

Can a delay in filing a PCT National Phase application in India be condoned? An interesting case on Rule 138 of The Patent Rules, 2003 (Amendment 2016)

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Honorable Justice Vibhu Bakhru of the Delhi High Court (DHC) recently passed a ruling in the case of *Tryton Medical Inc. Vs.. Union of India and Ors.* (W.P.(C) 195/2017 and C.M. No. 888/2017).

The instant case arose out of a petition filed by Tryton Medical Inc., (hereafter referred to as Tryton or Applicant or Petitioner) with the DHC, praying that the Court issue a writ of mandamus or any other appropriate writ, directing the Respondents in the case to comply with the orders and directions passed by the Hon'ble IPAB in the matter of the Petitioners PCT national phase application filed in India.

Background: Tryton filed a PCT application numbered PCT/US/2010/040962 with the USPTO claiming priority from the US application Nos. 61/222744 dated 02.07.2009 and 61/243433 dated 17.09.2009. Tryton was required to file a national phase application in India within a period of 31 months from the earliest priority date; that is, on or before 02.02.2012. Tryton filed a national phase application on the 10th of February 2012 along with a petition under Rule 138^[1] of the Patents Rules, 2003 seeking condonation of delay of 8 days in filing the national phase application. The Controller of Patents (Respondent) considered the petition for condonation

and heard the Petitioner only to reject their application principally on the ground that a delay of 8 days in filing the national phase of the PCT application could not be condoned.

Aggrieved by this decision the Petitioner appealed before the Intellectual Property Appellate Board (IPAB) [0A/10/2014/PT DEL] and submitted the following arguments:

1. As per the provision under the Rule 138[2] the Controller is vested with power to extend the time prescribed for a period of one month.
2. The reason for delay of 8 days was on account of a bonafide error committed by the Applicant's patent agent in docketing the filing of the international application. The said error was committed due to a system failure and the entry was deleted, thereby causing the software to fail in showing any filing reminders before the deadline.
3. The delay was not deliberate and the agent for the Applicant took immediate steps on realizing the system error by filing the national phase application along with a petition to condone delay under Rule 138[3].
4. Provisions under Article 48[4] and Rule 82 bis[5] of PCT and its regulations provide sufficient safeguard to an Applicant in the case of delay in filing an application.
5. The Hon'ble Madras High Court in *Sharma Vs. Deputy Controller of Patents and Designs* [2011 (46) PTC 70 (Mad)] clearly stated that the object of Rule 138[6] was to extend the period prescribed under Rule 20[7] by 'one month' on showing sufficient cause.

The Hon'ble IPAB considered the arguments of the Petitioner and in its order dated 24th March 2015 concurred with the Petitioner that the reading of the provisions under Rule 138[8] make it abundantly clear that the Controller is without a doubt, vested with the power to extend the time by a period of one month after the expiry of the prescribed period of 31

months for submitting a national phase application. The IPAB further disagreed with the Controller's reliance on the provisions under Rule 20[9] and 22[10] of the Patent Rules, 2003 and the Controller's contention that the prescribed time limit of 31 months had expired and that the application was to be deemed withdrawn under Rule 20.[11]

The Hon'ble IPAB relied on *Sharma Vs. Deputy Controller of Patents and Designs* [2011 (46) PTC 70 (Mad)] to find that "the Controller was vested with power to extend the time by one month by exercising the powers under Rule 138[12] and the said Rule was independent of Rule 6(5)[13] or Article 48[14] and Rule 82[15] of PCT." Based on the decision in *Sharma Vs. Deputy Controller of Patents and Designs* [2011 (46) PTC 70 (Mad)]; the IPAB agreed that "On true interpretation" of Rule 138, it could be held that an application for extension needs to be filed within one month after expiry of prescribed time under Rule 20[16] ; and Rule 6(5)[17] or Article 48[18] and Rule 82[19] of PCT rule cannot govern powers under Rule 138[20], as the Controller under this rule is to exercise quasi judicial power.

In light of the findings, the Hon'ble IPAB directed the Controller to condone the delay in filing the national phase application and dispose the application as expeditiously as possible. Despite the orders passed by the IPAB, the Respondent did not take any steps to comply with the directions issued by the appellate board.

The Petitioner was then constrained to file representations before the Respondent who heard the Applicant and opined that the application was "time barred beyond the prescribed time limit and by operation of Rule 22[21] of the Patent Rules, 2003, the same had been deemed to have been withdrawn".

Aggrieved by the aforesaid order, the Petitioner once again approached the IPAB, which considered the grievance of the Petitioner and accepted the contention that the Respondent had

failed to comply with the earlier order. The IPAB in its order dated 7th March 2016 then expressly directed the Respondent to examine the Petitioner's application, making it quite clear that the delay could be condoned. The Respondent, however declined to accept the same and continued to adhere to its earlier stand, that the Petitioner's application was barred by time.

Given this approach of the Respondent, the IPAB in its order dated 7th March 2016 observed that the reading of the impugned order dated 19th January 2016 passed by the Assistant Controller of Patents & Designs, New Delhi demonstrated that it was a classic case of blatant, flagrant, willful and deliberate violation of the principles of judicial discipline by deliberately misreading and misinterpreting the findings rendered by the IPAB. Further, there could be no justification for the Respondent to overlook or brush aside the provisions under Rule 138 and to reject the relief sought for by the Petitioner for extension of time.

Ruling: In light of the contentions put forth by the Petitioner, the Honorable Court held that the Respondents' contention that the Petitioner had adequate alternate remedy, was plainly unmerited and the contention that the Respondents were desirous of challenging the orders passed by the IPAB could not be ground for the Respondents to decline the implementation of the orders of an appellate authority. The DHC while directing the Respondents to comply with the orders passed by the IPAB and examine the Petitioner's national phase application emphasized that *"It is an essential that orders and directions of superior courts/tribunals are followed by the subordinate authorities. Non-adherence to such discipline would be plainly debilitating to the rule of law."*

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Notes:

[\[1\]](#) Rule 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.

[\[2\]](#) Supra note 1

[\[3\]](#) Ibid

[\[4\]](#) Article 48: Delay in Meeting Certain Time Limits –

(1) Where any time limit fixed in this Treaty or the Regulations is not met because of interruption in the mail service or unavoidable loss or delay in the mail, the time limit shall be deemed to be met in the cases and subject to the proof and other conditions prescribed in the Regulations.

(2)(a) Any Contracting State shall, as far as that State is concerned, excuse, for reasons admitted under its national law, any delay in meeting any time limit.

(b) Any Contracting State may, as far as that State is concerned, excuse, for reasons other than those referred to in subparagraph (a), any delay in meeting any time limit.

[\[5\]](#) Rule 82 *quarter* of the PCT regulations: Excuse of Delay in Meeting Time Limits

(a) Any interested party may offer evidence that a time limit fixed in the Regulations for performing an action before the receiving Office, the International Searching Authority, the Authority specified for supplementary search, the International Preliminary Examining Authority or the International Bureau was not met due to war, revolution, civil disorder, strike, natural calamity or other like reason in the locality where the interested party resides, has his place of business or is staying, and that the relevant action was taken as soon as reasonably possible.

(b) Any such evidence shall be addressed to the Office, Authority or the International Bureau, as the case may be, not later than six months after the expiration of the time limit applicable in the given case. If such circumstances are proven to the satisfaction of the addressee, delay in meeting the time limit shall be excused.

(c) The excuse of a delay need not be taken into account by any designated or elected Office before which the applicant, at the time the decision to excuse the delay is taken, has already performed the acts referred to in Article 22 or Article 39.

[\[6\]](#) Supra note 1

[\[7\]](#) Rule 20: International applications designating or designating and electing India.-

(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);

[\[8\]](#) Supra note 1

[\[9\]](#) Supra note 7

[\[10\]](#) Rule 22: Effect of non-compliance with certain requirements. – An international application designating India

shall be deemed to be withdrawn if the applicant does not comply with the requirements of rule 20.

[\[11\]](#) Supra note 7

[\[12\]](#) Supra note 1

[\[13\]](#) Rule 6(5): In case of delay in receipt of a document or a communication sent by the patent office to a party to any proceedings under the Act or these rules, the delay in transmitting or resubmitting a document to the patent office or doing any act by the party may be condoned by the Controller if a petition for such condonation of delay is made by the party to the Controller immediately after the receipt of the document or a communication along with a statement regarding the circumstances of the fact and evidence in support of the statement:

[\[14\]](#) Supra note 4

[\[15\]](#) Supra note 5

[\[16\]](#) Supra note 7

[\[17\]](#) Supra note 13

[\[18\]](#) Supra note 4

[\[19\]](#) Supra note 5

[\[20\]](#) Supra note 1

[\[21\]](#) Supra note 10

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