

*** IN THE HIGH COURT OF DELHI AT NEW DELHI**

Judgment reserved on: 12.03.2018
Judgment pronounced on: 19.03.2018

+ W.P.(C) 3250/2017 & C.M. No.26210/2017

SNECMA

..... Petitioner

Through: Mr. Gaurav Miglani with Mr.
Davesh Vashishtha, Advocates.

versus

UNION OF INDIA AND ANR.

..... Respondents

Through: Mr. Kritiman Singh, CGSC for UOI
with Mr. Prateek Dhanda, Advocate.

CORAM:

HON'BLE MR. JUSTICE RAJIV SHAKDHER

RAJIV SHAKDHER, J.

1. This action has been initiated to assail communication dated 17.3.2017 and 3.4.2017 which are appended as Annexure-D & Annexure-A respectively to the petition. These communications have been addressed by respondent no.2 to the petitioner herein.

1.1 I may only indicate that the date appended on Annexure-D has been erroneously set out as 17.4.2017, whereas the correct date is 17.3.2017.

1.2 In so far as this aspect of the matter is concerned, there is no dispute raised before me by learned counsel for the parties.

2. Moving further and in order to adjudicate upon the present petition the following broad facts are required to be noticed.

3. The petitioner had evidently filed an application for grant of patent in India corresponding to PCT/ FR/2014/050623. This application was filed on 18.3.2014 and was titled “*Blade and Blade Dihedral Angle*”.

3.1 While filing this application, priority was claimed based on French patent application bearing No.1352495, dated 20.3.2013.

3.2 Undoubtedly, the petitioner was required to enter the Indian National Phase Patent application within 31 months of the date of priority as provided in Rule 20(4)(i) of the Patent Rule, 2003 (2003 Rules). The period of 31 months, undisputedly, was to end on 20.10.2015.

3.3 The petitioner, however, moved the Controller of Patents (in short 'Controller') for this purpose only on 6.11.2015. Since, there was delay applications were filed under Rule 137 and 138 of 2003 Rules along with the Indian National Phase Patent application.

3.4 It is pertinent to note at this juncture that Rule 138 stood amended w.e.f. 16.5.2016.

4. Continuing with narration, the petitioner made a request for examination in terms of Rule 24B of the 2003 Rules via its authorized agent in India on 3.3.2017. As per the said provision, the request for examination had to be made in the prescribed form within 48 months from the date of priority of the application or from the date of filing of the application whichever was earlier.

5. Consequently, the due date, or the terminal date for this purpose fell on 20.3.2017. The petitioner filed its request for examination along with the prescribed fee. The fee, however, was paid on behalf of the petitioner by way of a cheque instead of a demand draft or other prescribed modes.

6. It is in these circumstances that the first impugned communication was addressed to the petitioner. Via this communication, the petitioner was told that its request could not be taken on record as the fee payable had been submitted in the form of a cheque whereas the amended rules i.e., Patent Amendment Rules of 2016 (hereafter “2016 Rules”) required an applicant to pay the requisite fee only via demand draft/ banker’s cheque or cash. Furthermore, it was indicated that Rule 4(1)(A) of the 2016 Rules required the duly authenticated documents to be transmitted via electronic mode.

6.1 This communication, though, pertinently ended with a request to the petitioner to submit the requisite fee via demand draft/ banker’s cheque or cash and to have the documents despatched by taking recourse to speed post or registered post. Consequently, the cheque which the petitioner had submitted in the sum of Rs.22,000/- was returned by respondent no.2.

6.2 Petitioner’s agent in India, it appears, received the aforementioned impugned communication only on 23.3.2017. The petitioner claims that via a return mail dated 28.3.2017 the demand draft along with supporting documents was despatched to respondent no.2.

7. The petitioner avers that instead of processing its request for examination, respondent no.2 via the second impugned communication dated 3.4.2017 indicated to the petitioner’s agent that the same could not be taken on record since it had been received beyond the statutory time limit of 48 months, calculated from the date of priority.

7.1 According to respondent no.2, the time limit expired on 20.3.2017 since the date of priority in the petitioner’s case was 20.3.2013.

Resultantly, the petitioner's banker's cheque in the sum of Rs.22,000/- was returned by respondent no.2.

8. The petitioner, being aggrieved, has approached this Court with a plea that the impugned communications be set aside and respondent no.2 be directed to take on record its request for examination.

9. Notice in this case was issued to the petitioner on 17.4.2017, whereupon a counter affidavit has been filed by the respondents.

9.1 It appears that the matter, for some reason or the other, could not be taken up for final hearing. However, the record shows that on 6.2.2018 respondent's counsel sought time to examine whether petitioner's application received under Rules 137 and 138 of the 2003 Rules could be examined in the light of the rules which were applicable when the application was first filed.

10. As indicated above, the Rule 138 of the 2003 Rules was amended on 16.5.2016. There is, however, no dispute that an application on behalf of the petitioner for seeking entry into the Indian National Phase was filed on 6.11.2015 i.e., prior to the amendment of Rule 138.

11. Given these facts the following aspects arise for consideration: First as to whether the respondent no.2 ought to have processed the request made by the petitioner for examination once the requisite fee was paid by it in the prescribed mode. Second, whether the sustainability of application filed on behalf of the petitioner to enter the Indian National Phase in terms of Rule 20(4)(i) of the 2003 Rules would be examined in light of amended as against unamended Rules.

11.1 It is important to note that the second issue has really arisen on account of arguments advanced on behalf of the respondents by Mr.

Kirtiman Singh. It was suggested by learned counsel since the application for extension of time for entering Indian National Phase was not filed before expiry of the period of 31 months, i.e., before 20.10.2015, any direction, if at all issued to consider the petitioner's request for examination would be an exercise in futility. Reliance in this behalf was placed by Mr. Kirtiman Singh on sub-rule (2) of the amended Rule 138 of the 2003 Rules. As a matter of fact, it was Mr. Kirtiman Singh's submission even if unamended Rule 138 was applied, the position would be no different.

12. It is relevant to note at the very outset that this is not an objection taken in the impugned communication by respondent no.2. Therefore, counsel for the petitioner says and, in my view quite correctly, that the objection taken by the respondents goes beyond what is articulated in the impugned communication. In line with this reasoning counsel for the petitioner has submitted that the petitioner has filed applications under Rules 137 and 138 (unamended Rules) for correction of irregularity and/ or for condonation of delay in filing the application for entering the Indian National Phase which ought to be considered on merits and that the impugned communications can have no bearing on it.

12.1 Argument, therefore, is that, whether or not the irregularity and/ or delay is to be condoned is not to be confused with the impugned action of respondent no.2 whereby the petitioner's request for examination was rejected because the fee was not paid in the prescribed mode and manner.

13. Having said so, what is required to be noticed, since an argument has been raised in that behalf is that whether amended Rule 138 would apply in this case. For the sake of convenience amended Rule 138 and unamended Rule 138 are set forth hereafter as the examination of their

scope and effect would be critical in reaching a decision one way or the other: -

Amended Rule 138:

138. Power to extend time prescribed. – (1) Except for the time prescribed in clause (i) of sub-rule (4) of rule 20, sub-rule (6) of rule 20, rule 21, sub-rules (1), (5) and (6) of rule 24B, sub-rules (10) and (11) of rule 24C, sub-rule (4) of rule 55, sub-rule (1A) of rule 80 and sub-rules (1) and (2) of rule 130, the time prescribed by these rules for doing of any act or the taking of any proceeding thereunder 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.

(2) Any request for extension of time prescribed by these rules for the doing of any act or the taking of any proceeding thereunder shall be made before the expiry of such time prescribed in these rules.

Unamended Rule 138:

138. Power to extend time prescribed. – (1) Save as otherwise provided in the Chapter III of these rules, rule 24B, sub-rule (4) of rule 55 and sub-rule (1A) of rule 80, the time prescribed by these rules for doing of any act or the taking of any proceeding thereunder 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.

(2) Any request for extension of time made under these rules shall be made before the expiry of prescribed period.

14. A bare perusal of the amended and unamended Rule 138 would show that Rule 20(4)(i) does not find mention in the latter, that is, unamended Rule 138. However, Rule 20(4)(i) has been specifically incorporated in the amended Rule 138. A plain reading of amended and unamended Rule 138 would show that two limitations have been placed on

the Controller with regard to extension of time. First, extension of time, if any, can only be granted for a period of one month. Second, the request for extension of time is required to be made before the expiry of prescribed period.

14.1 The difference in the two rules, that is, amended and unamended Rule 138 is that while in the amended Rule 138, Rule 20(4)(i) finds a specific mention the said Rule is not referred to in the unamended Rule 138.

14.2 As alluded to above, Rule 20(4)(i) was inserted in Rule 138 w.e.f. 16.5.2016.

14.3 Since, the Indian National Phase application was filed prior to this date, that is, on 6.11.2015, the amended Rule 138 can have, to my mind, no application. However, what is required to be answered is whether unamended Rule 138 would be applicable qua Indian National Phase application. In this context a careful perusal of unamended Rule 138 would show that the two limitations referred to above by me, are confined to Chapter III of the 2003 Rules, Rule 24B, sub-rule (4) of Rule 55 and sub-rule (1A) of Rule 80. The language of unamended Rule 138 makes it clear that the two limitations provided in unamended Rule 138 is restricted to “these rules”, that is, rules contained in Chapter III, Rule 24B Rule 55(4) and Rule 80(1A). Thus, prior to the amendment of Rule 138 applications for extensions or condonation of delay sought under other provision of the 2003 Rules were treated, it appears as an irregularity under Rule 137¹. Therefore, in the given facts and circumstances of the

¹ 137. Powers of Controller generally. – Any document for the amendment of which no special provision is made in the Act may be amended and any irregularity in procedure which in the opinion of the Controller may be obviated without detriment to the interests of any person, may be corrected if the Controller thinks fit and upon such terms as he may direct.

case, if the Controller reaches a conclusion that an amendment could be ordered in a document *qua* which there is no special provision in the Act or any irregularity in procedure could be obviated, he may order correction without causing detriment to the interest of any person on terms thought fit by him. It is precisely for this reason that on behalf of the petitioner applications have been filed both under Rule 137 and under the unamended Rule 138. To be noted, in these applications the petitioner has made reference to the following decision: -

- (i) *Nokia Corporation vs. Deputy Controller of Patents (2001946)PTC(Mad).*
- (ii) Appellate Board's decision in: *Tryton Medical Inc. vs. Controller General of Patents & Trademarks (No.79 of 2015).*

15. I am in agreement with the submission of learned counsel for the petitioner that the applications for obviating irregularity were maintainable and the limitations contained in unamended Rule 138 had no application *qua* provisions other than those referred to therein.

16. I may indicate that Mr. Kirtiman Singh relied upon the judgment dated 16.2.2018, passed in W.P.(C) No.1469/2018, titled: *Sphaera Pharma, PTE Ltd. and Anr.* by another Single Judge of this Court. In my view, the said judgment is distinguishable on facts as it dealt with amended Rule 138 and not with the position which it obtained under unamended Rule 138 and Rule 137. Furthermore, the *Sphaera Pharma* refers to another judgment of a Single Judge of this Court rendered in *Nippon Steel Corporation v. UOI*, dated 8.2.2011, passed in W.P.(C) 801/2011. This judgment is also distinguishable on facts as it deals with the interplay of Sections 11B and 57 (5) of the Patents Act, 1970 and Rule 24B of 2003 Rules. Though, there is a reference to Rule 137, it arises in a different

context altogether and hence this judgment will also have no applicability to the facts obtaining in the instant case.

17. This brings me to the second issue which is adverted to in the impugned communications, whereby, petitioner's request for examination was rejected on the ground that the statutory limit of 48 months has been crossed having regard to the date of priority i.e., 20.3.2013.

17.1 As indicated above, the facts on record reveal that the petitioner had filed a request for examination on 3.3.2017 i.e., before the expiry of the 48 months time limit and that the said application was rejected principally on the ground that the prescribed fee had been paid via a cheque and not in the prescribed mode and manner. This was done despite the fact that respondent no.2 had called upon the petitioner's agent to re-submit the documents with the requisite fee via a demand draft/ banker's cheque or even cash vide his communication dated 17.3.2017.

17.2 To my mind, the respondent no.2 erred in issuing the second impugned communication i.e., communication dated 3.4.2017 as he lost sight of the fact that the request for examination had been made well before the expiry of the 48 month time limit and that it was returned only for the reason that the fee was not paid in the prescribed mode and manner.

17.3 Since, the first communication dated 17.3.2017 was received only after 20.3.2017, steps could have been taken by the petitioner only thereafter.

18. Accordingly, I am inclined to allow the prayer made in the writ petition which is to quash the two impugned communications dated 17.3.2017 and 3.4.2017. It is ordered accordingly. Furthermore, respondent no.2 is directed to take the petitioner's request for examination

on record and to process the same in accordance with the extant provisions.

19. The writ petition is disposed of in the aforesaid terms. There shall, however, be no order as to costs.

**RAJIV SHAKDHER
(JUDGE)**

MARCH 19, 2018
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