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26.7.2013

To,

The Controller General of Patents, Designs & Trade Marks  
Bhouthik Sampada Bhavan,  
Antop Hill, S.M. Road,  
Mumbai-400037.

Dear Sir,

**Sub: Comments on "Guidelines for Examination of Computer Related Inventions (CRIs)"**

SFLC.IN is a non profit society based in New Delhi, operating all over India. We provide pro-bono legal representation and other law – related services to protect and advance free, Libre and OpenSource Software (FLOSS) and to protect digital civil liberties of citizens of India.

We appreciate the efforts made by the Patent Office in drafting the “Draft guidelines for Computer related inventions” and inviting comments from the public on these guidelines. Please find enclosed our comments on the Draft guidelines. We will be happy to meet you in person to discuss this further.

Yours Sincerely,

Mishi Choudhury

Executive Director & President

**Comments on  
“Guidelines for Examination of Computer Related Inventions (CRIs)”  
2013**

**Executive Summary**

- I. The guidelines have clarified that business methods, mathematical methods as well as algorithms cannot be patented, irrespective of the language used in the claims. This reinforces the guidelines in the Manual of Patent Office Practice and Procedure and is a welcome step that will ensure that frivolous patent applications are rejected.
- II. The term *technical effect* as introduced in clause 3.15 of the guidelines for the purpose of explaining *technical advancement* amounts to introducing a term of art, often used in other patent systems. Introduction of such a term is unnecessary and leads to confusion in reaching a definite result.
- III. The definition clause 3.14 distinguishes the embedded system from a general purpose computer based on certain specific requirements. Such requirements have not been defined or illustrated. It needs to be clearly stated that “even in case of embedded systems, when the contribution is only on computer programme and not on the hardware, the invention is unpatentable”.
- IV. The guidelines provide numerous examples and illustrations that are either confusing, obscure, weak, or incorrect, making it difficult to ascertain what is patentable and what is excluded. These should be corrected and replaced by new illustrations or examples that remove ambiguities.
- V. A crucial statement made in clause 5.4.5, owing to its passive voice does not convey the intended result. A re-phrasing would help determine the excluded subject matter related to

CRI. It should clearly state that “ A computer programme running on a general purpose computer is unpatentable”.

- VI. As the guidelines analyze CRIs based on claim types, an examiner should strive to find the actual contribution of a claim and check if such contribution is solely within a computer program while analyzing the patentability of the subject matter. Such a requirement should be mandated in the guidelines.
- VII. The patentable subject matter analysis of an invention must be the first step in the examination of any application and not the sixth step as suggested by the procedure flow chart. The process should be amended to align it with globally accepted practices, in favour of efficiency.

## DETAILED COMMENTS

**I. The guidelines have clarified that business methods, mathematical methods as well as algorithms cannot be patented, irrespective of the language used in the claims. This reinforces the guidelines in the Manual of Patent Office Practice and Procedure and is a welcome step that will ensure that frivolous patent applications are rejected.**

As patent litigations are fought across the world in the area of software patents and the focus is increasingly on the economic effect of frivolous patents being granted in the area of software, the Indian patent office has taken up a welcome step of coming up with a guidelines for examination of Computer Related Inventions (CRIs).

Although, the Patents Act, 1970 has excluded *computer programmes per se* from patentable subject matter clever wording of claims in many patent applications has often led to patents being granted in the area of software in India. The Manual of Patent Office Practice and Procedure had clarified

many aspects of examination of CRIs and this guideline will surely be a great help, both for the examiner as well as the applicant.

The guidelines have clearly explained that business methods, mathematical methods and algorithms are not patentable irrespective of the manner in which the claims are drafted. The guidelines have further stated that any computer programme which would run on a general purpose computer will not be patentable, but this should be made clear leaving no room for any confusion.

**II. The term *technical effect* as introduced in clause 3.15 of the guidelines for the purpose of explaining *technical advancement* amounts to introducing a term of art, often used in other patent systems. Introduction of such a term is unnecessary and leads to confusion in reaching a definite result.**

The term *technical effect* has been introduced in clause 3.15 of the guideline for the purpose of explaining *Technical Advancement*. Section 2 (1)(ja) of the Patent Act explains Technical Advancement as advancement of a feature of the invention compared to existing knowledge. There is no requirement to add a new term called “technical effect” in the guidelines, especially in view of the legislative intent in excluding computer programmes from patentable subject matter as explained earlier. This conflict between imported patent practices and Indian patent law has been considered by the Intellectual Property Appellate Board (IPAB) in the Yahoo<sup>1</sup> case. The IPAB bench compared the patent laws and precedents on patentable subject matter litigations of Europe, UK & USA and held business methods to be not patentable in India.

As the European Patent Convention has clauses similar to Section 3 of the Patents Act in India in relation to exclusion of subject-matter which is considered to be not patentable, there is often a

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1 <http://www.ipab.tn.nic.in/222-2011.htm>

tendency to base Indian examination procedures on the practices in the EPO. However, such a process should be adopted with due care. In the European Patent office, for a computer implemented invention or a computer related invention to be patented, the basic requirement is of a "further technical effect" which must go beyond the inherent technical interactions between hardware and software. Also the invention is required to be **new**, have a **technical character**, solve a **technical problem** and involve **technical contribution** to the prior art.

**III. The definition clause 3.14 distinguishes the embedded system from a general purpose computer based on certain specific requirements. Such requirements have not been defined or illustrated. It needs to be clearly stated that “even in case of embedded systems, when the contribution is only on computer programme and not on the hardware, the invention is unpatentable”.**

The guidelines have clearly illustrated that mathematical methods, business methods and algorithms are not patentable irrespective of the way in which the claims are drafted. The guideline has clearly stated what claims can be defeated by CRI standards under the Patent Act. Using of general purpose computer in the context of means plus function format has been illustrated and has been barred by the guidelines. However in the definition clause 3.14, the guidelines has distinguished embedded system from general purpose computers by its specific requirements. But this has not been illustrated and needs more clarity. It needs to be clarified that in the case of embedded systems also, when the contribution is only on the part of the computer programme and not on the hardware, the invention cannot be patented.

**IV. The guidelines provide numerous examples and illustrations that are either confusing, obscure, weak, or incorrect, making it difficult to ascertain what is patentable and what is excluded. These should be corrected and replaced by new illustrations or examples that**

**remove ambiguities.**

The example 3 in clause 4.1 Method/Process provides an example of a computer programme per se “ A method of detecting vulnerabilities in source code comprising...” which is incorrect as it merely describes an algorithm and not a computer programme per se. A clear example should be provided.

The example 4 in clause 4 gives an obscure characterization of an algorithm.

The example in Clause 4.2 of Apparatus/system is weak and fails to give proper guidance to any examiner reviewing applications.

Clause 5.4.8, Illustration 5 which describes a method of scoring compatibility between members of a social network describes a claim wherein the Controller reaches the correct result but for incorrect reasons.

**V. A crucial statement made in clause 5.4.5, owing to its passive voice does not convey the intended result. A re-phrasing would help determine the excluded subject matter related to CRIs. It should clearly state that “ A computer programme running on a general purpose computer is unpatentable”.**

In the 88<sup>th</sup> report of the *Department related Parliamentary Standing Committee on Commerce* , titled *Patents and Trade Marks systems in India*, the need for clarifying the domain of “per se” was observed and recommended. Unlike other terms used in the sections related to Computer Related Inventions, the meaning of *computer program per se* was unclear. Also, the idea behind introducing a manual or guidelines by the patent office was stated in the same report. In Para 5.19, the Committee was of the opinion that

*“the apparent motive of the Department in bringing out a Manual must be to make available in simple and lucid language the procedures for processing the applications and grant of patents. Such a publication would enable Examiners to smoothly process the applications and also ensure uniformity of examination in all Patent Offices throughout the country. The Committee, however, feel that in order to allay the apprehensions of the public, due care should be taken to draft the Manual or Hand book, by whatever name it is called, in such a manner so that the same is not open to varying or conflicting interpretations.”*

Section 3(k) of the Patents Act, 1970 which excludes computer programmes from patentable subject matter was introduced by the Patents (Amendment) Act, 2002 (No.38 of 2002). As per Section 3(k) of the amended Act , the following is not an invention within the meaning of the Act:

*“a mathematical or business method or a computer programme per se or algorithms”*

The Government of India issued the Patents (Amendment) Ordinance, 2004 amending the Patents Act, 1970 and S.3 of the Ordinance amending S.3(k) of the Act came into force from 1-1-2005. Section 3(k) of the Patents Act, 1970 was amended as :

*“(k) a computer programme per se other than its technical application to industry or a combination with hardware;*

*(ka) a mathematical method or a business method or algorithms”*

The Patents (Amendment) Bill, 2005 which included the proposed amendment to Section 3(k) was introduced in the Lok Sabha on March 18, 2005. Clause (c) of para 7 of Statement of Objects and Reasons of The Patents (Amendment) Bill, 2005 stated that a feature of the ordinance was to *“modify and clarify the provisions relating to patenting of software related inventions when they have technical application to industry or in combination with hardware”*. Thus, the amendment proposed to extend patentability to computer programmes that have a technical application to

industry.

After deliberations in both the houses of Parliament, the proposed amendment to Section 3(k) was dropped. The Patents (Amendment) Act, 2005 repealed the Patents (Amendment) Ordinance, 2004. A press release dated March 23, 2005 addressed the rationale for moving the amendment to the bill in the case of software. *Shri Rupchand Pal*, Hon'ble MP of Lok Sabha, while taking part in the debate, stated that although the bill was introduced with the intention of providing patent for embedded software, this provision was opposed as it will not benefit our professionals and will only benefit the multinational companies.

The press release dated March 23, 2005 on the Patents (Amendment) Bill, 2005 by the Ministry of Commerce and industry states that *“It is proposed to omit the clarification relating to patenting of software related inventions introduced by the Ordinance as Section 3(k) and 3 (ka). The clarification was objected to on the ground that this may give rise to monopoly of multinationals.”* Thus the legislature did not intend to broaden the patentability of computer programmes by making software which has technical application to industry patentable.

The importance of legislative intent in interpreting the law was further considered in the Yahoo case<sup>2</sup>. The IPAB board relied on *Symbian vs. Comptroller of Patents*, wherein the U.K. Court approved of the view of the European Board of Appeal in *Gameaccount Ltd.*, T. 543/2006 where it was held that:

*“...It cannot have been the legislator’s purpose and intent on the one hand to exclude from patent protection such subject matter, while on the other hand awarding protection to a technical implementation thereof, where the only identifiable contribution of the claimed technical implementation to the state of the art is the excluded subject-matter itself.”*

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2 <http://www.ipab.tn.nic.in/222-2011.htm>



Thus, any claim for patenting computer programmes even if it is made in combination with hardware is not patentable if the contribution to the art lies in the computer programme part. In many instances claims are made in relation to operations performed using general purpose networks or the Internet. Such claims should not be patentable

**VI. As the guidelines analyse CRIs based on claim types, an examiner should strive to find the actual contribution of a claim and check if such contribution is solely within a computer program while analyzing the patentability of the subject matter. Such a requirement should be mandated in the guidelines.**

In the United Kingdom Intellectual Property office, the process for examining the patentability of computer related inventions is based on the following test laid down in the Court of Appeal judgement (*Aerotel/Macrossan*)<sup>3</sup> in 2006:

*properly construe the claim*

*identify the actual contribution;*

*ask whether it falls solely within the excluded subject matter;*

*check whether the actual or alleged contribution is actually technical in nature*

Thus the examiner should strive to find the actual contribution and whether it lies in the computer programme. If the contribution lies solely within the computer programme, the invention is not patentable. This gives a good guideline for examination of CRIs in the Indian context also.

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<sup>3</sup> <http://www.bailii.org/ew/cases/EWCA/Civ/2006/1371.html>  
<http://www.ipo.gov.uk/pro-types/pro-patent/p-policy/p-policy-computer.htm>

**VII. The patentable subject matter analysis of an invention must be the first step in the examination of any application and not the sixth step as suggested by the procedure flow chart. The process should be amended to align it with globally accepted practices, in favour of efficiency.**