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AUTHORED BY:- MS. RIYA SHARMA, AMITY UNIVERSITY PATNA, BIHAR

CO-AUTHORED BY:- MS. ANUPAM SINHA (ASSISTANT PROFESSOR), AMITY UNIVERSITY PATNA, BIHAR

GEOGRAPHICAL INDICATIONS AND DISTRIBUTIVE JUSTICE IN INDIA: BRIDGING THE GAP BETWEEN LEGAL PROTECTION AND GRASSROOTS ECONOMIC BENEFITS

Abstract

Geographical Indication (GI) tags in India do not automatically deliver economic justice to artisans and farmers; they deliver it only where producer institutions, markets, and enforcement are strong enough to turn legal recognition into higher and fairer incomes. This paper examines that claim through India's Geographical Indications of Goods (Registration and Protection) Act, 1999, the scholarship on place-based labelling, and widely documented cases including Darjeeling tea, Pochampally ikat, Banaras brocade, Basmati rice and Kolhapuri chappals. Using a qualitative, doctrinal and comparative approach, it asks three questions: who applies for and controls GIs, who captures the price premium, and what conditions separate successful

registrations from symbolic ones. The analysis draws on Nancy Fraser's three-part account of justice (redistribution, recognition and representation) to evaluate outcomes. It finds that GIs provide meaningful recognition and a defensive shield against imitation, but that distributive gains are uneven, often captured by traders, exporters and branded retailers, and constrained by weak monitoring, thin producer organization, high compliance costs and limited consumer awareness. The paper closes with policy proposals aimed at making the GI system work for those it is meant to protect.

Keywords: geographical indications; rural development; artisans; farmers; intellectual property; economic justice; India

Introduction: The Promise of GI Tags

A GI tag promises something simple: if a product's quality and reputation come from the place where it is made, the people of that place should own the name. For a weaver in Varanasi, a tea planter in Darjeeling or a rice grower in Punjab, the idea is attractive. It suggests that the soil, the climate, the inherited skill and the collective memory of a community can be turned into a legally protected asset that outsiders cannot borrow without permission.

India has embraced this idea with enthusiasm. Since the Geographical Indications of Goods (Registration and Protection) Act, 1999 came into force in 2003, the Geographical Indications Registry in Chennai has registered well over six hundred products, ranging from textiles and handicrafts to spices, fruit, grains and manufactured goods. Government announcements regularly celebrate each new batch of tags as a victory for rural India. Policy documents frame GIs as tools for "rural prosperity", "cultural preservation" and "self-reliance".

Yet registration is an event, while prosperity is a process. A certificate hanging on a wall does not by itself raise a farmer's farm-gate price or a weaver's daily wage. This gap between legal recognition and lived outcomes is the subject of this paper. The central question is whether GI tags actually benefit Indian artisans and farmers, or whether they mainly generate symbolic pride and administrative statistics while the real gains flow elsewhere in the value chain.

The question matters for reasons of justice as well as efficiency. India's handloom, handicraft and smallholder agricultural sectors employ millions of people, many of them women, Dalits, Muslims and members of other marginalized groups who sit at the bottom of caste-and-class

hierarchies of craft and farming. If an intellectual property regime designed to protect them instead concentrates rents in the hands of better-organized intermediaries, it reproduces the very inequalities it claims to address.

The paper proceeds as follows. Section 2 outlines the Indian legal framework. Section 3 sets out the conceptual lens of economic justice and place-based value. Section 4 reviews evidence from artisan and agricultural GIs. Section 5 analyses who captures the value, Section 6 identifies structural obstacles, Section 7 offers policy recommendations, and Section 8 concludes. The method is qualitative and synthetic: it combines doctrinal reading of the statute with a critical review of published scholarship, official sources and well-documented cases. It does not claim to present new field data, and its conclusions are therefore framed as patterns supported by the literature rather than as universal laws.

2. The Legal Framework of GIs in India

India's GI regime exists because of an international obligation. Articles 22 to 24 of the TRIPS Agreement, part of the World Trade Organization package, require members to provide legal means to prevent misleading use of geographical names, with stronger, additional protection for wines and spirits. India enacted its 1999 Act to comply with these commitments, and the statute took effect in September 2003. The first registration, granted in the mid-2000s, was Darjeeling tea.

The Act defines a geographical indication as an indication identifying goods as originating in a territory, region or locality, where a given quality, reputation or other characteristic is essentially attributable to that geographical origin. Crucially, the law protects the name, not the technique. Anyone may, in principle, produce a similar article elsewhere; what they may not do is label it with the protected name.

Three features of the procedure shape who benefits.

1. **Who may apply.** An application must come from an association of persons, producers, an organization, or an authority established by law that represents the interests of producers. Individual artisans cannot apply alone, and in practice many applications have been filed by state government departments, boards, cooperatives, or NGOs rather than by producers themselves.

2. **Registered proprietor and authorized users.** The registered proprietor holds the GI collectively, while individual producers must separately register as authorized users to claim the right to use it. A producer who has never registered holds no enforceable entitlement, however long the family has practiced the craft.
3. **Enforcement.** The Act provides civil remedies and criminal penalties for infringement. But enforcement is initiated by the proprietor or authorized users, which means that a weakly resourced proprietor can hold a strong legal right on paper and still be unable to use it.

The registration lasts ten years and is renewable. The system is administered by the Controller General of Patents, Designs and Trade Marks under the Department for Promotion of Industry and Internal Trade, and the Registry examines applications through a process involving a consultative group of experts and public notice for objections. Scholars such as Delphine Marie-Vivien have observed that India, unlike many European systems where producers lead and the state steps back, features a notably active state role in GI promotion. That activism helped register many products quickly, but it also raises a question about ownership: whose indication is it, once registered?

The law also provides no mandatory quality-control machinery of its own. Unlike the appellation systems of France or Italy, where a producer organisation and an inspection body normally enforce a detailed product specification, the Indian Act leaves it largely to proprietors to design, monitor and police the standards that give the name its value. Where that machinery is absent, the label may promise more than any institution is checking.

3. Conceptual Lens: Economic Justice and Place-Based Value

To judge whether GIs help rural producers, we need a standard of "help". Higher national export figures or a longer list of registered products are not enough. This paper uses Nancy Fraser's framework of justice, which identifies three dimensions: redistribution (a fairer division of material resources), recognition (respect for cultural identity and skill) and representation (a real voice in decisions that affect one's life). A GI can succeed on one dimension and fail on another, and the three often pull in different directions.

On the economic side, the standard argument for GIs is drawn from the economics of information. Consumers cannot inspect the quality of a shawl or a bag of rice before buying it. A trusted place name signals quality, lets producers charge a premium, and discourages free-riding by imitators who would otherwise erode the reputation. Researchers working for the International Trade Centre and the Food and Agriculture Organization have described GIs as a way of linking products, people and places, with potential benefits for rural incomes, employment and local identity.

Critical scholars add important caveats. Dev Gangjee's work shows that the very idea of a product's "origin" is socially constructed and contested, and that boundaries drawn by law can include some producers while excluding others with equal claims. Bowen argues that GIs in the global South can support development "from within" only if local producers can actually participate in defining the specification and capturing the premium, and that otherwise the benefits drift to those with capital and market access. Rangnekar has similarly stressed that GIs are not automatically pro-poor; their effects depend on the product, the structure of the supply chain and the quality of collective institutions.

Three ideas from this literature guide the rest of the paper.

- **Premium is conditional.** A GI creates the possibility of a price premium; it does not create demand. Consumers must know the name, trust it and be willing to pay for it.
- **Collective rights need collective capacity.** Because a GI is held jointly, its value depends on whether producers can agree on a standard, monitor each other and act together against infringers.
- **Value is shared along a chain.** Even when a premium exists, its division among growers, weavers, traders, processors, exporters and retailers depends on bargaining power, not on the legal tag.

Amartya Sen's capability approach adds a final nuance. Income is only one measure; what matters is whether producers gain more freedom to choose how to live and work. A GI that raises a weaver's income marginally but leaves her dependent on a master weaver or trader for yarn, credit and sales has expanded her capabilities less than one that gives her direct access to buyers.

4. Evidence from Artisan and Farm GIs

The evidence is mixed, and the pattern of mixture is informative. The cases below are chosen because they are widely documented and because they cover different product types and institutional arrangements.

4.1 Darjeeling tea: strong protection, uneven sharing

Darjeeling is India's flagship GI and the closest the country has to a European-style appellation. The Tea Board of India holds the registration, runs a certification and logo system, and has pursued infringers abroad. The tag has plainly protected a premium brand. Yet it is often noted that the volume of tea sold worldwide under the Darjeeling name has been several times larger than the roughly eight to ten million kilograms the region produces each year, which shows how persistently the name is counterfeited or blended beyond what any single registration can prevent.

More importantly for justice, the premium does not necessarily reach the workers. Darjeeling's plantations are largely corporate estates, and their labour force, predominantly women pluckers, has long faced low wages and recurrent unrest over pay, housing and estate closures. The tag protects the brand that estate owners and traders sell; it does not by itself alter the wage relationship on the hillside. Darjeeling therefore illustrates that a GI can succeed commercially while leaving distributive questions untouched.

4.2 Handlooms and handicrafts: recognition without redistribution

India's artisan GIs, among them Pochampally ikat, Kancheepuram silk, Banaras brocades and sarees, Chanderi, Madhubani painting and Channapatna toys, are often presented as success stories. The Fourth All-India Handloom Census (2019–20) counted roughly three and a half million people engaged in handloom weaving, a large share of them women, and most from households with modest incomes. Many of these weavers work under master weavers or traders who supply yarn and designs and buy the finished cloth.

In such structures, the GI tag mostly strengthens the identity of the product. Researchers who have studied Indian GIs, notably Kasturi Das, have reported that a large share of early registrations were driven by government agencies or promotional bodies, and that producers often had limited awareness of the registration or of how to use it. Where weavers do not hold

the tag in any meaningful way, a rise in the market value of "Banaras" or "Kancheepuram" can accrue mainly to those who control the distribution channels. At the same time, the tag has had real value defensively. Power-loom imitations passing as handloom have long undercut hand-woven textiles, and a registered name gives artisans and sympathetic officials a legal handle against that practice, even if enforcement has been patchy.

There are also genuine positive stories. In some craft clusters, registration has coincided with new design collaborations, tourism-linked sales, government-supported exhibitions and renewed interest among younger family members in continuing the trade. These gains are real, but they are usually bundled with other interventions, which makes it hard to credit the tag alone.

4.3 Basmati: a GI that is also trade policy

Basmati rice received its GI registration in 2016 for a defined zone across several northern states, after a long history of dispute over the name, including the well-known battle over a US patent claim in the late 1990s. India exports basmati in large volumes, and GI status helps defend the term in international markets; India has also sought protection in the European Union, where Pakistan has contested the claim.

For farmers, the story is more complicated. The premium depends heavily on export demand, on the decisions of large millers and exporters, and on government minimum export prices and procurement policies. Disputes over the boundaries of the zone, such as the persistent demand from Madhya Pradesh to be included, show how a territorial line drawn for legal reasons can have direct income consequences for farmers who fall inside or outside it. Basmati demonstrates that GIs interact with, and can be overshadowed by, wider trade and agricultural policy.

4.4 Kolhapuri chappals and the 2025 controversy

The Kolhapuri chappal, registered as a GI shared by districts in Maharashtra and Karnataka, became a global talking point in 2025 after a major European luxury label showed sandals strongly resembling the traditional design on an international runway, initially without acknowledging the Indian craft. The company later recognised the inspiration and said it would engage with Indian stakeholders. The episode is double-edged. It showed that a GI can mobilise public opinion and diplomatic attention, giving artisans a rare moment of visibility. It also exposed a limit of the law: the GI protects the name, not the design aesthetic, so a foreign brand

can borrow the look without using the word "Kolhapuri". Recognition without a mechanism for redistribution, such as collaboration agreements or benefit-sharing, may leave the artisans behind the craft with little more than moral vindication.

4.5 What the cases suggest

Case	Where the GI helps	Where benefits stall
Darjeeling tea	Brand protection, international recognition, certification system	Plantation wages and working conditions; counterfeits and blending
Banaras and Kancheepuram textiles	Defence against imitation, cultural prestige	Weaver dependence on traders; weak monitoring; power-loom substitution
Basmati	Defence of the name abroad, export branding	Premium shaped by exporters and trade policy; zone disputes
Kolhapuri chappals	Public visibility, state attention	Design borrowing outside the name; limited benefit-sharing

Across all four, the tag generates recognition and defensive protection fairly reliably. Redistribution is where the record is weakest.

5. Who Captures the Value?

If GIs create a premium, the next question is where it lands. Three groups stand between the producer and the final buyer, and each can intercept part of the gain.

Intermediaries and traders. In most craft and agricultural chains, the producer sells into a market she does not control. Master weavers, aggregators, commission agents and wholesalers hold working capital, market information and buyer relationships. When a GI raises the retail price, these actors are positioned to take the largest share, because the producer's alternatives are few and her need for immediate cash is high. A tag cannot change that bargaining position unless it is paired with credit, direct market access or a cooperative that sells collectively.

Large firms and exporters. Where the value chain is concentrated, as in tea, rice and processed foods, a small number of estates, millers and exporters shape both volumes and prices. They can use a GI as a marketing asset without sharing the resulting premium with growers or workers. Because the GI belongs to the registered proprietor on behalf of all producers, the legal title is collective, but the economic benefit follows the commercial structure of the chain.

Institutional proprietors. When a government board or agency is the registered proprietor, it can protect the name abroad and fund promotion, which is valuable. But it may also make decisions about specification, certification and branding without meaningful producer input. This is the representation problem in Fraser's terms. Producers may benefit materially in some cases, yet remain spectators in the governance of their own collective asset.

The gender and caste dimensions are rarely discussed in official accounts but matter greatly. Women form a large part of the workforce in weaving, embroidery, tea plucking and farm labour, yet are less likely to be named as authorised users, to sit on proprietor bodies or to deal directly with buyers. Artisan communities that sit lower in caste hierarchies often depend on dominant-caste traders or landholders for materials and markets. A GI regime blind to these relations may allocate its benefits along existing lines of privilege.

There is also a geographic point. Because the boundary of a GI zone is a legal line, producers just outside it are shut out of the name, while producers inside it who do not meet the standard may still free-ride on its reputation if monitoring is weak. Both errors can hurt the people the system is meant to protect: the first excludes legitimate craftspeople, and the second dilutes the premium for everyone.

The overall picture is that the GI tag is best understood as an enabling asset. Whether it becomes a tool of redistribution depends on a set of surrounding conditions: producer organisation, bargaining power, access to finance and a governance structure in which the people who make the product are also the people who decide how the name is used.

6. Structural Obstacles

Several recurring obstacles explain why legal recognition so often fails to become economic benefit.

Registration is not the same as use. Many registered GIs are used little or not at all by producers. Obtaining authorised-user status requires paperwork, fees and, in some cases, travel to a registration office, and the gain from doing so is unclear to a small producer. A tag that few producers actually use cannot build a visible brand.

Weak quality control and enforcement. A premium survives only if buyers trust that the product is genuine. That trust requires a specification, a testing or inspection process and a response to counterfeits. Many Indian GIs lack these. Without them, adulterated or imitated goods sell under the name, buyers lose confidence, and genuine producers cannot differentiate themselves. Enforcement also needs money for lawyers, investigators and test laboratories, which poorly funded proprietor bodies seldom have.

Low consumer awareness. Even domestically, many buyers do not look for the tag or know what it means. A shopper may recognise "Banarasi" as a style without associating it with a specific legal certification of origin or handloom production. Without demand-side recognition, the tag cannot command a premium, and producers receive none of the benefit they were promised.

Compliance costs and exclusion. Maintaining quality systems, traceability and record-keeping imposes costs that large firms can absorb and small producers cannot. Where standards are set at a level suited to commercial operators, they may squeeze out the smallest and most marginal producers, which would be a perverse outcome for a system meant to support rural livelihoods.

Fragmented producer organisation. The Act presumes that producers can organise collectively. In practice, rural craft and farming communities are often fragmented by competition, caste and class, and lack the legal and managerial skills required to run a cooperative or producer company. Without such organisations, the collective right sits idle or is captured by whoever is best placed to act in the group's name.

Gaps in the law's reach. As the Kolhapuri episode illustrated, the GI protects a name but not a design vocabulary. Traditional knowledge and expressions of folklore, including patterns, motifs and techniques, sit in a separate and still-underdeveloped part of the legal landscape. Internationally, protection abroad depends on bilateral agreements, separate registrations or trade

negotiations; India has not been able to secure uniform strong protection for all its GIs overseas, and extended protection beyond wines and spirits remains contested within the WTO.

Market and policy volatility. Prices of agricultural GIs react to monsoon shocks, export bans, minimum support prices and global demand. A farmer may find that policy changes outweigh any benefit from the label. For crafts, rising yarn costs, competition from machine-made imitations and shifts in fashion can do the same.

7. Policy Recommendations

The obstacles above point to a shift of emphasis: from counting registrations to building the institutions that make registrations pay. Six measures follow from the analysis.

1. **Make producers the owners in practice.** Where possible, registered proprietors should be producer-controlled bodies such as cooperatives, producer companies or federations, with government agencies acting as facilitators and handing over control as capacity grows. Women and members of marginalised communities should have reserved representation on governing committees.
2. **Subsidise authorised-user registration and compliance.** Fee waivers, doorstep registration camps, digital onboarding and shared testing facilities would lower the entry cost for small producers. Compliance schemes should be scaled to the size of the producer so that the standard protects quality without excluding the poorest.
3. **Build credible quality assurance.** Each GI should have a published specification, an independent inspection or certification process and a traceability tool such as a hologram, QR code or blockchain-style record. Public funds should support these systems for a defined period, after which a modest levy on the premium could sustain them.
4. **Invest in demand creation.** Public campaigns, e-commerce partnerships, museum and tourism links and school-level awareness could raise recognition of what a GI means. Because the premium rests on consumer trust, marketing support should be treated as part of the legal regime rather than an optional extra.
5. **Link GIs with value-sharing rules.** Contracts, benefit-sharing agreements and fair-price arrangements should accompany GI branding, especially in plantation and export chains, so that premiums reach growers and workers. Collaboration with fashion houses and

large buyers, as in the Kolhapuri case, should be structured through licences that guarantee payments and credit to the artisan community.

6. **Measure outcomes, not registrations.** The Registry and line ministries should track income, price, employment and gender indicators for registered communities before and after registration, and publish the results. Independent evaluations would turn the current claims of success into verifiable evidence and show which kinds of GIs deserve more support.

Two longer-term reforms deserve consideration. First, Parliament could examine whether complementary tools, such as protection for traditional designs and cultural expressions, are needed to close the gap exposed when a foreign brand copies a look without using the registered name. Second, India's trade negotiators could continue to press for stronger international protection and bilateral recognition of Indian GIs, with a priority on those whose producers have the organisational capacity to benefit.

8. Conclusion

Do GI tags actually benefit Indian artisans and farmers? The honest answer is: sometimes, and rarely by themselves. A GI is a legal instrument that grants a collective right to a name. It can protect cultural identity, deter imitation and open the door to a premium. It cannot, on its own, organise producers, certify quality, create consumer demand or rebalance bargaining power in supply chains dominated by traders, estates and exporters.

Through the lens of Fraser's justice framework, the pattern is clear. GIs perform best on recognition: they honour regional skill and give communities a symbol of pride. They perform unevenly on redistribution, where premiums are often captured by intermediaries and firms. And they frequently fall short on representation, since many registrations are held and managed by institutions in which producers have little say.

The lesson is not that GIs are a failure. It is that they are a platform, and a platform pays off only when the supporting structure is built around it. The most promising path combines producer-owned governance, credible quality assurance, sustained market development and transparent measurement of results. A system that measures its success by the number of tags

issued will go on producing certificates; a system that measures success by incomes, working conditions and producer voice has a chance of producing justice.

Future research should supplement the qualitative picture presented here with systematic household-level studies comparing registered and unregistered clusters over time, paying particular attention to women, lower-caste artisans and landless labourers. Only then can the promise of GIs for rural economic justice be tested rather than assumed.

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