

The Indian High Court of the State of Madhya Pradesh affirms Scotch Whisky Association's right to independently sue for GI infringement.

By Prashant Gupta & Karan Singh¹

The Scotch Whisky Association (SWA), the group in charge of the GI "Scotch Whisky" incorporated in the UK won a constitutional writ ([*Scotch Whisky Association v J.K. Enterprises*](#)) before the High Court of Madhya Pradesh in Indore. The writ challenged an order passed by the Commercial Court in District Indore, which, *inter-alia*, held that SWA's suit for infringement of its GI "Scotch Whisky", against the defendant JK Enterprises (JKE), was maintainable only if it impleaded an 'authorised user' of the GI as a co-plaintiff.

The concept of 'authorised user' is unique to the Indian GI law. It essentially refers to any person claiming to be the producer of the goods in respect of which a GI has been registered. The origin of this concept in the Geographical Indications of Goods (Registration & Protection) Act, 1999 (the GI Act), is from Trade Marks Act, 1999 (the TM Act). The TM Act has registered users (trademark licensees who are registered with the Indian Trade Marks Registry). The legislators appear to have borrowed the concept of registered user from the TM Act and applied it to the GI Act under the description 'authorised users'. The GI Act permits authorized users to register themselves with the GI Registry.

JKE argued that SWA was not entitled to sue independently for infringement under Section 21(1) of the GI Act without impleading an authorized user as a necessary party. Section 21 (1) reads as follows:

"21. Rights conferred by registration.

(1) Subject to the other provisions of this Act, the registration of a geographical indication shall, if valid, give,-

(a) to the registered proprietor of the geographical indication and the authorised user or users thereof the right to obtain relief in respect of infringement of the geographical indication in the manner provided by this Act;

It was JKE's argument that the 'and' in Section 21(1)(a) of the GI Act must be read conjunctively and not disjunctively. When done so, JKE argued, there would be a requirement to implead the authorized user along with the registered proprietor in a suit for infringement.

In examining this issue, the Court looked at India's obligations under the WTO's TRIPs Agreement. It noted that the interpretation of the provisions of the GI Act, enacted in pursuance of the obligations under the TRIPs Agreement, must be in tune with such

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obligations and such interpretation must be purposive. Thereafter, the Court reviewed several provisions of the GI Act to understand the role of the registered proprietor and the authorised user. The Court observed that there are various provisions under the GI Act where the registered proprietor can act in its own right, without involving the authorized user. A few such provisions cited by the Court pertain to the renewal of the GI, seeking additional protection, correction of error(s) on the Register, amendment of specification of goods, alteration of the registered GI, etc. Besides, the Court noted that Section 66 of the GI Act permits the suit to be filed at the place where the registered proprietor resides or carries on business. The Court also referred to Section 68 of the GI Act which specifically lists certain proceedings where the authorised user must be impleaded. The Court further observed that under Section 17 of the GI Act, an authorized user can separately get itself registered and can independently claim protection of the registered GI. Based on these provisions of the GI Act, the Court concluded that the registered proprietor has an independent legal status and entitlement to relate itself to the GI.

Citing the principle of "*ubi jus ibi remedium*," (if there is a right, there is a remedy,) the Court pointed out that the legislature could not have been presumed to have conferred exclusive rights on the authorized user to the exclusion of the registered proprietor, who is the originator of the GI registration. Relying on the principles of *purposive* interpretation, the Court concluded that the word 'and' used in Section 21(1)(a) of the GI Act must be treated as 'or', else it would lead to a situation where the status of a registered proprietor of a GI would be pushed below that of the authorised user.

This is the first court order in India that discusses the rights of registered proprietors of GIs to independently sue for GI infringement without impleading an authorized user. Currently, there are divergent views on the effectiveness and practicality of the concept of authorised users under the GI Act. While some feel that it empowers the users of GIs, others believe that it is an unnecessary burden on the users.

K&S Partners, an Indian IP boutique, were the instructing counsel for SWA in the action.