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SAFEGUARDING HERITAGE: BASMATI RICE DISPUTE (INDIA V. RICETEC INC. 1997)

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I. ABSTRACT

A legal battle over intellectual property between two countries that shook the whole global market stands as a cornerstone in the evolution of intellectual property law in India. The Basmati Rice Dispute (India v. RiceTec Inc., 1997)² became an influential case that pressed for the protection of traditional knowledge and geographical indications, setting a legal precedent. India's rich biodiversity has served as a magnet, attracting foreign countries. Since time immemorial, rice has been a staple food in most Asian countries, with India being a major exporter of Basmati rice.

The US patent claim on Basmati, which infringed India's traditional knowledge rights, disregarded the cultural, agricultural, and geographic origins of Basmati rice. RiceTec's attempt to deceptively capture the global market for Basmati rice was strategically defeated by India. As a result, RiceTec withdrew 15 claims out of 20 claims they asserted in the patent application and the title was amended to "Rice Lines Bas867, RT 1117 and RT1121", thereby safeguarding the distinct identity of Basmati rice. Even though RiceTec retained certain claims, it was not permitted to use the term "Basmati," which marked India's success in the legal battle.

The major outcome of the dispute was the introduction of Geographical Indications of Goods (Registration and Protection) Act, 1999, a legal reform that removed the lacunae in addressing the geographic origin of varieties. It also accelerated global awareness of biopiracy and need for the protection of traditional knowledge. This article seeks to analyse the Basmati rice dispute and its economic, cultural, and legal impact through the FILAC methodology, a structured legal analysis framework. This case holds

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² *India v RiceTec Inc*, US Patent No 5,663,484 (USPTO, 2 September 1997)

greater global significance, as developing countries are still facing challenges in protecting their traditional knowledge and indigenous products.

II. KEYWORDS

Basmati rice, Intellectual property rights, Geographical Indication, Patent, Novelty, Traditional knowledge, Biopiracy.

III. INTRODUCTION

The India-US Basmati rice legal battle is a landmark case in the history of the international market, which changed the global perspective on intellectual property rights. Intellectual property (IP) refers to creations of the mind, such as inventions; literary and artistic works; designs; and symbols, names and images used in commerce.³ They are the result of human intellect. Intellectual property rights emerged as a legal safeguard to protect intangible assets, much like the protective envelope available to physical properties known as tangible assets. The Trade-Related Intellectual Property Rights (TRIPS) agreement came into effect in 1995 to provide protection for intellectual properties and validate intellectual property rights globally.⁴ Members of the World Trade Organization are obliged to obey the guidelines put forward by TRIPS.

There was a case, in 1997, a US-based company named RiceTec Inc attempted to appropriate India's traditional rice variety for its own benefit. This case gave insights to Indian government and urged the enactment of the Geographical Indications of Goods Act, 1999. Protection of intellectual properties like plant varieties, patents, geographical indications, etc are very crucial for the growth of agriculture in developing countries like India. Geographical indication (GI) tags serve as markers of heritage, reflecting the cultural and historical significance of the country they belong to. The specific goods hold unique qualities, which are attributed to their place of origin or to the community responsible for their creation. The 1997 Basmati rice

³ World Intellectual Property Organization, *what is Intellectual Property?* (2020) <https://www.wipo.int/about-ip/en/> accessed 24 June 2025

⁴ Agreement on Trade-Related Aspects of Intellectual Property Rights (adopted 15 April 1994, entered into force 1 January 1995) 1869 UNTS 299.

dispute between India and U.S. companies marked a pivotal moment in intellectual property right cases. The parties to the dispute are, Indian government against RiceTec Inc, the US-based company. Geographical indication tag focuses on the origin of a product and its qualities whereas patents grant exclusivity in an invention without considering the origin aspect but patent consider geographical aspects in certain contexts. This particular case deals with the conflict between geographical indication and patent systems.

IV. FACTS

American company RiceTec Inc is a small food technology company based in Texas and in September 1997, they obtained patent from the United States Patent and Trademark Office (USPTO) to name and call the aromatic rice variety developed in USA as 'Basmati'. They intended to capture the global market deceptively by selling the brands like 'Kasmati' and 'Texmati' by introducing them as Basmati-type rice or namely American Basmati, and they even trademarked the name Basmati in US. The company contended that they have developed a new strain of aromatic rice by interbreeding Pakistani basmati with another variety. RiceTec Inc, was issued with the Patent number 5663484 named as Basmati rice lines and grains on September 2, 1997. This was objected by centre for food safety, the Research Foundation for Science, Technology and Ecology, and the Centre for Scientific and Industrial Research. India contended that Basmati is unique and traditional aromatic rice grown in the northern parts of India.

20 claims were raised by the RiceTec company in the patent application. Claims 1 to 14 related to hybrid lines and breeding methods for aromatic rice varieties resembling Basmati, the traditional Indian rice variety, and adapted for cultivation in North America. Claims 15 to 17 were based on rice varieties that had no connection to any specific geographical region. These three clauses were particularly objected by India through a request for re-examination of the patent filed at the USPTO by the Agricultural and Processed Food Products Export Development Authority (APEDA). Claims 18 to 20 encompassed the novel process used by the company to interbreed and develop new variety of rice. The characteristics of American Basmati were

identical to the indigenous Indian origin Basmati and it instigated India to challenge the issuance of patent to RiceTec on American Basmati. The patent was issued in 1997, but the legal battle between India and the US, and the eventual withdrawal of claims by RiceTec, unfolded over several years and ended in 2002.

V. ISSUES

- Whether the term ‘basmati’ is a generic one to describe aromatic rice, or does it refer specifically to the long aromatic rice grown in India and Pakistan?
- Whether the strain developed by RiceTec is a novelty?
- Whether RiceTec is guilty of biopiracy?
- Whether US government’s decision to grant a patent for the prized Basmati rice conflicts with the principles of Trade Related Intellectual Property Rights (TRIPS), as TRIPS primarily governs member state obligations rather than specific patent decisions?
- Whether there exist reasonable grounds for revoking the patent for basmati?
- Whether patents granted in the United States on products that are traditionally linked with specific geographical regions legally enforceable?

VI. LAW

- **TRIPS Agreement:** Article 22(1) defines geographical indications as identifiers for goods originating from a specific territory, region, or locality, where the product's reputation, quality, or unique characteristics are intrinsically tied to its geographical origin⁵.
- **U.S. patent law:** 35 U.S.C. 101 establishes the criteria for patentability, stating that any individual who invents or discovers a new and useful process, machine, manufacture, or composition of matter—or any significant improvement thereof—may seek patent protection, provided they meet the

⁵ Agreement on Trade-Related Aspects of Intellectual Property Rights (adopted 15 April 1994, entered into force 1 January 1995) 1869 UNTS 299, art 22(1).

required conditions⁶. 35 U.S.C. 102 outlines the conditions for patentability, emphasizing the necessity for novelty⁷. According to 35 U.S.C. 102 (pre-AIA), an invention must not have been previously known, used, patented, or published in any other country, ensuring that only genuinely new innovations receive legal recognition⁸.

- **Indian Patent Act, 1970:** Sec.2(1)(j) and (l) gives definitions on invention and new invention which implies novelty is the key requirement for issuing patents.
 - **Sec.2(1)(j)** - “Invention” means a new product or process involving an inventive step and capable of industrial application.⁹
 - **Sec.2(1)(l)** - “new invention” means any invention or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of patent application with complete specification, i.e., the subject matter has not fallen in public domain or that it does not form part of the state of the art;¹⁰

This legal framework plays a crucial role in preserving intellectual property rights and preventing the unauthorized use of traditional knowledge and established products, protecting both innovation and cultural heritage on a global scale. As India lacked a proper legal framework, the decision was made upon the international laws surrounding the subject matter.

VII. RECENT PRECEDENTS

A. Turmeric Case (*Curcuma longa* Linn)¹¹

A US patent for “the use of turmeric to heal wounds” was granted to Dr Suman K Das and Harihar Kohli, two Indian-born scientists in the University of Mississippi Medical

⁶ 35 USC § 101 (2012)

⁷ 35 USC § 102 (2012)

⁸ 35 USC § 102 (pre-AIA) (2012)

⁹ The Patents Act 1970 (India), s 2(1)(j), as inserted by the Patents (Amendment) Act 2002

¹⁰ The Patents Act 1970 (India), s 2(1)(l), as inserted by the Patents (Amendment) Act 2002

¹¹ *CSIR v United States Patent and Trademark Office*, US Patent No 5,401,504 (revoked 13 August 1997)

Centre in 1995. India is known for spices and turmeric has long been used to heal burns and rashes. In the ancient Indian medical system, Ayurveda, a poultice of turmeric paste is used to treat common eye infections, and to dress wounds, treat bites, burns, acne and various skin diseases.¹² Indian government challenged the US Patent No 5,401,504 through the Council for Scientific and Industrial Research (CSIR). Thus, the government claims that its medicinal application is well-established. The case was resolved in favour of India on the basis that turmeric has been using as a wound healing agent from time immemorial in India.

The use of turmeric for healing wounds is not a novel discovery; it is a traditional practice and part of India's traditional knowledge. India has a rich body of traditional knowledge that has been passed down through generations. Traditional knowledge can be defined as knowledge, know-how, skills and practices that are developed, sustained and passed on from generation to generation within a community, often forming part of its cultural or spiritual identity.¹³ Such traditional knowledge is so deeply rooted and widely shared that it is regarded as common knowledge within the community.

In 1996, the CSIR filed for a re-examination before USPTO contending that the patent lacked novelty, a fundamental requirement for patentability. The evidence produced by CSIR, proving that turmeric was a part of India's traditional knowledge, played a significant role in securing judgement in favour of India. In 1997, the USPTO invalidated the turmeric patent on the grounds of prior art, as turmeric is native to India and had been traditionally used for medicinal purposes since the Vedic era; the case was marked as the first case contested successfully based on Indian traditional knowledge leading to a landmark decision.

¹² R., Thakur H. S. Puri and A. Husain, "Major medicinal plants of India", (1989), Central Institute of Medicinal and Aromatic Plants; Lucknow

¹³ J. Tarunika, and J. Tamilselvi, "Traditional knowledge and patent issues in India", *International Journal of Pure and Applied Mathematics*, Vol. 119(17), (2018), pp 1249 -1264.

B. Neem Case (*Azadirachta indica* A. Juss)¹⁴

The European Patent Office (EPO) granted European Patent No. 0436257 in 1995 for a method of fungal control on plants using hydrophobic extracted neem oil to the US department of agriculture and the multinational company W.R. Grace. The Green Group in the European Parliament, India's Research Foundation for Science, Technology and Ecology led by Dr. Vandana Shiva, and the International Federation of Organic Agriculture Movements (IFOAM) collectively objected the patent issued by EPO. Neem has been used as a natural pesticide in India since time immemorial, and its medicinal properties are well-established.

India challenged the patent, seeking its invalidation on the grounds of violating India's traditional knowledge. India claimed that what US companies are presenting as discoveries and inventions were not novel, but actual stealing of India's native medicinal plants amounting to biopiracy. Once a product is patented, the patent holder gains the exclusivity in preventing competitors from producing, using or selling the same product. This will adversely affect the farmers and communities that depend on the production of such products.

This case holds greater significance because, for the first time, EPO revoked a patent on the grounds of biopiracy. Patentee's claim of originality was invalidated by establishing prior public use. India contended that monopolistic claims over its traditional knowledge through patents are legally invalid. In response, after a 10-year long legal struggle, the patent was revoked by the EPO on March 8, 2005, highlighting the need to reform international patent systems to recognize foreign prior art and prevent biopiracy. Since the patent was not based on any genuine invention, the EPO ultimately cancelled it.

VIII. ANALYSIS

Rice is considered a primary food in South Asian countries, especially India. It is known worldwide that the long-grain aromatic rice known as Basmati has been

¹⁴ *Greenpeace International and Others v European Patent Office*, EPO Patent No 0436257 (revoked 11 May 2000)

produced widely in the Sub-Himalayan region. Basmati rice finds its origin in India and Pakistan. India is the leading exporter of Basmati rice to the global market.¹⁵ The patenting of Basmati rice is not only considered an act of intellectual property and cultural theft, but it also directly harms farming communities in Southeast Asia. India opposed the RiceTec company by arguing that the Basmati rice is a product indigenous to India and the claim for patent by RiceTec amounts to biopiracy, as it violates India's traditional knowledge.

RiceTec has obtained a patent for:

- Cultivating rice plants with features identical to Basmati,
- The grain produced by such plants, and
- The methodology for selecting rice based on a starch index (SI) test devised by RiceTec.

The patent was challenged on the basis that the plant varieties already exist as a primary food in India. A patent is the exclusive right available to the inventor and can only be granted if the invention demonstrates novelty as a fundamental requirement. However, something which already exists cannot be termed an invention, thus India contended that the patent does not represent a novel invention and is based on rice that is already being imported into the USA. India challenged the use of the term 'Basmati,' arguing that it misleads innocent customers, creates confusion about the origin, and affects goodwill. Basmati cannot be considered a generic term and the usage of such a term to advertise another variety of rice may mislead and confuse customers and would negatively affect the goodwill attached to Basmati rice which is grown only in the South-Asian parts.

As a result of this intellectual property war between the countries, the USPTO issued a patent for RiceTec on Basmati rice, only on certain aspects of its cultivation and not on the rice itself that is not on the characteristics, taste and aroma, as it belongs to India exclusively. In response to India's diplomatic opposition, RiceTec voluntarily

¹⁵ Agricultural and Processed Food Products Export Development Authority (APEDA), *Basmati Rice Export Data 2023-24* (APEDA) <https://apeda.gov.in/BasmatiRice> accessed 25 June 2025.

withdrew 15 claims and amended the title from “Basmati rice lines and grains” to remove the term “Basmati”, thereby acknowledging the distinct identity of Basmati rice as a traditional and indigenous product of India. APEDA’s prompt action has played a significant role in narrowing the scope of the patent granted by the USPTO. India’s successive actions against the potential threat to Indian Basmati exports were precisely executed, leading RiceTec to withdraw all patent claims except the five, which related specifically to the unique rice lines (Bas 867, RT 1117 and RT 1121) that it had developed.¹⁶

However, this signifies India’s victory in protecting the name ‘Basmati rice’ from foreign exploitation. The long running dispute of Basmati rice has opened the door of the traditional knowledge rights and recognition of cultural and geographical origins. In response, TRIPS complying domestic GI legislation was introduced to safeguard Indian traditional and indigenous products from the foreign invasion. The registration of Basmati rice as a Geographical Indication in 2010 marked a pivotal step in the evolution of intellectual property rights in India, setting a legal precedent for protection of India’s tradition, culture, and heritage.

IX. CONCLUSION

Agricultural patents are being pursued with the intent to dominate the market, establish monopolies, and gain exclusive control over trade. RiceTec attempted to capture the global market for Basmati rice, but its claim was challenged and ultimately revoked by India. RiceTec retained 5 claims out of 20 claims it had made, and amended the patent title by removing the word Basmati which is associated with India.

India's abundance of spices and its vast array of agricultural and medicinal plants make it a prime target for foreign companies like RiceTec. However, their actions often lead to the exploitation of India's traditional knowledge through biopiracy. Other than Basmati rice, our traditional crops like neem, turmeric, ashwagandha, etc are also affected by similar patent claims by developed countries. Biopiracy not only leads to

¹⁶ Ministry of Commerce and Industry (India), ‘Basmati battle over, says Commerce Ministry, and India is victorious’ (*Just-Food*, 22 August 2001) <https://www.just-food.com/news/india-basmati-battle-over-says-commerce-ministry-and-india-is-victorious> accessed 24 June 2025.

economic losses for our country but also takes advantage of the hard work of local communities.

At the time of the dispute, India did not have a comprehensive legal safeguard for geographical indications. However, this case paved the way for such protections, leading to the enactment of the Geographical Indications of Goods Act, 1999, which regulates the registration and granting of GI tags in India. Absence of prior legislation in India for regulating geographical indications prompted the enactment. The act provides for registration and enhanced protection of geographical indication by actively monitoring and preventing unauthorized use.

The battle to secure the GI tag for Basmati rice is not merely about protecting its product identity; it is also about safeguarding India's agricultural heritage and culture from foreign influence. Although the Geographical Indication of Goods (Registration and Protection) Act passed in 1999, it took 18 years for Basmati rice to receive a GI tag. The Agricultural and Processed Food Products Export Development Authority (APEDA) Took the lead in securing GI tag for Basmati rice.

In 2008, India and Pakistan reached a consensus to file a joint application for the registration of Basmati rice as a geographical indication with the European commission. But the plan was disrupted by the Mumbai attacks and the subsequent tension between the two countries. Meanwhile, India proceeded with the domestic registration of Basmati rice under the Geographical Indications of Goods (Registration and Protection) Act, 1999, and the GI tag was granted in 2016.

By 2018, India applied for protected geographical indication (PGI) before the European Commission. Pakistan raised objections against India's application for PGI in EU in 2020. Later, in 2022, Pakistan applied for GI status of Basmati rice in the European commission, to which India objected and sought cancellation. The legal battle between India and Pakistan is becoming increasingly contentious. A major challenge faced by India is that the dispute over Basmati's GI status remains unresolved and is still pending before the European Commission, raising broader concerns about its future implications. Basmati rice stands at the forefront of the

development of GI and patent laws between India and the United States, emerging as a symbol of India's tradition, culture and heritage.

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