

[Abstract prepared by the PCT Legal Division (PCT-2013-0003)]

Case Name:

[PARIKUMAR V. CONTROLLER GENERAL OF PATENTS](#)

Decision Date:

23 January 2013

Jurisdiction:

India

Intellectual Property Appellate Board

Abstract:

The Indian Intellectual Property Appellate Board reversed the Indian Patent Office's decision to reject the applicant's international application national phase entry for insufficient fees, improper format, and subsequently, as untimely when the application re-submitted the application. Under the Indian Patent Act Section 15, Controller may refuse a deficient application or require the applicant to amend the application before proceeding with the application. Upon national phase entry, the applicant timely submitted fees sufficient for only 17 claims, whereas the application contained 20 claims. The Controller rejected the application for insufficient fees, and when the applicant subsequently resubmitted the application, the Controller rejected as untimely.

The Board found the Controller's rejection based on insufficient fees unreasonable because the Controller failed to provide the applicant with an opportunity to rectify his deficiency, which could have been a result of miscalculation. The Board felt unnecessary to analyze whether the Office should have allowed 1 month time to rectify insufficient fees like the EPO practice because the applicant was willing to delete 3 of his claims. Further, the 31-month national phase entry deadline had passed and the applicant had no way to correct his deficiency and re-file. Accordingly, the Board granted the applicant's appeal and ordered the Patent Office to allow the applicant to delete 3 claims as he wished and permit national stage entry with 17 remaining claims in accordance with the fees paid.

PCT Legal Reference:

Article 22(1)

INTELLECTUAL PROPERTY APPELLATE BOARD

Guna Complex Annexe-I, 2nd Floor, 443, Anna Salai, Teynampet, Chennai-600018

CIRCUIT BENCH AT DELHI

OA/60/2012/PT/DEL

WEDNESDAY, THIS THE 23RD DAY OF JANUARY, 2013

Hon'ble Smt. Justice Prabha Sridevan ...Chairman
Hon'ble Shri D.P.S. Parmar ...Technical Member (Patents)

1. Dr. P. Parikumar,
The Light Eye Hospital,
39-D, Bypass Road,
Dharmapuri – 636 701.

2. Dr. Samuel JK Abraham,
C-16, NSK Salai,
Vadapalani,
Chennai – 600 026. ... Appellant
(Represented by – Shri P.V.S. Giridhar)

Vs.

1. The Controller General of Patents,
Intellectual Property Building
G.S.T. Road, Guindy,
Chennai – 600 026.

2. The Deputy Controller of Patents and Designs
Intellectual Property Building,
G.S.T. Road, Guindy,
Chennai – 600 026. ... Respondent
(Represented by - None)

ORDER (No.17 of 2013)

Hon'ble Smt. Justice Prabha Sridevan, Chairman

The appellant is aggrieved by the rejection of his PCT application on the ground that it is not in proper format and the fees paid is insufficient. The appellant re-submitted the application which was rejected on 4.5.2011 and a subsequent order dated 27.12.2011 on the ground that the 31 months period prescribed had lapsed. This appeal has been filed challenging the order and seeking a direction to the respondents to take on file the application.

2. Section 138 (4) of the Patents Act, 1970 (Act in short) provides that the PCT application designating India will have the effect of filing an

application for patent u/ss 7, 54 & 134 and the title, description, claims, abstract and drawings, if any, filed in the International application shall be taken as complete specification for the purposes of this Act. Section 139 provides that all the provisions of this Act will apply to a convention application. Therefore the appellant was bound to file the complete specification as he had filed in the International application. This application contained 20 claims. According to First Schedule(Rule 7 of the Patents Rules (Rules in short) a fee of Rs.1000/- is prescribed for Form 1 and an additional fee of Rs.200/- for each claim in excess of 10 claims is to be paid. Therefore the appellant herein ought to have paid a fees of Rs.3000/-. (1000+200x10). The fees paid by him were adequate for only 17 claims and not 20 claims. The application filed by him including Form 1 & 2 were presented on 4.2.2011, which was before expiry of the 31 months period. Therefore the filling was in accordance with law. The Controller had returned the application on the ground that the fees were insufficient.

3. The learned counsel for the appellant submitted that u/s 15 of the Act, the Controller had the discretion to either refuse the application or require that application, specification or other documents to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so. According to the learned counsel, the Controller had failed to excise the discretion vested in him and that he ought to have called upon the appellant to rectify the defect. The learned counsel submitted that if the Controller had informed him that the fees was inadequate and whether the appellant was willing to amend the claim, the appellant would have immediately deleted 3 claims and the fees paid by him namely Rs.2500/- would have been adequate for examination of 17 claims.

4. The learned counsel submitted that u/s 57(6), the appellant had the right to amend his specification in compliance of the Controllers direction and this right could not be watered down by the time limit prescribed in the rules. The learned counsel also referred to Rule 20 which provides that the appellant in respect of an International application shall pay before the time limit prescribed in sub rule 4(i), the National fee and other fee to the Patent office, Rule 4(i) prescribes period of 31 months. The learned counsel submitted that since the application has been presented in time. The time limit for payments under Rule 20 would be directory and not mandatory. The learned counsel submitted that there may be an arithmetical error in the computation of fees or a misinterpretation of the entries due to sheer inadvertence and such inadvertent error cannot result in the patent application being shut out at the threshold.

5. The learned counsel submitted that Section 142 (3) of the Act is concerned with the filing of the documents of the Patent Office and not to application for grant of patents. The learned counsel also submitted that Sec.142 (2) provides that the fee is payable for doing an Act, the Controller shall not do that Act until the fees paid.

6. The learned counsel submitted that the Controller did not exercise the jurisdiction under Rule 138 to extend the time provided for doing any Act for a period of 1 month if they fits to do so. According to the learned counsel this lapse was also unreasonable and illegal. The learned

counsel also submitted that by returning the application for compliance after the expiry of the 31 months provided under the Act, the Controller had deprived the applicant of a very valuable right. The learned counsel relied on MANU/TN/1404/2012 – N.P. Palanisamy Vs. State of Tamil Nadu & Ors. where the High Court of Madras held that the time limit provided in the Tamil Nadu Co-operative Societies Act, 1983 can only be directory and not mandatory like the provisions related to limitation.

7. The relevant Provisions of Patent Act, 1970 and Patent Rules 2003 are reproduced below:

Sec.7(1A) – Every international application under the Patent Cooperation Treaty for a patent as may be filed designating India shall be deemed to be an application under this Act, if a corresponding application has also been filed before the Controller in India.

Sec. 7(1B) – The filing date of an application referred to in sub-section (1A) and its complete specification processed by the patent office as designated office or elected office shall be the international filing date accorded under the Patent Cooperation Treaty.

Sec. 15 – Power of Controller to refuse or require amended applications, etc., in certain case. – Where the Controller is satisfied that the application or any specification or any other document filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may refuse the application or may require the application, specification or the other documents, as the case may be, to be amended to his satisfaction before he proceeds with the application and refuse the application on failure to do so.

Sec. 138 (4) – An international application filed under the Patent Cooperation Treaty designating India shall have effect of filing an application for patent under section 7, section 54 and section 135, as the case may be, and the title, description, claim and abstract and drawings, if any, filed in the international application shall be taken as complete specification for the purposes of this Act.

Sec. 142 – Fees – (1) There shall be paid in respect of the grant of patents and applications therefore, and in respect of other matters in relation to the grant of patents under this Act, such fees as may be prescribed by the Central Government.

(2) Where a fee is payable in respect of the doing of an act by the Controller, the Controller shall not do that act until the fee has been paid.

(3) Where a fee is payable in respect of the filing of a document at the patent office, the fee shall be paid along with the document or within the prescribed time and the document shall be deemed not to have been filed at the office if the fee has not been paid within such time.

Rule 7 (1) – Fees – The fees payable under section 142 in respect of the grant of patents and applications therefore, and in respect of other matters for which fees are required to be payable under the Act shall be as specified in the First Schedule.

Rule 20 (4) (i) – The time limit referred to in sub-rule (2) shall be thirty one months from the priority date as referred to in Article 2(xi);

(ii) Notwithstanding anything contained in clause (i), the Patent Office may, on the express request filed in Form 18 along with the fee specified in First Schedule, process or examine the application at any time before

thirty one months.

Rule 138 – Power to extend time prescribed – Save as otherwise provided [in the rules 24B, sub-rule (4) of rule 55 and sub-rule (1A) of rule 80], the time prescribed may be extended by the Controller for a period of one month, if he thinks it fit to do so and upon such terms as he may direct.

8. From an examination of the Act and the Rules, we find that the Act and Rules make a difference between “application” and “documents”. The Section 15 clearly states that the Controller can call upon the applicant to amend the application or specification or any other documents to be amended. Therefore the Controller ought to have stated that the fees paid is adequate only for 17 claims and afford an opportunity to the applicant to delete, remaining 3 claims if he so desires, as the fees paid by him within the time prescribed under the Act was adequate only for 17 claims.

9. The learned counsel clearly affirmed that the appellants are willing to delete 3 claims and will be satisfied if the application is considered along with only 17 claims. This statement is recorded. In these circumstances, we are not going in to issue whether the Controller should have given the appellant 1 month time under Rule 138.

10. In the European Union where the application is held to be not in order purely on the ground of insufficient fees 1 month time is given, when it was necessary the IPAB may consider that issue but in the circumstance of this case we do not think, it is necessary for us to do so.

11. Further the Controller’s rejection of the application on the last date only on the ground of insufficient of fees appears to be unreasonable since the appellant has not been given an opportunity to rectify his mistake. The patent application may fail for other reasons but not because perhaps by a miscalculation or arithmetical error, the correct fees has not paid. In this case there are the following factors which persuade us to interfere. 1) The rejection of the application was beyond the 31 months making it impossible for the applicant to set the lapse right. Therefore, we must allow the appeal.

12. This application has not been entertained by the Controller of the impugned order, now that we are sending it back, we feel that there may be some difficulty in restoring the chronological order because the Patent Office would not have a record. The Controller must have a record of every application that is filed. It is suggested that when an application is filed it must be given a number which is provisional as for example A-No., P-No., or S.R. No.. Once the Controller examines the application and finds it in order for taking it on record then an application number is given according to Rule 11. So there are 2 stages, the first when the application is merely received and a provisional No. is given, then when the application is taken on record and an application number is given according to Rule 11. If this procedure is followed then when situation like the instant case arises, proceeding further will be easy.

13. In the result, we allow the appeal, the appellant can resubmit the application which was returned by the communication dated 7.2.2011 (No.013716) and the appellant shall indicate which of the 3 claims he is willing to delete. It is made clear that we are not permitting an amendment but only deletion and thereafter the Controller shall proceed with this

application according to Law. In the meantime, if any other fees payable towards the statutory forms necessary for the publication and examination, is due it must be paid within the time specified by the Controller. The Controller shall pass an order for taking this application on record accordingly.

(D.P.S. Parmar) (Justice Prabha Sridevan)

Technical Member (Patents) Chairman

SRK

REPORTABLE : YES / NO

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