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GEOGRAPHICAL INDICATION TAG AS A TOOL FOR PROMOTING THE AGRICULTURAL AND RURAL ECONOMY: AN ANALYSIS

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I. Introduction

A Geographical Indication (GI) tag is a certification of origin that increases rural incomes only when it is followed by producer enrolment, quality control and marketing. Registration alone does little. This is the key conclusion of this analysis.

India has made significant strides on the first step, with more than 800 registered GI products, of which 607 have been granted since 2014, and a target of 10,000 registrations by 2030. Agricultural goods such as Darjeeling Tea, Basmati Rice and Kashmir Saffron constitute the second-largest category after handicrafts.

The case for GIs rests on a simple idea. Many farm products owe their quality to a place's soil, climate and inherited skill. When buyers cannot verify origin, imitations capture the premium and the real producer is paid a commodity price. A GI turns that reputation into a legally protected, collectively owned brand.

This paper examines the legal framework, the growth and spread of GIs in India, the channels through which a tag reaches the farmer's income, the evidence from the field and the gaps that still hold the system back.

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II. Concept and Legal Framework

A GI is a sign used on goods that have a specific geographical origin and possess a quality, reputation or other characteristic that is essentially attributable to that origin. The WTO's TRIPS Agreement obliges every member to provide legal means to prevent misleading use of such signs on any goods (Article 22), and adds a higher, absolute level of protection for wines and spirits (Article 23).

India met this obligation through the Geographical Indications of Goods (Registration and Protection) Act, 1999, which came into force on 15 September 2003. Its main features are:

- **Registry.** A single Geographical Indications Registry at Chennai has all-India jurisdiction, under the Controller General of Patents, Designs and Trade Marks.
- **Who applies.** Any association of persons or producers, or any organisation or authority established by law, that represents the interests of the producers.
- **Two-part register.** Part A records the GI and its registered proprietor. Part B records the authorised users: the individual farmers, artisans and traders entitled to use the name.
- **Term.** Registration lasts ten years and can be renewed indefinitely.
- **Collective right.** A GI cannot be assigned, transmitted, licensed, pledged or mortgaged. It stays with the community of the region.
- **Penalties.** Falsifying a GI attracts imprisonment of six months to three years and a fine of ₹50,000 to ₹2 lakh.

Two characteristics make this instrument particularly suitable for rural development. First, the right is collective, so small producers can share a resource without paying royalties. Second, it is tied to place, so the value it creates cannot easily be moved out of the area or captured by a single firm.

III. Growth of GI Registrations in India

Registrations began in 2004–05 with three products: Darjeeling Tea, Aranmula Kannadi and Pochampalli Ikat. Growth was slow for fifteen years and then accelerated. India registered fifty

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items in 2021–22, fifty-five in 2022–23 and seventy-two in the first five months of 2023–24 alone.

The pipeline is also large. The Registry had received 1,175 applications by August 2023, of which 517 were pending scrutiny. Even so, the official target of 10,000 registrations by 2030 would require a more than ten-fold increase from the current level.

The counts for 2013, 2020 and 2023 include a few foreign GIs registered in India, such as Champagne and Scotch Whisky. The 2025 figure is the total of the category counts published by the Press Information Bureau.

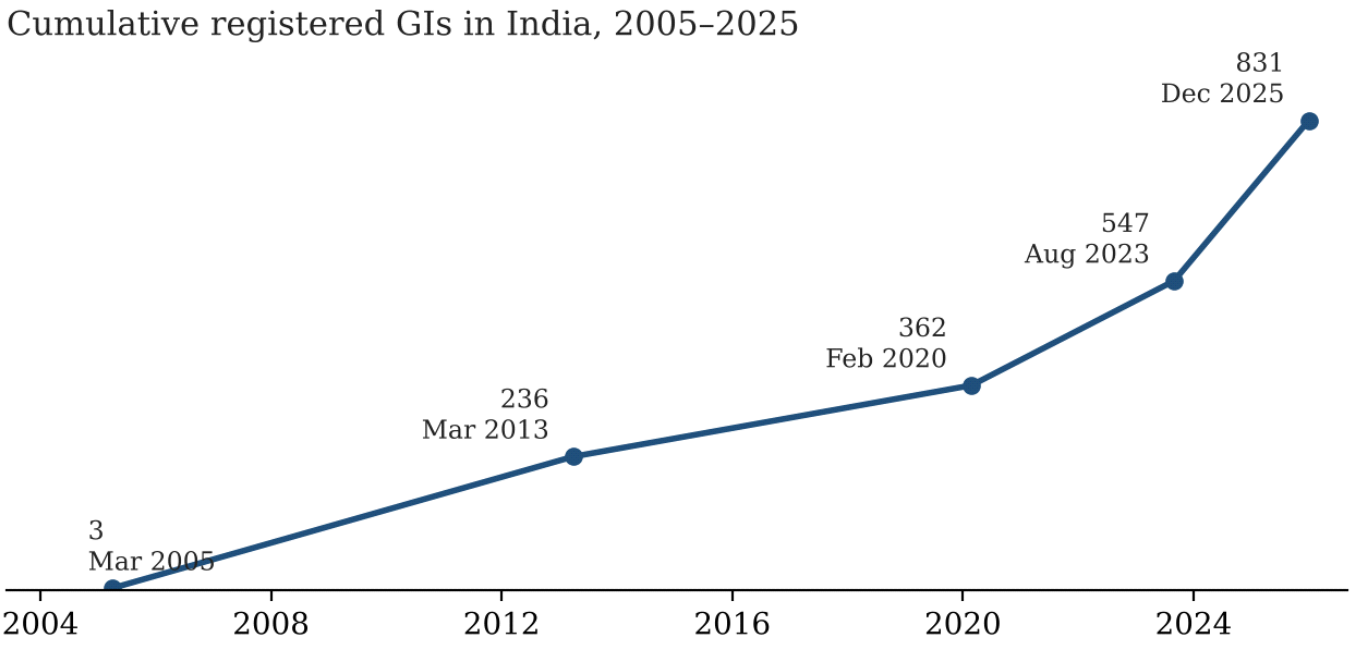

Figure 1. Cumulative registered GIs in India, 2005–2025. *Sources:* BananaIP, *supra* note 21 (2013); Lok Sabha Q. 2124, *supra* note 17 (2020); Factly Report, *supra* note 17 (2005, 2023); PIB Note, *supra* note 3 (2025).

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IV. Composition and Regional Spread

Handicrafts dominate the register, but agricultural goods are the second-largest group of GI products, covering cereals, fruits, vegetables, spices and non-basmati rice. Adding food products, most of which depend on local farm inputs, nearly two in five GIs are directly tied to agriculture.

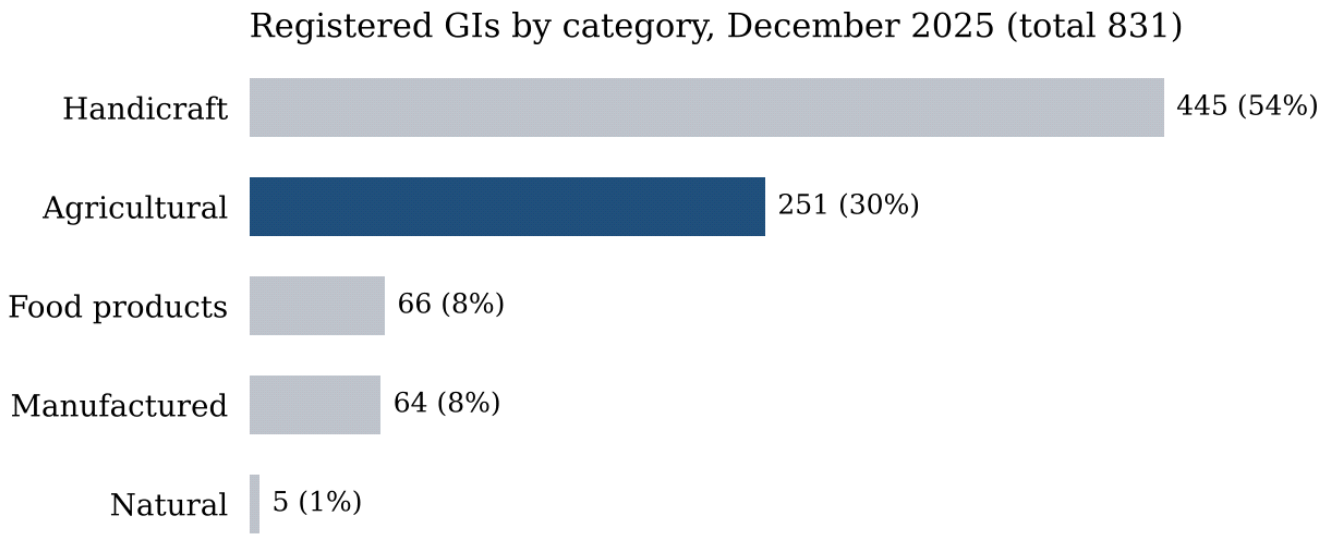

Figure 2. Registered GIs by category, December 2025. *Source:* PIB Note, *supra* note 3.

The distribution across states is uneven. As of December 2025, Uttar Pradesh leads with 81 GI products, followed by Tamil Nadu with 76 and Maharashtra with 55. An analysis of the register in August 2023 found that six states held nearly 47% of all registrations, while the seven north-eastern states together held only 7.6%.

This has implications for rural policy. Regions rich in distinctive crops and tribal produce, including much of the Northeast, are among the least represented.

V. How a GI Tag Lifts Rural Incomes

A GI works through four linked channels.

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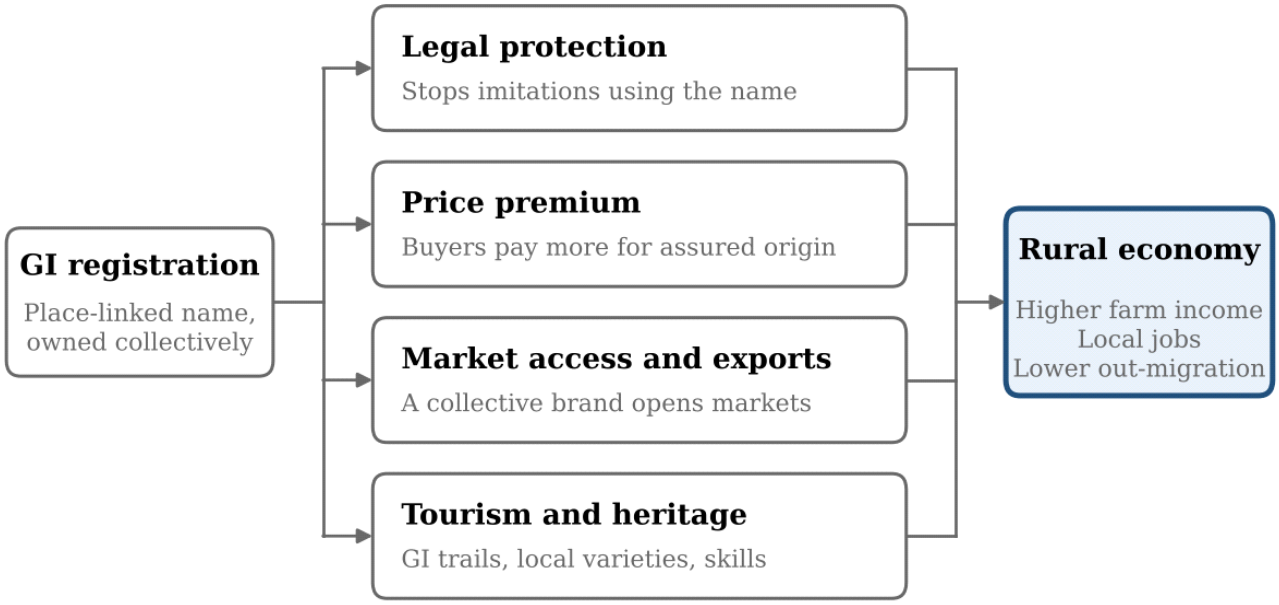

Figure 3. From GI registration to the rural economy: four channels. *Source:* author's synthesis.

Legal protection. Only authorised users in the defined area may use the name. Before Kashmir Saffron received its tag, officials alleged that Iranian saffron was routinely rebranded and sold as Kashmiri.

Price premium. A GI signals quality that a buyer cannot check directly, and consumers pay more for assured origin. Because the right is collective, the premium belongs to the region's producers and not to one brand owner.

Market access and exports. A registered name gives small producers a ready collective brand. APEDA has used GI status to open first-time export markets, such as the United Kingdom and Italy for Joha Rice and Canada for Salem Sago.

Tourism and heritage. GI clusters are being built into tourism circuits, including the Darjeeling tea estate trail and the Muga Silk Trail announced in Assam in June 2026. A GI specification also fixes the traditional variety and method, which gives farmers a reason to keep local landraces in cultivation.

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Together these channels raise farm income, create processing, packaging and tourism jobs close to the farm, and ease the pressure to migrate.

VI. Evidence from the Field

Indian cases show a real premium where the tag is backed by an organised producer body and a route to market.

GI product	Region	What followed the tag
Kashmir Saffron (GI 2020)	Jammu and Kashmir	Market price rose from about ₹2 lakh to ₹3.25 lakh per kg by 2023. Reported farm-gate prices moved from ₹1.3–1.5 lakh to ₹1.8–2 lakh per kg.
Basmati Rice	Punjab, Haryana, Delhi and neighbouring states	Exports of US$3.97 billion in April–December 2023, up 19% on the year before.
Darjeeling Tea (GI 2004–05)	West Bengal	India's first GI, with both the name and the logo protected.
Muzaffarnagar Jaggery	Uttar Pradesh	A farmer producer company with 545 members exported 30 tonnes to Bangladesh in 2025.
Karnataka GI fruits	Karnataka	First shipments to the Maldives in 2026 brought farmers 40–50% higher returns.
Tezpur Litchi	Assam	Export to Dubai fetched growers about 10% higher prices.
Indi Lime	Karnataka	3 tonnes shipped to Oman in December 2025 after the India–Oman CEPA.

The jaggery, fruit, litchi and lime examples come from the PIB note of August 2026, which also cites the Ministry of Textiles' estimate that a GI tag can raise rural artisans' incomes by 20–30%.

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The saffron case contains a caution: the market price rose by about ₹1.25 lakh per kg, while the reported farm-gate price rose by only about ₹0.5 lakh, less than half as much.

Europe is a mature GI economy. GI products were worth €74.76 billion in sales in 2017 and represented 15.5% of EU agri-food exports. A GI product sold, on average, for about double the price of a comparable non-GI product; for agricultural products and foodstuffs the ratio was 1.5. Since 2024 the EU has governed wine, spirit and agri-food GIs under a single regulation that also strengthens the role of producer groups.

VII. Challenges

Five gaps separate a registered GI from a gain in rural income.

Scale. India started late. WIPO data for 2018 placed it last among the 20 jurisdictions with the most GIs in force: 330, against 7,247 in China. The count has since passed 800, but it remains small for a country of India's agro-climatic diversity. National systems protect and count GIs differently, so the comparison is indicative.

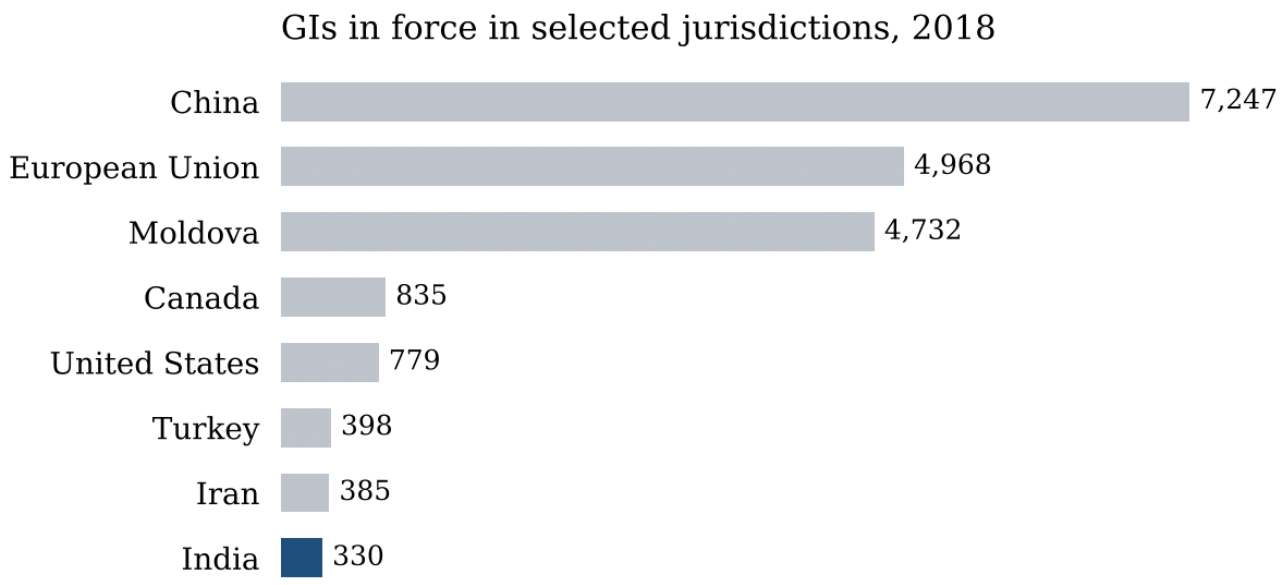

Figure 4. GIs in force in selected jurisdictions, 2018 (8 of the 20 shown by WIPO). *Source:* WIPO Indicators 2019, *supra* note 50, fig. 5.1.

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Producer enrolment. Few authorised users can legally sell products under the GI. Their number rose from 365 to about 29,000 in the decade to January 2025, but that is still only about 35 per registered product on average. Most farmers who grow a GI crop are left out and cannot claim the tag.

Quality control and enforcement. The Act does not mandate a post-registration control system with an inspection body. Without grading, traceability or a common logo, buyers cannot tell the genuine product from the counterfeit, and the premium disappears. Enforcement is left to producer bodies, which rarely have the funds for litigation. The Darjeeling litigation shows the cost: the Tea Board's suit against the "Darjeeling Lounge", filed in 2010, failed at the interim stage and was dismissed nine years later as time-barred and outside the GI's protection for goods. Since 2021, appeals that once went to the Intellectual Property Appellate Board lie with the High Courts.

Leakage of the premium. Saffron's case highlights the risk. Where growers sell through traders, much of the price gain stays with the traders, and the benefit is not shared by all.

Uneven reach. Registration is concentrated in a few states, and 517 applications were pending scrutiny in August 2023. Demarcation itself can be contested: the inclusion of Madhya Pradesh districts in the Basmati GI area has been litigated up to the Supreme Court, and the name was exposed abroad when a United States patent was granted on "basmati rice lines and grains".

VIII. The Way Forward

Six measures would turn registrations into rural income.

1. **Enrol producers.** Run authorised-user drives through farmer producer organisations and Krishi Vigyan Kendras. The 2025 amendment to the GI Rules cut the application fee by 80% and the renewal fee from ₹3,000 to ₹500, so cost is no longer the barrier.
2. **Build a managing body for every GI.** A producer organisation should own the product specification, inspect quality, control use of the logo and run traceability through QR codes and laboratory testing.

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3. **Invest in marketing.** PM Ekta Malls, with an allocation of ₹5,000 crore, One Station One Product stalls, e-commerce and GI trails can connect producers directly with buyers.
4. **Secure protection abroad.** A dedicated GI agreement with the EU is still under negotiation, and New Zealand has committed to enabling registration of Indian GIs. Each trade agreement should carry a GI chapter.
5. **Widen the map.** The Northeast and other under-represented regions need registration support and export handholding from APEDA.
6. **Measure outcomes, not certificates.** The target of 10,000 registrations by 2030 should be paired with targets for authorised users, the price premium and the farmer's share of it.

IX. Conclusion

The GI tag is a good tool for the agricultural and rural economy because it is collective, tied to place and grounded in what rural communities already possess: reputation and acquired skill. Indian evidence from saffron, basmati, jaggery and litchi shows a premium, and the European record suggests how large it can grow.

The tag is necessary but not sufficient. India has crossed 800 registrations, but producer enrolment, quality control and enforcement lag far behind. The next phase of policy should turn from counting tags to building the producer institutions and market linkages that carry the premium back to the village. Where that happens, a GI does more than protect a name: it sustains a rural livelihood.

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