporate control and accumulation of IPRs. However, the aptness of GI for protection of traditional knowledge (TK) is not free from limitations. The foremost problem emanates from the fact that while GI can protect products from misappropriation of their geographical origin-based reputation, they cannot protect the knowledge embedded in their production processes, which often form part of the TK of the communities involved therein. Notwithstanding such caveats, it may still be asserted that to the extent that products draw on distinctive traditional methods of production that have been preserved and nurtured over time by communities specific to a region, GIs can be used as a legal tool to develop, market and protect a brand (Downes and Laird, 1999).

It is widely believed that an effective protection of a GI-product, by way of preventing loss of value through copying, free riding or usurpation, could facilitate in increasing the inflow of cash income to the community involved in its production. Hence, GI is often cited as a tool that has the potential to contribute to rural development, though indirectly, through a reduction in income poverty of the rural poor.<sup>55</sup>

<sup>&</sup>lt;sup>55</sup> See Bandyopadhyay (2007) for a detailed picture of the rural income poverty in India.

#### BOX 2

#### GI as a Tool for Protecting 'Traditional Knowledge'

In the light of the growing importance attached to traditional knowledge (TK) and related concerns about preserving cultural and biological diversity, protection of TK has assumed enormous significance in the recent past. TK, however, is a multidisciplinary and complex area. There is no universally accepted definition of TK. Even the World Intellectual Property Organisation (WIPO) uses the term TK in two senses, one narrow and one broad. In its narrow sense, TK refers to the content or substance of knowledge that is the result of intellectual activity and insight in a traditional context, and includes the know-how, skills, innovations, practices and learning that form part of TK systems, and knowledge that is embodied in the traditional lifestyle of a community or people, or is contained in codified knowledge systems passed from one generation to another. It is not limited to any specific technical field, and may include agricultural, environmental, medicinal knowledge, and knowledge associated with genetic resources. The broader definition of TK used by WIPO is an all-encompassing and working concept, which states that:

'Traditional knowledge' ... refer[s] to tradition-based literary, artistic or scientific works; performances; inventions; scientific discoveries; designs; marks, names and symbols; undisclosed information; and all other tradition-based innovations and creations resulting from intellectual activity in the industrial, scientific, literary or artistic fields. "Traditionbased" refers to knowledge systems, creations, innovations and cultural expressions which have generally been transmitted from generation to generation; are generally regarded as pertaining to a particular people or its territory; and, are constantly evolving in response to a changing environment. Categories of traditional knowledge could include: agricultural knowledge; scientific knowledge; technical knowledge; ecological knowledge; medicinal knowledge, including related medicines and remedies; biodiversity-related knowledge; "traditional cultural expressions" ("expressions of folklore") in the form of music, dance, song, handicrafts, designs, stories and artwork; elements of languages, such as names, geographical indications and symbols; and, movable cultural properties. Excluded from this description of traditional knowledge would be items not resulting from intellectual activity in the industrial, scientific, literary or artistic fields, such as human remains, languages in general, and other similar elements of "heritage" in the broad sense' (WIPO, 2002, p.11).

Certain intellectual property (IP) mechanisms are considered to be more suitable for the protection of TK than others. GI seems to be one of those mechanisms because GI as an instrument of IP protection has peculiar features, which in contrast to other IPRs, are considered to be relatively more amenable to the customary practices of indigenous communities (Rangnekar, 2002, p.15):

- Knowledge remains in the public domain: No institution (firm or individual) exercises exclusive monopoly control over the knowledge/information embedded in the protected indication (or the good), which remains in the public domain.
- Rights are (potentially) held in perpetuity: Generally, a GI is protected as long as the distinctive good-place link is maintained and the indication is not rendered generic. Certain systems of GI protection, however, require registration and its subsequent renewal (like in India).
- The scope of protection is relatively circumscribed: The scope of protection does not include the 'right to assign' an indication a right that exists for trade marks (Article 20) and patents (Article 28.2) within the TRIPS Agreement. All enterprises fulfilling the conditions specified in a GI have the 'right to use' the indication but do not have the 'right to authorise use' to others. Moreover, the good-place link underlying GI protection automatically prohibits the transfer of the indication to non-locale producers and the use of the indication on 'similar' goods originating from outside the designated geographical area. In effect, the result of protection is to limit the class and/or location of people who may use the protected indication.

However, a major limitation of GI as a means of TK protection is that it does not in any way protect the knowledge embodied within the good and/or the associated production process. Consequently, neither is protection of GIs a guarantee against the misappropriation of TK nor are other strategies to protect TK precluded by the use of GIs. Notwithstanding such caveats, it may still be asserted that to the extent that products draw on distinctive traditional methods of production that have been preserved and nurtured over time by communities specific to a region, GIs can be used as a legal tool to develop, market and protect a brand (Downes and Laird, 1999).

Given that most of the Indian GIs are linked to artisanal works and agriculture and that these are some of the sectors that provide livelihoods for a vast section of the rural poor in this country - the rural development implications of GIs in India is an area worth focusing on. As for TK, even if GI cannot protect the knowledge as such, if managed appropriately, it can definitely act as an effective tool for brand-building and combating counterfeits for the TK-based products of India. GI assumes added significance for India in view of the fact that in face of competition from cheaper imitations or other competing products that are increasingly wedging their way into the fast-changing markets in the era of globalization, most of these traditional products and the people involved therein are struggling hard to stay in business. The worst affected in the whole process are the actual producers or artisans at the bottom-most stratum of the supply chain, who are the most vulnerable ones. Poor working conditions, low wage and insecurity often force these artisans to explore alternative means of livelihood leaving behind their ancestral business, as revealed by the scenario of 'Baranasi'. What is more alarming is a general lack of interest among the new generations of these communities to continue with their ancestral professions. The reasons are not difficult to find when one looks at the distressful conditions of these communities. If this kind of situation is allowed to continue, much of the rich artistic heritage of India and the associated TK might become extinct in the course of time. Importantly, the traditional techniques and skills as well as the endproducts emanating out of them are not only a means of livelihood for the communities involved therein but are also a form of their cultural expression, which makes the preservation of these arts and crafts all the more crucial.

In our view, legal protection as GIs, when coupled with an effective enforcement, may go a long way in helping the genuine right holders of these products in combating free-riding and counterfeiting. Leaving aside the potential of securing a premium price, the enhanced possibility of regaining the market share (either partly or fully) previously lost to imitations may itself bring home higher financial returns to the genuine right holders. Hence, GIs do have the potential to contribute towards the socio-economic wellbeing of the actual producers/artisans, provided they receive a fair share of the benefit pie. However, there is no guarantee that the benefits that may accrue from the GI status would be shared equitably among various tiers in the supply chain of the product concerned. Because, it is generally observed that different tiers in a supply chain and the actors involved therewith are differentially endowed with economic and bargaining power and that actual producers and artisans, generally belonging to the bottom-most stratum, are usually the most vulnerable ones with very little bargaining strength. Hence, one cannot rule out the possibility of more powerful actors in the supply chain appropriating a disproportionate share of the benefits and in the process nullifying to a large extent, the development potential of GIs. In view of such adverse possibilities that may arise, there is a strong case for strategic intervention on the part of public or quasi-public institutions here. Against this backdrop, the next section delves into the current scenario of the handloom sector in India, as a case in point, to elucidate the prospects and challenges of GIs in improving the socio-economic conditions of the communities involved therein.

# 9. Socio-economics of Protecting GIs: A Case Analysis of the Indian Handloom Sector<sup>56</sup>

Handloom weaving, an occupation of ancient vintage in India, continues to be the main source of livelihood of around 6.5 million people in the country.<sup>57</sup> This occupation is the lowest in the hierarchy of technologies of textile manufacturing. involving laborious pre-loom preparations and highly skilled and time consuming onloom processes of weaving. The existence of multi-structural mode of production combined with the livelihood imperatives of large numbers of people has presented this industry as a classic case of the dilemmas involved in technological change, particularly after the advent of the power looms. The Indian handloom industry is highly decentralized and dispersed. Handloom weavers can be found in over 400 clusters<sup>58</sup> across the country and each pocket has developed as a specialized cluster with a certain distinction of its own. The socio-economic correlate is that it is the occupation of artisan communities who are by and large poor. Weaving for them is generally a household activity involving almost all family members, supplemented at times by hired workers. Tables 5 and 6 that depict the distribution of looms and labour size among a random sample of 256 manufacturers of 'Pochampally Ikat' – the first registered handloom GI of India - clearly reveals the small size of the units in majority of the cases. Table 5 also implicitly hints towards an inequality in economic and bargaining power within the weaving community itself as reflected in the distribution of looms with nearly 78% of the manufacturers owning less than 5 looms and only 7% owning 30 or more looms.

<sup>&</sup>lt;sup>56</sup> This section draws heavily on Das (2009a).

<sup>&</sup>lt;sup>57</sup> Source: Website of Integrated Handloom Cluster Development Programme (scheme of office of the Development Commssioner (Handlooms), Ministry of Textiles, Government of India, New Delhi): <a href="http://edi-handlooms.org">http://edi-handlooms.org</a> (viewed on 9 September 2008)

<sup>&</sup>lt;sup>58</sup> *Ibid.* 

Table 5
Distribution of Looms in the 'Pochampally' Cluster (in 2006)

No. of looms	No. of manufacturers
Less than 5	199 (77.73)
5 to 10	29 (11.32)
10 to 15	7 (2.73)
15 to 20	2 (0.78)
20 to 25	1 (0.39)
25 to 30	1 (0.39)
30 to 35	4 (1.56)
35 to 40	-
More than 40	13 (5.07)
Total	256 (100)

Note: Numbers in the parentheses in right hand column indicate number of manufacturers as a percentage of total sample size of 256.

Source: Textiles Committee (2007), Table 5.1, p.42.

Table 6
Distribution of Labours in the 'Pochampally' Cluster (in 2006)

No. of Labours	No. of Manufacturers
Less than 5	204 (79.68)
5 to 10	27 (10.54)
10 to 15	8 (3.12)
15 to 20	-
20 to 25	1 (0.39)
25 to 30	1 (0.39)
30 to 35	2 (0.78)
35 to 40	-
More than 40	13 (5.07)
Total	256 (100)

Note: Numbers in the parentheses in right hand column indicate number of manufacturers as a percentage of total sample size of 256.

Source: Textiles Committee (2007), Table 5.2, p. 43.

In fact, due to the continued preponderance of small manufacturers and the associated employment and livelihood dimensions, the sustenance of the industry in the post-independence era would have become impossible without the state intervention which turned out to be a major source of support. A number of initiatives had been undertaken at the central and state government levels towards this end.<sup>59</sup> These included reservation of a number of items for production in the handloom sector, massive order on the part of various government corporations, and welfare programmes for the handloom workers, among other schemes. The initiation of economic reforms in India in the mid-eighties, however, brought to the fore a paradigmatic shift in policy when state support was gradually withdrawn,<sup>60</sup> posing serious challenges to the handloom sector and especially to the weavers. For instance, in case of 'Chanderi Fabric', now registered as a GI, by end-2000, purchases by government corporations had fallen from a peak of 20% about 5 years back to a level of about 10% (GoMP & UNIDO, 2003, p.3).

The policy shift, first in 1985 and then in a stronger way in 1996, led to a crisis of survival of the handloom workers and their families (NCEUS, 2007, p.60). More so, because, notwithstanding the state support to the sector provided thus far, the weaving communities continued to remain the most vulnerable section of the sector. While any assistance given to this sector in the past should ideally have benefited the weaving communities, actually the bulk of the weavers remained impoverished. Although larger number of orders had been received, the wage rates of weavers continued to remain stagnant for years. As revealed by the scenario in the 'Chanderi' cluster, only the traders and the Master Weavers<sup>61</sup> had been making larger gains on account of an increase in the total production of 'Chanderi Fabric' (GoMP & UNIDO, 2003, p.3).

While the demand for handloom products has generally been showing a declining trend over the recent past, the weavers are confronted with multi-pronged problems. It has been observed that the problems relating to supply of raw materials and marketing are closely linked. Over the last decade or so, the weavers have become highly dependent on the traders and the co-operative societies for meeting both their raw material requirements and marketing their products. The traders are

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<sup>&</sup>lt;sup>59</sup> These policy measures include the creation of specialized agencies, active support for formation of co-operatives societies, tax concessions, administered subsidies (subventions in terms of working capital, raw material, marketing support), marketing support systems such as para-statal marketing organisations and massive orders. A development commissioner for handlooms coordinates the central government's initiatives in supporting and promoting this sector. There exist a National Handloom Development Centre and many other such organisations at the centre and state level.

<sup>&</sup>lt;sup>60</sup> For instance, the number of items reserved for the handloom sector was also curtailed. The tax concessions enjoyed by the handloom sector were also withdrawn. Since 1998, subsidies started decling and by the end of the year 2000, purchases by Government corporations had also fallen. With the focus on maximising exports, cotton and yarn found their place in exports leading to a higher cost of inputs for the handloom sector. All these 'level playing fields' worked to bring down the already meagre standard of living of the workers and their families that perhaps added momentum to the decline of the industry (NCEUS, 2007, p.60).

<sup>&</sup>lt;sup>61</sup> Master Weavers have been weavers decades back and today they are mainly traders who undertake the overall responsibility of taking orders and getting them executed. They own looms and also get weaving done on contractual basis.

rich and influential people and have contracts with large buyers from all over the country. The weavers, whether working independently, within the co-operative structure or under the Master Weavers, come under this marketing chain and are reduced to a sort of a putting-out system. Selling in the local market has never been a viable option for the weavers due to highly non-remunerative prices that they receive for their products. But the aforesaid closed structure of supply of raw materials and marketing of products does not also ensure a fair price for their efforts as their high dependence on the traders and cooperative societies prunes their bargaining position substantially. Another major problem faced by the weavers is that the payments for their products are often not made on time (NCEUS, 2007, pp. 61-62). Moreover, with little or no access to institutional lending, these poor weavers are often forced to take loans either from the traders or the Master Weavers, which are usually adjusted against their due payments thereby undermining their bargaining position further. Apart from the aforesaid adversities confronting the weavers, neither do they have access to new technology nor any exposure to the emerging trends in the market in this era of globalization and high competition. Majority of the weavers still continue to use the traditional pit-looms rather than the frame looms, severely restricting their productivity.

Given such multi-faceted problems confronting the handloom sector in India, it is quite unlikely that GI registration alone would be able to make a significant dent in the livelihood of the weavers, especially in view of the significant post-registration challenges enumerated above. However, in our view, when GI registration and its management is conceived as a component of a multi-pronged strategic intervention aimed at an overall development of a handloom cluster, GI may turn out to be an useful tool in contributing towards the revival of the crisis-ridden handloom clusters all across the country. With this perspective in view, in the rest of this section we delve into the scenarios of 'Pochampally Ikat' and 'Chanderi Fabric' – two renowned handloom GIs of the country. Notably, for each of these traditional handloom clusters, GI registration formed part of a rather broader cluster development programme, though the nature of intervention and the institutional structure involved in each case were far from similar.

## 9.1 'Pochapmally Ikat'62

'Pochampally Ikat' is a unique age-old fabric (silk, cotton or combinations thereof) woven in the Nalgonda and Warangal districts of the Indian state of Andhra Pradesh. The fabric is made by a process of tying and dying the yarn prior to weaving. While sarees comprise the lion's share of production, the cluster also produces other products, such as bed sheets, home furnishings, and dress materials. There are around 1000 weaving households in Pochampally and an estimated 5000 weavers, working on approximately 2000 traditional pit looms. Around 800 looms are in the co-operative sector, under the 'Pochampally Handloom Weavers' Co-operative

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 $<sup>^{62}</sup>$  The information used in this case-study draws heavily on Textiles Committee (2007) unless otherwise mentioned in the endnotes. The authenticity or otherwise of the information contained in this publication is not the author's responsibility.

Society Limited'. The majority of the remaining 1200 looms are working for the Master Weavers. There are around 100 Master Weavers in Pochampally. They have an association called 'Pochampally Handloom Tie and Dye Manufacturers' Association'. Before the Cluster Development Programme was undertaken (which included GI registration as a component), the cluster was showing an overall declining trend since the 1990s, particularly in face of competition from power-loommade imitations. Low productivity of traditional pit looms; drudgery of the weavers and near-stagnancy in their skills; lack of innovative product-designing and diversification; and insufficient marketing efforts were some of the key contributing factors behind the declining trend of the cluster. Weavers were surviving in an extremely vulnerable condition. Usually the Master Weavers/co-operative societies would hand out silk yarns amounting to a warp of eight sarees to weavers. The weavers then would carry out the pre-weaving tasks (such as, tying, dying) as well as weaving. A warp of eight sarees would take anywhere between 30-45 days to finish with involvement of nearly all family members. The price of a single 'Pochampally Ikat' silk saree generally would range between INR. 1500-2500 (US\$36-61, with US\$ 1= INR 41.29 as per the average exchange rate in 2007), while some may be priced even higher (Textiles Committee, 2007, p.47). The wages accruing to the weaver for the whole warp of eight sarees, however, would be as low as INR. 1500-2500 (US\$36-61, with US\$1=INR 41.29 as in 2007), depending on the designs of the sarees woven (Textiles Committee, 2007, p.20). Given such abysmal wage rates, it is not surprising that before the Cluster Development Programme was initiated in Pochampally, around 50% of the families were found to be living below the poverty line, with nearly 25% of them struggling with acute poverty (Textiles Committee, 2007, p.23). While the average size of the weavers' families was five, the average annual income of a household was found to vary between INR. 8000 and INR. 10000 (US\$ 194-242, with US\$1=INR 41.29 as in 2007). Given the poor economic condition of the weavers, once the products were ready, they could not afford to wait for getting better price and were forced to sell them off even if the prices were non-remunerative, just to avoid cumulative interest and to keep them engaged in weaving (Textiles Committee, 2007, p.26).

In such a scenario, the Textiles Committee launched a Cluster Development Programme in Pochampally with the aim of protecting this declining art-form by way of combating counterfeiting through GI, while at the same time undertaking strategic interventions in all stages of its production and marketing. This included skill-upgradation; product-development and diversification;<sup>63</sup> technological advancement;<sup>64</sup> quality upgradation; brand-building and improved market linkages, among other initiatives.

The Textiles Committee in collaboration with a few other organizations (See Section 6) facilitated the GI-registration of 'Pochampally Ikat'. The application was

<sup>&</sup>lt;sup>63</sup> The post-GI period has witnessed more product-diversification towards bed-sheets, bed-covers, other home furnishings, such as curtains, table cloths, towels and other upholstery items. There have also been significant changes in the designs and patterns of the products to suit the changing preferences of the modern customers in India and elsewhere.

<sup>&</sup>lt;sup>64</sup> Such as making use of the CAD/CAM designs; use of new kinds of yarns like micro-modal yarns, etc.

filed in the names of 'Pochampally Handloom Weavers' Co-operative Society Limited' and 'Pochampally Handloom Tie and Dye Manufacturers' Association'. Registration was awarded by the GI Registry on 31 December 2004, making 'Pochampally Ikat' the maiden handloom product to get registered as a GI in India. Immediately after the registration, 'Pochampally Ikat' received huge publicity in the media, as well as in exhibitions. As a result, the cluster that was struggling to sell-off unsold stocks just a year back suddenly experienced a significant surge in demand. The demand for 'Pochampally Ikat' sarees increased by 15-20% (Chari, 2008). This spurt in demand provided quicker realization of returns. The weavers also started taking renewed interest and care in their work resulting in increased productivity. During the post-GI-registration period, the market demands have influenced product as well as design diversification. Encouraging responses have also been received for 'Pochampally Ikat' products from various international trade fairs like Messay - Mumbai -2007 and Messay-Frankfurt - 2008. Table 7 portrays the growth rates of some of the key parameters of Pochampally cluster between 2004 and 2006. While sales turnover is observed to grow by 12.01% in 2004-05, it has grown by 14.31% in the following year. Productivity has also increased by a higher rate in 2005-06 (5.88%) compared to that in 2004-05 (4.35%). In 2005-06, average prices of all the products have also shown higher rates of growth compared to those in the previous year.

Table 7
Growth rates of key parameters in the Pochampally cluster

Growth rates of key parameters in the Pochampally cluster  Growth rates					
Parameters	2004-05	2005-06	2004-06		
Sales turnover	12.01	14.31	13.31		
Productivity	4.35	5.88	4.67		
Employment	1.25	1.66	1.40		
Average prices of					
Silk saree	13.46	15.78	14.87		
Silk ladies' dress materials	14.55	16.65	15.57		
Cotton saree	10.22	12.56	11.14		
Cotton ladies' dress materials	9.85	11.21	10.27		
Cotton home furnishings	10.65	14.52	12.59		
Cotton fabrics	9.89	12.56	11.10		
All products	11.44	13.88	12.64		

Source: Textiles Committee (2007), Table 6.3, p.54.

As per Textiles Committee (2007), the monthly incomes of the weavers have also shown some upward movement (Table 8). While this may be a positive signal, nonetheless even these increased incomes are still quite low. Moreover, given the fact

that productivity has also registered some increase during the same period, as revealed in Table 7, in our view, it is difficult to decipher from the income figures in Table 8 as to how much of the increase could be attributed to increase in productivity. It also needs to be underscored here that without looking at the statistics for the past several years one cannot really infer whether the trends depicted by Tables 7 and 8 are actually higher than the normal trends. Moreover, without controlling for other factors that are likely to influence the parameters considered in these tables, it is difficult to isolate the impacts of GI registration on them.

Table 8
Weavers' incomes in the Pochampally cluster

0	Average monthly income of weavers					
Category of weavers	2004*		2005**		2006***	
weavers	INR	US\$	INR	US\$	INR	US\$
Silk weavers	2200	48.54	2500	56.69	2800	61.77
Cotton weavers	1200	26.48	1500	34.01	1850	40.81

Notes: \*1 US\$=INR 45.32 (average exchange rate for 2004);

*Sources*: Textiles Committee (2007), Table 6.4, p.56 for the figures in INR and Reserve Bank of India (RBI) for the exchange rates.

Notwithstanding such caveats, it is widely acknowledged by the stakeholders that GI registration and other initiatives undertaken under the Cluster Development Programme in Pochampally have gone a long way in reviving this cluster and the artform. In what may be regarded as an indicator of a renewed interest in 'Pochampally Ikat', the Air India - the national carrier of India - placed a bulk-order for 'Pochampally Ikat' sarees for its airhostesses in 2005. However, capacity constraints on the part of the small manufacturing units in the cluster came in the way of timely execution of this bulk order with uniform design and quality as per the Air India's specifications, since the designs generally differed from one weaver to another. This prompted the consortium of stakeholders in the Pochampally cluster to revisit their strategy of capitalizing on the benefits accruing from the GI registration. Finally, the consortium approached the state government of Andhra Pradesh and the Government of India for their support towards bringing about horizontal as well as vertical integration of the cluster. Subsequent deliberations among the state government and organizations like the Textiles Committee, IL&FS (Infrastructure Leasing & Financial Services Limited),65 encouraged the consortium to apply for development of a 'Handloom Park' under the Scheme for Integrated Textiles Park of the Government of India.

The Handloom Park is planned as an integrated large-scale production unit spread over 24 acres of land covering 40 villages producing 'Pochampally Ikat'. It would be the maiden initiative of its kind in India with dedicated handloom

<sup>\*\*1</sup>US\$= INR 44.1 (average exchange rate for 2005);

<sup>\*\*\*1</sup>US\$= INR 45.33 (average exchange rate for 2006);

<sup>&</sup>lt;sup>65</sup> IL&FS is one of India's leading infrastructure development and finance companies.

production facilities comprising 2000-plus looms under one roof and a capacity of 4 million meters of cotton and silk production per annum. Other infrastructural facilities in the Park would include mechanisation in pre-weaving; modern dying process; state of the art testing labs; exclusive design labs with R&D (research and development); dedicated training centre; physical and social infrastructure to facilitate high value/volume products, among other things. Thus, weavers would be provided with all the raw materials and facilities. They would just have to go there and weave. The entire process of production would be divided into separate segments, giving way to specialization and division of labour thereby resulting in economies of scale and reduced production cost. The artisans would also be provided with continuous practical training aimed at sharpening their skills. The Handloom Park would associate itself with renowned designers and would be backed by the professional support of IL&FS as a Project Management Consultant. Technology upgradation on looms is also on the cards with the aim of reducing sound pollution, drudgery and enhancing productivity. The Park is expected to provide sustainable direct employment to over 5000 artisans. This is expected to go a long way in sustaining the art form and discouraging rural-urban migration (Chari, 2008). This integrated approach would thus help the small weavers to overcome their supplyside constraints and enable the Pochampally cluster to reap the benefits of GI registration in an effective manner by building 'Pochampally Ikat' as a brand.

## 9.2 'Chanderi Fabric'66

Chanderi, situated in the Guna district of the Indian state of Madhya Pradesh (MP), is one of the best-known handloom clusters of the country, famous for its centuries-old weaving speciality of finely textured fabrics of silk and cotton embellished with zari-woven work.<sup>67</sup> Particularly, Chanderi sarees are known for their sheer texture, minimum weight and transparency. The ends are worked and fringed heavily with zari.

The handloom cluster of Chanderi comprises around 3000 looms and 11000 weavers. Interestingly, contrary to the general trend of declining growth of handlooms in India over the past several years, the output of the Chanderi cluster had increased substantially in the 1990s' and the number of handlooms had also shown an upward movement. This, notwithstanding the fact that the purchase by government corporations had declined significantly by the end of the 1990s. Prior to the launch of the Cluster Development Programme in Chanderi, 20-25% per cent of the weavers were found to carry out independent production, but were dependent on 12 traders and 45 Master Weavers for marketing. However, the majority (60-70%) of the weavers' community was working as contract-based weavers for the traders

 $<sup>^{66}</sup>$  The information used in this case-study draws on GoMP & UNIDO (2003) and GoMP & UNIDO (2006). The authenticity or otherwise of the information contained in these publications is not the author's responsibility.

<sup>&</sup>lt;sup>67</sup> Zari is a golden thread.

and/or the Master Weavers. Strikingly, the wage rates had remained stagnant for over a decade, varying from INR. 50 to INR. 100 (US\$ 1.07 to 2.15 approximately, with US\$1=INR 46.58 as in 2003) per day, depending on the amount of work done, the capacity of the weaver to adapt to new designs/technology and especially his/her skills. Thus, although prosperity had increased in the higher rungs of the supply chain<sup>68</sup> (i.e. for the traders<sup>69</sup> and the Master Weavers<sup>70</sup>) it had by and large eluded the small weavers' community. The rich traders would control the supply of raw materials and marketing channels. The traders and the Master Weavers would get very good returns from their trade and as per some estimates, they could make up to 200% profit on certain sarees. The small weavers, however, continued to remain poor and ill-paid, notwithstanding their high skill base and were largely living at the subsistence level. The weavers were not organized either. There was no association representing the weavers' interests, which made them all the more vulnerable. The absence of any social security net encouraged captive buying by the traders and the rich Master Weavers and often compelled the small and poor weavers to go for distress selling. Institutional credit was inaccessible to the small weavers due to their poor creditworthiness. Utilization of credit facilities was largely confined to the cooperative societies under the various government schemes. Hence, for their credit needs the small weavers inevitably had to turn to the rich Master Weavers and traders who had built their own capital base. While often there was no interest charged on the loans given, there was some degree of captivity attached to this type of loan, such as the weavers' choice with regard to accepting other orders, or their obligation to undertake jobs on a sub-contracting basis with their creditor. In such cases, their wages could be even lower than what they would have got otherwise. There was no capacity on the part of the small weavers to upgrade their skills or the quality of their products. Only a handful of small weavers had been able to undertake upgradation of their looms. Furthermore, the small weavers had scanty or no access to public services, such as social security, education and healthcare.

Against this backdrop, in 2003, the UNIDO, in collaboration with the state government of Madhya Pradesh launched a three-year long Cluster Development Programme in Chanderi with poverty alleviation as the prime objective. A Diagnostic Study was undertaken under the aegis of the initiative that identified the major problems of the cluster as (a) growth without equity; (b) lack of credit for optimum production up-scaling by the poor; (c) critical technical challenges; (d) lack of women empowerment and gender mainstreaming; and (e) least bargaining power at the weavers' end.

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<sup>&</sup>lt;sup>68</sup> The supply chain of the Chanderi cluster included the following core actors: traders; master weavers; weavers; warpers and designers; dyers and yarn suppliers.

<sup>&</sup>lt;sup>69</sup> The traders are presently an affluent class with other means of income as well. The traders have been in this occupation for many years and know family related merchants and traders in many parts of India. The big traders also own large number of (100 to 250) looms. This is an upwardly mobile class. They are, however, oblivious to the hardships of the weaver.

<sup>&</sup>lt;sup>70</sup> Master Weavers own looms and also get weaving done on contractual basis. Hence directly as well as indirectly they control on an anything from 5-10 looms to about 30-40 looms. They supply the weaver with the raw material, which is dyed under their supervision and the design briefs. They pay for the warping charges incurred by the weaver and the weaving charges.

The interventions under the Cluster Development Programme aimed at covering four broad areas:

- (i) **Factor conditions** (that included GI registration; access to capital/credit; dying; yarn bank; technical upgradation, etc.);
- (ii) **Demand conditions** (that included market linkages; exhibitions and fairs; diversification of products, etc.);
- (iii) **Institutional conditions** (that included (a) creation of institutions like self help groups (SHGs); Bunkar Vikas Sansthan; Chanderi Development Foundation; etc. (b) a range of initiatives undertaken for capacity development of all the members of the institutions; and (c) social issues related to empowerment, health, education, etc.); and finally
- (iv) Industry conditions.

The objective of the Project was to promote the cluster as a whole, while tackling social imbalances, via an equity-based development strategy with the weavers at the core. Given that a major hindrance was the lack of voice and control by the poor weavers over their destiny, the strategy was to create a collective forum owned and controlled by them and to empower it economically and socially to address poverty. Hence, the initial focus was on organizing small, yet homogeneous networks of relatively independent weavers in the form of Self Help Groups (SHGs) and building their capacities to undertake collective production and marketing. In the initial phase 60 SHGs were formed with an average of 10 members each. They were required to save certain amount on a regular basis, as per their collective decision.<sup>71</sup> At the same time, the Master Weavers and the traders were also given business exposure to promote trickle down effects on those weavers who were not covered by the Project till then. Issues related to women empowerment were also introduced in the cluster.

Initially, the SHGs were expected to emerge as a viable vehicle for joint production and marketing and they were therefore exposed to national fairs and also linked to the prospective buyers. Experience, however, revealed that this approach was not sustainable in such an artisanal cluster since an SHG in itself was too small a unit to become a viable business entity. Hence, the next strategy was to federate the suitable SHGs and to strengthen their federation through appropriate market linkages and training. This was how the weavers' NGO (non-governmental organization) - Bunkar Vikas Sansthan (BVS) was created as the apex body of seven SHGs, each comprising 10 weavers, on an average. Later, eight more SHGs also joined the BVS. The seven founder SHGs created a sub-committee each to take decisions on

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 $<sup>^{71}</sup>$  Notably, SHGs in India have the legal status to obtain loans and to access other scheme-based Government support.

<sup>&</sup>lt;sup>72</sup> As an age old art, weaving techniques used to be passed out exclusively as on-the-job apprenticeship within the family, which posed considerable constraints on the number of designs that each weaver was capable of weaving. Hence an SHG with 10 looms would not have more than 10 designs and 40 to 60 sarees a month. This is not a critical mass in terms of business sustainability. Going by the size of business of successful M-weavers, an optimum size of business would be that of 60 to 70 looms with 40-50 specialized designs (assuming that not all are skilled weavers) with a collection of 600 to 700 sarees a month.

production and marketing in a professional and ethical manner. One elected member of each SHG was made responsible for quality control. The weavers were paid weekly, as per what they produced. The weavers came together to pool a part of the working capital requirements for production. Each weaver had an equal share of capital and the profit entitlement was made proportional to the wage earned by a weaver – the commitment of the weaver towards the cause of the BVS. Subsequently, the number of SHGs involved in weaving increased from seven (70 members) to 13 (130 members).

The Chanderi Development Foundation (CDF) was created as the representative body for the whole Chanderi cluster and as a platform for the overall development of the cluster. Members of the CDF included the weavers, including the women weavers; and also the traders and the Master Weavers. The Foundation took initiatives and got 'Chanderi Fabric' registered under the GI Act. The CDF is also responsible for the implementation of the GI. Towards this end, several postregistration initiatives have been undertaken by 'Chanderi' as discussed earlier in this article. It is expected that the GI status, coupled with appropriate implementation strategies would go a long way in preventing the power looms from selling duplicate products using the name of 'Chanderi'. As per the feedback received from the stakeholders of 'Chanderi', even at such a premature stage, they have started reaping considerable benefits out of the GI status. They maintain that the GI registration and subsequent publicity has increased the awareness in the Indian market about the authenticity or otherwise of the sarees being sold as 'Chanderi'. Hence, many of the customers who were previously buying imitations unknowingly are now resorting to genuine 'Chanderi Fabric'.

The BVS model, coupled with the GI registration, is also bringing benefits to the weavers, as revealed by GoMP & UNIDO (2006). The impact on the wages of the weaver members of the BVS are shown in Table 9. The BVS also made profit of around INR. 350,000 (US\$ 7723, with US\$1=INR 45.32 as in 2004) in 2004 and INR. 470,000 (US\$ 10658, with US\$1=INR 44.1 as in 2005) in 2005. This was distributed as profit/bonus among the members. Interestingly, this profit/bonus was not linked to the capital invested by the members (INR. 2000, i.e. US\$ 44, with US\$1=INR 45.32 as in 2004), but was linked to the amount of wages earned by a member, so that a member really worked for the success of the BVS towards evolving it as the weavers' entity. It was also decided that a part of the profit would be used for social and economic benefits of the Chanderi weavers. Importantly, the BVS-initiative and its success also had some kind of a trickle-down effects on the non-BVS weavers, who noticed significant improvements in the behaviour of the traders/Master Weavers towards them.

Table 9
Increase in wage rates for the BVS members

Sl.no.	Name of the SHG	Average wage		<u> </u>	e per day 2006		% Increase in 2006 over 2004	
	-	INR	US\$*	INR	US\$#	In INR	In US\$	
1	Chanderi Kala	149	3.29	146	3.22	-2	-2.04	
2	Tana Bana	130	2.87	133	2.93	2	2.29	
3	Chandani Bunker	103	2.27	129	2.85	26	25.22	
4	Hind 90 1.99 123 2.71		38	36.64				
5	Khusnuma Bunker	87	1.92	136	3.00	57	56.29	
6	Fashion Bunker	81	1.79	111	2.45	37	37.01	
7	Bharati Bunker	79	1.74	143	3.15	81	80.97	
8	Dhaliya 76 1.68 131 2.89		2.89	74	72.33			
9	Bemishal Bunker	75	1.65	137	3.02	83	82.63	
10	Indra	71	1.57	118	2.60	67	66.16	
11	Saraswati Bunker	58	1.28	134	2.96	131	130.98	
12	Bhimrao Ambedkar	54	1.19	117	2.58	118	116.62	
13	Jotiya fulla	52	1.15	108	2.38	108	107.65	

*Notes:* \* US\$ 1= INR 45.32 (average exchange rate for 2004);

Sources: GoMP & UNIDO (2006), Table 2, p.14 for figures in INR and Reserve Bank of India (RBI) for the exchange rates.

## 10. Concluding Observations

Notwithstanding the fact that India has had in its coffer a large number of products that could qualify as geographical designators, GIs as a concept is rather new to India. In fact, the idea of enacting a dedicated legislation for GIs was triggered by the commitment India undertook in the WTO to set in place IPR laws in compliance with TRIPS, rather than by a felt-need from within the country. Given such a brief exposure to concept of GIs, the initiatives undertaken by the stakeholders and numerous public and quasi-public institutions towards ensuring the legal protection for Indian GIs under the new legislation is in itself a significant step forward. However, actual realization of the potential benefits ingrained in the registered GIs would require effective management of these GIs in future. This would entail sustained efforts backed by appropriate planning and adequate investments over the medium to long term. In our view, strategic interventions by public or quasi-public institutions are an essential prerequisite for the GIs initiatives in India to succeed. As far as socioeconomics is concerned, given the multi-pronged problems facing many Indian GIs. particularly in the handlooms and handicrafts sectors, it is unlikely that the GI registration alone could bring in significant improvements. However, as indicated by the experiences of 'Pochampally Ikat' and 'Chanderi Fabric', when registration and exploitation of GIs is conceived as a component of a multi-pronged strategic intervention, this collective right may turn out to be effective in contributing towards the socio-economic wellbeing of the actual producers and artisans involved therein.

<sup>#</sup> US\$ 1= INR 45.33 (average exchage rate for 2006);

The picture that is emerging by far from different parts of India can at best be regarded as mixed. While the stakeholders in case of some of the registered GIs of the country are well aware of the post-registration challenges and are also taking significant strides towards tackling them effectively, there are numerous others that are laid-back in these respects. In fact, while India can boast of a few GIs like 'Darjeeling', 'Alphonso', 'Pashmina', 'Basmati' or the like, that already have established reputation worldwide, most others are yet to gear-up for the global market. There are many that do not even have a brand-image in other parts of the country. Evidently, the challenges would be far tougher for such products to reap benefits out of their GI status eventually. It also needs to be underscored here that given the diverse nature of institutional arrangements that are emerging in India for registration and management of GIs, the preparedness and capacity of the stakeholders to confront the multi-pronged challenges in an effective manner is also likely to vary in large measures from one case to another. Hence the overall commercial as well as socio-economic implications of a GI in India is also likely to be very much case and context-specific.

Given that most of the Indian GIs are linked to traditional knowledge, culture and lives of the communities, India has a considerable scope for building the brand image of such exotic products by highlighting the cultural aspects associated with them. Notably, countries like China or Thailand that are close competitors of India in the global market for traditional craft products, are trying to utilize the cultural aspects of their products for marketing purposes. China, for instance, has been publicizing the cultural aspects related to products like 'Fenshui' to create interest and demand for Chinese tradition or culture-related products in the global market. Thailand is trying to create brand-image of its traditional handicraft products by projecting them as integral parts of the culture of Thailand at the grass root level (Frost & Sullivan, 2005, pp.410-11).

India can also cash in on the historical stories, legends and myths surrounding many of its traditional GIs to build their brand image in the global market. European experiences reveal that products with long tradition and history can often blend the benefits of the location and authenticity of production expertise (or process secrets) with legends to generate an additional dimension of folklore to create some kind of a mystique around them.<sup>73</sup> There are indeed interesting legends and myths surrounding many an Indian GI-products, such as 'Pashmina',<sup>74</sup> 'Aranmula Kannadi',<sup>75</sup> to name a few.

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<sup>&</sup>lt;sup>73</sup> For instance, the legend associated with Parma cheese is that near the town of Parma, Italy, there was a mountain made entirely of grated parmesan cheese. Atop the mountain, a community of macaroni makers prepared hot pasta, bathed it in butter, and rolled it down the mountain to the hungry people waiting below. Although this delicious story is just a legend, it does create a mystical aura that helps consumers remember the brand. A somewhat similar folklore exists regarding Parma ham. Legend has it that the pigs have unique legs because they roam in the hills. Moreover, the dry, fragrant breeze that blows down from the Apennine mountains dries the meat naturally and imbues it with its special character. In reality, modern production practices do not allow the pigs to roam on the hills, and while facilities do have windows facing the hills to bring the famous air, the facilities are air conditioned (Agarwal and Barone, 2005, p.3).

<sup>&</sup>lt;sup>74</sup>It is said that 'Pashmina' shawls adorned the court of Caesar and were the pride of the French queen, Marie Antoinette. History has it that impressed with the unparalleled look of a 'Pashmina' shawl,

India also has a considerable potential to develop 'cultural tourism' around its traditional products by drawing focused attention on the cultural aspects associated with them, particularly among foreign tourists. This may provide impetus for the country to promote its rural tourism on the one hand, while simultaneously facilitating brand-building, promotion and ultimately better commercial returns out of these GIs. Many European GIs have been successful in exploiting such linkages. For instance, 'Burgundy' bears its name as one of the best known wines in the world; but at the same time the Burgundy region has become popular for its wine (Moran, 1993, p. 266) thereby attracting tourists. India is yet to strategise towards exploiting such potential linkages.<sup>76</sup> The dearth of initiatives on the part of India towards exploring some such innovative options may be attributed to some extent to a lack of coordination among different government departments and bodies and absence of adequate and appropriate feedback mechanisms amongst them. Each one of them often works in a stand-alone mode, oblivious of the important forward and backward linkages. There is an urgent need to improve the inter-departmental linkages and coordination to avoid duplication of efforts and optimize returns. Such a coordinated

Emperor Napoleon presented it to Empress Josephine following which 'Pashmina' became a fashion statement in France and slowly the shawl became world renowned.

<sup>75</sup> 'Aranmula Kannadi' is a unique metal mirror produced by a handful of traditional families in the Indian state of Kerala. The peculiarity of the Aranmula metal mirror is that it resembles a glass mirror in every respect, but the surface gives reflected images instead of the refraction that occurs in glass. In the manufacture of the mirror, the metals used are tin and copper in a specified combination, which is kept secret by the members of the family. There is a belief that the secret behind its production was revealed to a female member of the family by Lord Shri Krishna of Aranmula Parthasarathi Temple. However, according to another legend, the unique combination of factors leading to the Aranmula metal mirror was actually the result of an accidental invention during the production of a crown, which was made to please the Maharaja of Travancore. The crown was with extra-ordinary reflection and the Maharaja directed them to make mirrors with the same combination instead of crowns and hence began the production of 'Aranmula Kannadi' – now a registered GI in India (Gopalakrishnan *et al.*, 2007, p. 33).

<sup>76</sup> The Ministry of Tourism is the nodal agency for the development and promotion of Tourism in India. Under the 'Incredible India' campaign that has been launched by this Ministry over the past few years, there is a component of rural tourism. The webpage associated with this component does contain brief description of some of the registered GIs of the country, such as 'Chanderi', 'Pochampally', etc. However, there is no mention of their GI status, which indicates the lack of preparedness of India in exploiting GI-centric rural tourism.

approach could immensely facilitate the process of exploiting the commercial and socio-economic potential of GIs in India and simultaneously help in securing various spill-over benefits from this collective IPR.

At the multilateral level, considering the long-drawn deadlock over the issue of 'extension', it seems highly unlikely that the debate will actually be resolved some time in the near future. However, given the *quid-pro-quo* nature of WTO negotiations, even if an agreement is ultimately reached in favour of the 'extension', it is most likely to be in exchange for concessions to be granted elsewhere. Hence, it is extremely important for India to weigh the costs and benefits of GI protection in general and the 'extension' of Article 23, in particular. Given the scarcity of research-based inputs in this regard, there is not much clarity on these issues till now. Hence, rather than pushing too hard for the 'extension' at the WTO, a more prudent approach on part of India would be to 'go slow'. Meanwhile, the country should explore further the economic and socio-economic benefits and costs of GI protection on the basis of rigorous empirical research. This would enable India to adopt a more informed negotiating stance on the issue of 'extension' at the WTO.

Annex 1: GIs registered in India till 15 August 2009

S. No	Application No.	Geographical Indications	Goods (As per Sec 2 (f) of GI Act 1999)	State			
	FROM APRIL 2004 - MARCH 2005						
1	1 & 2	Darjeeling Tea (word & logo)	Agricultural	West Bengal			
2	3	Aranmula Kannadi	Handicraft	Kerala			
3	4	Pochampalli Ikat	Handicraft	Andhra Pradesh			
	FROM APRIL 2005 - MARCH 2006						
4	5	Salem Fabric	Handicraft	Tamil Nadu			
5	7	Chanderi Fabric	Handicraft	Madhya Pradesh			
6	8	Solapur Chaddar	Handicraft	Maharashtra			
7	9	Solapur Terry Towel	Handicraft	Maharashtra			
8	10	Kotpad Handloom fabric	Handicraft	Orissa			
9	11	Mysore Silk	Handicraft	Karnataka			
10	12	Kota Doria	Handicraft	Rajasthan			
11	13 & 18	Mysore Agarbathi	Manufactured	Karnataka			
12	15	Kancheepuram Silk	Handicraft	Tamil Nadu			
13	16	Bhavani Jamakkalam	Handicraft	Tamil Nadu			
14	19	Kullu Shawl	Handicraft	Himachal Pradesh			
15	20	Bidriware	Handicraft	Karnataka			
16	21	Madurai Sungudi	Handicraft	Tamil Nadu			
17	22	Orissa Ikat	Handicraft	Orissa			
18	23	Channapatna Toys & Dolls	Handicraft	Karnataka			
19	24	Mysore Rosewood Inlay	Handicraft	Karnataka			
20	25	Kangra Tea	Agricultural	Himachal Pradesh			
21	26	Coimbatore Wet Grinder	Manufactured	Tamil Nadu			
22	28	Srikalahasthi Kalamkari	Handicraft	Andhra Pradesh			
23	29	Mysore Sandalwood Oil	Manufactured	Karnataka			

24	30	Mysore Sandal soap	Manufactured	Karnataka				
25	31	Kasuti Embroidery	Handicraft	Karnataka				
26	32	Mysore Traditional Paintings	Handicraft	Karnataka				
27	33	Coorg Orange	Agricultural	Karnataka				
	FROM APRIL 2006 - MARCH 2007							
28	34	Mysore Betel leaf	Agricultural	Karnataka				
29	35	Nanjanagud Banana	Agricultural	Karnataka				
30	37	Madhubani Paintings	Handicraft	Bihar				
		FROM APRIL 2007 - MARCH	2008					
31	44	Kondapalli Bommallu	Handicraft	Andhra Pradesh				
32	47	Thanjavur Paintings	Handicraft	Tamil Nadu				
33	53	Silver Filigree of Karimnagar	Handicraft	Andhra Pradesh				
34	54	Alleppey Coir	Handicraft	Kerala				
35	55	Muga Silk	Handicraft	Assam				
36	65	Temple Jewellery of Nagercoil	Handicraft	Tamil Nadu				
37	69	Mysore Jasmine	Agricultural	Karnataka				
38	70	Udupi Jasmine	Agricultural	Karnataka				
39	71	Hadagali Jasmine	Agricultural	Karnataka				
40	17	Navara Rice	Agricultural	Kerala				
41	36	Palakkadan Matta Rice	Agricultural	Kerala				
42	63	Thanjavur Art Plate	Handicraft	Tamil Nadu				
43	76	Ilkal Sarees	Handicraft	Karnataka				
44	73	Applique – Khatwa Patch Work of Bihar	Handicraft	Bihar				
45	74	Sujini Embroidery Work of Bihar	Handicraft	Bihar				
46	75	Sikki Grass Work of Bihar	Handicraft	Bihar				
47	49 & 56	Malabar Pepper	Agricultural	Kerala				
48	50	Allahabad Surkha	Agricultural	Uttar Pradesh				
49	52	Nakshi Kantha	Handicraft	New Delhi				
50	60	Ganjifa cards of Mysore (Karnataka)	Handicraft	Karnataka				

51	61	Navalgund Durries	Handicraft	Karnataka
52	62	Karnataka Bronze Ware	Handicraft	Karnataka
53	77	Molakalmuru Sarees	Handicraft	Karnataka
54	85	Monsooned Malabar Arabica Coffee	Agricultural	Karnataka
55	114	Monsooned Malabar Robusta Coffee	Agricultural	Karnataka
56	72	Spices – Alleppey Green Cardamom	Agricultural	Kerala
57	78	Coorg Green Cardamom	Agricultural	Karnataka
58	95	E. I. Leather	Manufactured	Tamil Nadu
59	94	Salem Silk	Handicraft	Tamil Nadu
60	93	Kovai Cora Cotton	Handicraft	Tamil Nadu
61	92	Arani Silk	Handicraft	Tamil Nadu
		FROM APRIL 2008 - MARC	CH 2009	
62	83	Bastar Dhokra	Handicraft	Chattisgarh
63	84	Bastar Wooden Craft	Handicraft	Chattisgarh
64	91	Nirmal Toys and Craft	Handicraft	Andhra Pradesh
65	59	Maddalam of Palakkad	Handicraft	Kerala
66	58	Screw Pine Craft of Kerala	Handicraft	Kerala
67	64	Swamimalai Bronze Icons	Handicraft	Tamil Nadu
68	82	Bastar Iron Craft	Handicraft	Chattisgarh
69	87	Konark Stone carving	Handicraft	Orissa
70	88	Orissa Pattachitra	Handicraft	Orissa
71	90	Machilipatnam Kalamkari	Handicraft	Andhra Pradesh
72	110	Eathomozhy Tall Coconut	Agricultural	Tamil Nadu
73	57	Brass Broidered Coconut Shell Crafts of Kerala	Handicraft	Kerala
74	66	Blue Pottery of Jaipur	Handicraft	Rajasthan
75	67	Molela Clay Work	Handicraft	Rajasthan
76	68	Kathputlis of Rajasthan	Handicraft	Rajasthan
77	97	Leather Toys of Indore	Handicraft	Madhya Pradesh
78	98	Bagh Prints of Madhya Pradesh	Handicraft	Madhya Pradesh

79	100	Sankheda Furniture	Handicraft	Gujarat
80	101	Agates of Cambay	Handicraft	Gujarat
81	102	Bell Metal Ware of Datia and Tikamgarh	Handicraft	Madhya Pradesh
82	103	Kutch Embroidery	Handicraft	Gujarat
83	51	Kani Shawl	Handicraft	Jammu & Kashmir
84	79	Chamba Rumal	Handicraft	Himachal Pradesh
85	80	Dharwad Pedha	Foodstuff	Karnataka
86	81	Pokkali Rice	Agricultural	Kerala
87	86 & 108	Pipli Applique Work	Handicraft	Orissa
88	89	Budiiti Bell & Brass Craft	Handicraft	Andhra Pradesh
89	96	Thanjavur Doll	Handicraft	Tamil Nadu
90	104	Santiniketan Leather Goods	Handicraft	West Bengal
91	105	Nirmal Furniture	Handicraft	Andhra Pradesh
92	106	Nirmal Paintings	Handicraft	Andhra Pradesh
93	107	Andhra Pradesh Leather Puppetry	Handicraft	Andhra Pradesh
94	111	Laxman Bhog Mango	Agricultural	West Bengal
95	112	Khirsapati (Himsagar) Mango	Agricultural	West Bengal
96	113	Fazli Mango grown in the district of Malda	Agricultural	West Bengal
97	46	Kashmir Pashmina	Handicraft	Jammu & Kashmir
98	48	Kashmir Sozani Craft	Handicraft	Jammu & Kashmir
99	109	Naga Mircha	Agricultural	Nagaland
100	116&117	Nilgiri(Orthodox) Logo	Agricultural	Tamil Nadu
101	115 &118	Assam (Orthodox) Logo	Agricultural	Assam
102	119	Lucknow Chikan Craft	Handicraft	Uttar Pradesh
103	124	Virupakshi Hill Banana	Horticulture	Tamil Nadu
104	126	Sirumalai Hill Banana	Horticulture	Tamil Nadu
105	120	Feni	Manufactured	Goa
106	122	Uppada Jamdani Sarees	Handicraft	Andhra Pradesh

Source: GIs Registry, Chennai, India.

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