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Court : Kerala

Decided On : Jun-11-2012

Reported in : 2012(3)KLT351; 2012(3)KLJ600

Judge : P.N. Ravindran

Appeal No. : WP(C). No. 34371 of 2010(V)

Appellant : S. Prasannan

Respondent : The Controller General of Trademark and Others

Judgement :

1. The interpretation to be placed on rule 7 of the Patents Rules, 2003, arises for consideration in this writ petition. The brief facts of the case are as follows:

2. The petitioner submitted an application for a patent under section 7 of the Patents Act, 1970 (hereinafter referred to as 'the Act' for short) accompanied by a provisional specification relating to "The method and manner of a device for mechanical automatic water level controller". The fee payable on an application for a patent accompanied by a provisional specification by a natural person at the relevant time was Rs.1,000/-. The petitioner however paid only Rs.750/- as fee by demand draft dated 17.1.2005 drawn on City Union Bank Ltd. Since there was a deficiency in the fee payable, the petitioner was called upon to pay the deficit fee of Rs.250/- which he paid by demand draft dated 5.2.2005. Thereupon a receipt dated 17.2.2005 [Ext.P1(2)] was issued to his attorney. It was mentioned therein

that a formal receipt for application number will follow. On the same day the original of Ext.P1 receipt No.44 dated 17.2.2005 was issued wherein the date 17.2.2005 was entered after striking off the following entry namely, 19.01.05 3:07:30 PM. It was also stated therein that the application has been numbered as Patent Application No.44/CHE/2005 and the date and time of submission of the application was mentioned as 19.01.05, 3:07:30 PM.

3. Section 7(1) of the Act stipulates that every application for a patent shall be for one invention only and shall be made in the prescribed form and filed in the patent office. Sub section (4) of section 78 of the Act stipulates that every such application (not being a convention application or an application filed under the Patent Cooperation Treaty designating India) shall be accompanied by a provisional or a complete specification. Section 9(1) of the Act stipulates that where an application for a patent (not being a convention application or an application filed under the Patent Cooperation Treaty designating India) is accompanied by a provisional specification, a complete specification shall be filed within twelve months from the date of filing of the application. It is also stipulated that if the complete specification is not so filed, the application shall be deemed o be abandoned. The petitioner submitted the complete specification on 20.1.2006, well within the period of one year from the date on which he remitted the fee of Rs.1,000/- ion full. No objection was taken to the filing of the complete specification and his application was not treated as abandoned for non filing of the complete specification within 12 months from the date of filing of the application as stipulated in sub section (1) of section 9 of the Act.

4. Section 11 of the Act stipulates that there shall be a priority date for each claim of a complete specification. In sub section (2) thereof it is stipulated that where a complete specification is filed in pursuance of a single application accompanied by a provisional specification, the priority date of that claim shall be the date of filing of the relevant specification, meaning thereby the provisional specification. Section 118 of the Act stipulates that no application for a patient shall be examined unless the applicant or any other interested person makes a request in the prescribed manner, for such examination, within the prescribed period. The period for submission of a request for examination of an application for a patent is prescribed

in rule 24B of the Patents Rules, 2003 (hereinafter referred to as 'the Rules' for short), wherein it is stipulated that a request for examination under section 11B shall be made in Form 18, within 48 months from the date of priority of the application, or, from the date of filing of the application, whichever is earlier.

5. The petitioner applied for examination of his application for a patent, by submitting Ext.P2 application dated 17.12.2008. The fee payable by an individual on an application for examination under section 11B of the Act red with rule 24B of the rules is Rs.2,500/-. Along with Ext.P2 application the petitioner enclosed three demand drafts, one dated 27.5.2008 for the sum of Rs.1,000/- another dated 18.9.2008 for the sum of Rs.1,000/- and yet another dated 17.12.2008 for the sum of Rs.5,00/- towards the fee payable on an application for examination of the application for a patent. The competent authority received the application on 19.12.2008. It was then noticed that one of the three demand drafts namely, the demand draft dated 27.5.2008 for the sum of Rs.1,000/- was a stale demand draft as six months had expired, after it was issued. He therefore returned all the demand drafts to the petitioner's attorney along with Ext.P3 letter dated 12.1.2009, 23 days after the request for examination of the application for a patent was received by him. The petitioner received the original of Ext.P3 letter along with the three demand drafts on 19.1.2009.

6. The petitioner got the demand draft dated 27.5.2008 revalidated with the date 21.1.2009 and forwarded all the three demand drafts to the second respondent along with Ext.P4 letter dated 23.1.2009 through his attorney. In that letter the petitioner's attorney also sought an examination of the application for a patent. The second respondent received Ext.P4 letter on 27.1.2009. 12 days later, he returned the demand drafts and the documents accompanying the request for examination to the petitioner's attorney along with Ext.P5 letter dated 9.2.2009 on the ground that the period of 48 months stipulated for filing the request for examination of the patent application expired on 19.1.2009. The petitioner thereupon caused Ext.P6 representation dated 11.2.2009 to be submitted through his attorney to the second respondent wherein it was contended that the second respondent erred in proceeding on the basis that the date of filing of the application is 19.1.2005 and not 17.2.2005. Alternatively, it was contended that

even if 19.1.2005 is taken as the date of filing of the application, as the demand drafts had been received along with the request for examination on 19.12.2008 (admittedly within the period of 48 months), the request for examination should have been entertained and acted upon. In Ext.P6, the petitioner's attorney also sought a personal hearing to substantiate the contentions raise din Ext.P7. Along with Ext.P6 representation, the petitioner's attorney re-submitted the very same demand drafts which were received back by him along with Ext.P5. No reply was however given to Ext.P6 representation and the petitioner's application for examination of the patent application was not taken up for consideration.

7. The petitioner then noticed that in the website of the respondents, the status of the petitioner's application or a patient was shown as having been withdrawn under section 11B(4) of the Act. The petitioner thereupon submitted Ext.P9 representation dated 20.3.2010 through his attorney to the Controller General of Patents, the first respondent herein, requesting him to take immediate action to rectify the status of the application and to notify the correct status of the application. The first respondent sent Ext.P10 letter dated 30.3.2010 in reply, calling upon the petitioner's attorney to make available a copy of Ext.P3 letter dated 12.1.2009, received by the petitioner on 19.1.2009. The petitioner's attorney thereupon forwarded a copy of Ext.P3 letter to the first respondent along with Ext.P11 letter dated 5.4.2010. When no reply was received, the petitioner's attorney sent Ext.P12 letter dated 10.9.2010 to the first respondent requesting him to take immediate steps to rectify the wrong entry regarding the status of the petitioner's application for a patent. The instant writ petition was thereafter filed on 12.11.2010 seeking the following reliefs:

"(I) Issue a writ of mandamus, or other appropriate writ, order or direction, calling for the records of Ext.P1 application filed by the petitioner, examine the same and issue necessary corrective orders in the interests of justice.

(II) Issue a writ of mandamus, or other appropriate writ, order or direction, directing the 1st and 2nd respondents to rectify Ext.P1 so as to reflect the correct status of Ext.P1 application.

(III) Issue a writ of mandamus, or other appropriate writ, order or direction, directing the 1st and 2nd respondents to take up Ext.P1 application for Examination and issue an Examination Report to the petitioner."

8. The main contention raised by the petitioner is that as the complete specification submitted on 20.1.2006 was received without any objection by treating 17.2.2005 as the date of the application and as the request for examination of the patent application was made on 17.12.2008, within 48 months from the date of submission of the application namely, 17.2.2005, the stand taken by the respondents that the petitioner's application for a patent stands withdrawn is not sustainable in law. It is contended that as the application for examination of the application for a patent was submitted within time, the second respondent ought to have forwarded it to an Examiner for making a report in terms of section 12 of the Act. It is contended that as no objection was taken to the filing of the complete specification on 20.1.2006, the respondents cannot thereafter be heard to contend that the date of filing of the application for a patent has to be reckoned as 19.1.2005 and not as 17.2.2005. Though the respondents have been served and have entered appearance, they have not till date filed a counter affidavit.

9. I heard Smt. Uma Murthy, learned counsel appearing for the petitioner and Sri.P.Parameswaran Nair, learned Assistant Solicitor General of India appearing for the respondents. The learned counsel appearing for the petitioner contended that the application for a patent accompanied by the provisional specification was submitted on 17.2.2005, that the deficiency in the fee was made good and the entire fee remitted by way of two demand drafts, one dated 17.1.2005 and the other dated 5.2.2005 and in the receipt acknowledging payment of the fee of Rs.1,000/- issued on 17.2.2005, it was mentioned that a formal receipt for application number will follow and therefore for all purposes the application for a patent can be said to have been filed only on 17.2.2005 and not on 19.1.2005 when the application was initially filed without the prescribed fee. The learned counsel contended that it is evident from the first page of Ext.P1 that the date on which the application was submitted was 17.2.2005 and not 19.1.2005 and therefore, the stand taken by the second respondent in Ext.P5 letter dated 9.2.2009 that the period of 48 months prescribed for filing the request for

examination expired on 19.1.2009 cannot be sustained. The learned counsel for the petitioner contended that in any case as the complete specification was received without demur on 20.1.2006, the second respondent cannot thereafter contend that the request for examination filed on 17.12.2008 and received by him on 19.12.2008 was not within the stipulated time. The learned counsel for the petitioner contended that as the request for examination was received on 19.12.2008, even if one of the demand drafts which was submitted along with the application was a stale demand draft, the second respondent ought to have immediately returned the demand draft instead of waiting for 24 days to return it along with Ext.P3 letter dated 12.1.2009 and if the demand draft had been returned promptly, the petitioner could have resubmitted the application before 19.1.2009 on which date, according to the second respondent, the period of 48 months prescribed under rule 24B of the rules to submit the request for examination of the application, expired.

10. Per contra, the learned Assistant Solicitor General of India contended relying on rule 7 of the rules that the mere fact that there was a deficiency in the fee tendered along with the application for a patent is not a reason to hold that the application for a patent can be deemed to have been filed only when the deficiency in the fee was made good, that it was open to the second respondent to accept the fee in pat and to allow the remaining fee to be paid within one month from the date of filing of the document notwithstanding the expiry of the due date for filing of such document and on such payment, the document shall be deemed to have been taken on record from the date of its filing. The learned Assistant Solicitor General submitted that as the petitioner had paid the fee of Rs.750/- on 19.1.2005, the mere fact that the balance fee of Rs.250/- was paid only on 17.2.2005 cannot be a reason to hold that the application for a patent was filed only on 17.2.2005 and not on 19.1.2005, as contended by the petitioner. The learned counsel also placed reliance on clause (c) of sub rule (2) of rule 7 of the rules.

11. I have considered the submissions made at the Bar by the learned counsel on either side. I have also gone through the pleadings and the materials on record. The fact that the petitioner’s application for a patent accompanied by a provisional

specification was first submitted on 19.1.2005 is not disputed. The fee payable by an individual on an application for a patent accompanied by a provisional specification is Rs.1,000/-. The petitioner had initially paid only Rs.750/- as fee. He paid the balance fee of Rs.250/- only on 17.2.2005. Thereupon receipt No.44 dated 17.2.2005 was issued and the application was given the number 44/CHE/2005. These facts are not in dispute. Sub section (1) of section 9 of the Act stipulates that where an application for a patent is accompanied by a provisional specification, a complete specification shall be filed within twelve months from the date of filing of the application and if the complete specification is not to filed, the application shall be deemed to be abandoned. It is not in dispute that the petitioner filed the complete specification on 20.1.2006 and it was received without demur on that day. At that stage, the second respondent did not take the stand that the complete specification was not filed within 12 months from the date of filing of the application i./e., from 19.1.2005.

12. Section 11(2) of the Act stipulates that where a complete specification is filed in pursuance of a single application accompanied by a provisional specification or a specification which is treated by virtue of a direction under sub section (3) of section 9 as a provisional specification and the claim is fairly based on the matter disclosed in the specification referred to in clause (a) or clause (b), the priority date of that claim shall be the date of the filing of the relevant specification, namely, the provisional specification. Section 11B(1) of the Act stipulates that no application for a patent shall be examined unless the applicant or any other interested person makes a request in the prescribed manner for such examination within the prescribed period. The period for making a request for examination in terms of section 11B of the Act is prescribed in rule 24B of the rules. Clause (i) of sub rule (1) of rule 24B of the Rules stipulates that the request for examination under section 11B shall be made in Form 18 within 48 months from the date of priority of the application or from the date of filing of the application, whichever is earlier. The rule itself contemplates two dates, namely the date of priority of the application or the date of filing of the application and stipulates that the earlier of the two dates shall be the date from which the period of 48 months has to be computed. While the petitioner contends that the date on which the application was filed was 17.2.2005, the stand taken by the respondents is that the application should be

deemed to have been filed on 19.1.2005 when it was first tendered along with the fee of Rs.750/- and the provisional specification. Reliance is place don rule 7 of the rules in support of the said contention. Rule 7 of the rules reads as follows:

“7. Fees-(1) The fees payable under section 142 in respect of the grant of patents and applications therefor, 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.

(2)(a) The fees, payable under the Act may either be paid in cash or through electronic means or may be sent by bank draft or cheque payable to the Controller of Patents and drawn on a scheduled bank at the place where the appropriate office is situated. If the draft or cheque is sent by post, the fees shall be deemed to have been paid on the date on which the draft or cheque would have reached the Controller in the ordinary course of mail.

(b) Cheques or drafts not including the correct amount of commission and cheques on which the full value specified therein cannot be collected in cash shall be accepted only at the discretion of the Controller.

(c) Where a fee is payable in respect of a document, the entire fee shall accompany the document.

Provided that the Controller may accept the fee in part and allow remaining part of the fee to be paid at any time within one month from the date of filing of the document notwithstanding the expiry of the due date for filing of such document and on such payment the document shall be taken on record from the date of its filing. (emphasis supplied)

(3) In case an application processed by a natural person is fully or partly transferred to a person other than a natural person, the difference, if any, in the scale of fee(s) between the fee(s) charged from a natural person and the fee(s) chargeable from the person other than the natural person in the same matter shall be paid by the new applicant with the request for transfer.

(4) Fees once paid in respect of any proceeding shall not ordinarily be refunded irrespective of whether the proceeding has taken place or not.

(5)(i) Subject to the approval of the Controller, any person may deposit money in advance and request the Controller to realize any fee payable by him from the said deposit and in such case the date of the receipt of the request to realize the fee or the date on which the request to realize the fee is deemed to have been received, whichever is earlier, shall be taken as the date of payment of the fee.

Provided that the requisite amount of money is available at the credit of the person making such request.

(ii) Subject to the approval of the Controller, any person may discontinue the deposit of money in advance and in such case the balance, if any, shall be refunded.

13. Sub rule (1) of rule 7 stipulates that the fee payable under section 142 in respect of the grant of patents and applications therefor, and in respect of other matters for which fees are required to be paid under the Act shall be as specified in the First Schedule. Clause (a) of sub rule (2) of rule 7 stipulates that the fee payable under the Act may either be paid in cash or through electronic means or may be sent by bank draft or cheque payable to the Controller of Patents and drawn on a scheduled bank at the place where the appropriate office is situated. It is stipulated that if the draft or cheque is sent by post, the fees shall be deemed to have been paid on the date on which the draft or cheque would have reached the Controller in the ordinary course of mail. Clause (b) of sub rule (2) of rule 7 stipulates that cheques or drafts not including the correct amount of commission and cheques on which the full value specified therein cannot be collected in cash shall be accepted only at the discretion of the Controller. Clause (c) of sub rule (2) of rule 7 stipulates that where a fee is payable in respect of a document, the entire fee shall accompany the document. It is clear from clause (c) of sub rule (2) of rule 7 of the rules that an application for a patent or any other application should be accompanied by the entire fee payable on that application. The learned Assistant Solicitor General however contended relying on the proviso to clause (c) of sub rule (2) of rule 7 that as the Controller had accepted the fee in part and allowed the remaining part of the fee to be paid, the application should be deemed to have been taken on record from the date on which it was initially filed namely,

19.1.2005. I am afraid such an interpretation cannot be placed on clause (c) of sub rule 92) of rule 7 of the rules in the matter of filing of an application for a patent.

14. It is evident from clause (c) of sub rule (2) of rule 7 that any document including an application for a patent accompanied by a provisional specification or a complete specification or a request for examination has to be accompanied by the entire fee. In the instant case, the petitioner initially submitted the application for a patent on 19.1.2005. Though the application was to be accompanied by the prescribed fee of Rs.1,000/-, it was accompanied by a demand draft for the sum of Rs.750/- only. There was a deficiency of the sum of Rs.250/- in the fee payable on the application. That deficiency was made good only when the petitioner tendered another demand draft for Rs.250/- on 17.2.2005. Thereupon, a receipt was issued and the application was numbered as 44/CHE/2005. The proviso to clause (c) of sub rule (2) of rule 7 does not in my opinion apply to the very filing of an application for a patent. All that the proviso stipulates is that the Controller may accept the fee in part and allow the remaining part of the fee to be paid within one month from the date of filing of the document notwithstanding the expiry of the due date for filing of such document and on such payment, the document shall be taken on record from the date of its filing. The proviso on its very terms does not apply to the initial filing of an application for a patent. It can apply only to applications made after an application for a patent is filed, namely a request for examination of the patent application or various other applications which have to be made within a stipulated time after the filing of an application for a patent.

15. There is no time limit stipulated in the Act for the submission of application for a patent accompanied by a provisional specification or a complete specification. The time limit is stipulated only for submitting a complete specification and to make a request for examination of the application and for various other matters. The effect of the proviso to clause (c) of sub rule 2 of rule 7 is that if the Act or the Rules prescribe a time limit for the filing of a document or an application, the Controller is empowered to accept payment of the fee in part and to permit the balance fee to be paid within one month from the date of filing of the document/application, notwithstanding the fact that by the grant of such time, the date for filing of the application/document would have expired. It is also stipulated

that when the Controller grants time in terms of the proviso, the document shall be taken on record from the date of its filing, meaning thereby any deficiency in the fee is condoned. By no stretch of imagination can it be said that proviso to clause (c) of sub rule (2) of rule 7 relied on by the learned Assistant Solicitor General would govern an application for a patent made for the first time, which in the instant case was an application made on 19.1.2005. The proviso cannot therefore in my opinion be relied on to hold that though the fee was paid in full only on 17.2.2005, the application for a patent accompanied by a provisional specification should be deemed to have been taken on record from 19.1.2005. The proviso to clause (c) of sub rule (2) of rule 7 of the rules can in my opinion apply only to applications/documents which have to be filed within a stipulated time after the filing of an application for a patent and not to the very application for a patent, for the filing of which, no time limit is prescribed in the Act. I accordingly overrule the contention raised by the learned Assistant Solicitor General that in the instant case, the application for a patent was filed on 19.1.2005 and hold that the application was filed only on 17.2.2005 when the fee of Rs.1,000/- payable on that application was paid in full by the petitioner and received by the second respondent and thereupon, the application was given the number 44/CHE/2005.

16. As stated earlier, the petitioner filed the complete specification on 20.1.2006, which is well within the period of 12 months from the date of filing of the application (17.2.2005) and it was received without demur. The petitioner thereafter submitted Ext.P2 request for examination of the patent application and it was received on 19.12.2008. Ect.P2 application was submitted along with three drafts of the aggregate value of Rs.2,500/- being the fee payable by an individual on an application for examination of the application for a patent. The demand drafts were dated 27.5.2008, 18.9.2008 and 17.12.2008. One of the demand drafts was a stale demand draft and therefore all the three demand drafts were returned to the petitioner’s attorney along with Ext.P3 letter dated 12.1.2009. Even if 19.1.2005 is treated as the date of filing of the application for a patent, as on 19.12.2008, the period of 48 months had not expired. In the instant case, the period of 48 months expired only on 17.2.2009. As per the proviso to clause (c) of sub rule (2) of rule 7 relied on by the learned Assistant Solicitor General when the fee payable on the request of examination of the application for patent was

tendered, the second respondent could have accepted the demand drafts for Rs.1,500/- and given time to the petitioner to make good the deficiency in the fee by replacing the stale demand draft for Rs.1,000/- in terms of clause (c) of sub rule (2) of rule 7 of the rules. Instead, 23 days after the request for examination was received, he returned the three demand drafts and Ext.P2 application to the petitioner's attorney. The petitioner received back Ext.P2 application and the demand drafts on 19.1.2009 and re-submitted the application on 23.1.2009 along with Ext.P4 letter. At that stage, the second respondent took the stand that the request for examination was not filed within 48 months from the date of filing of the application for a patent, which expired on 19.1.2009. Consequently, the status of the petitioner's application was shown as deemed to have been withdrawn under section 11(4) of the Act. In view of my finding that the application was filed only on 17.2.2005, the stand taken by the respondents cannot be sustained. As stated earlier, the respondents have no case that the petitioner's application stood abandoned on the expiry of the period of 12 months computed from 19.1.2005. Even in Ext.P5 such a case is not put forward. Even in the website all that is shown is that the application is deemed to have been withdrawn. At the time when the petitioner tendered the request for examination, he was not informed that his application stood abandoned for not filing the complete specification within 12 months from the date of filing of the application. I

Accordingly hold that the petitioner is entitled to succeed.

For the reasons stated above, I allow the writ petition, set aside Ext.P5 and declare that Ext.P2 application submitted by the petitioner for examination of the application for patent filed by him was filed within time. Consequently, there will be a direction to the second respondent to take up the application filed by the petitioner for a patent and the accompanying papers for examination in terms of section 12 of the Act and take further steps as are required in law for disposal of the said application. I also direct the competent authority among the respondents to show the correct status of the petitioner's application for a patent on the website. Necessary steps in that regard shall be taken and the correct status of the petitioner's application for a patent displayed within two weeks from the date on which the petitioner produces a certified copy of this judgment before the first

respondent. The parties shall bear their respective costs.

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