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Indian Patent Office's U-turn on software patents

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The revised guidelines on computer-related inventions by the Indian Patent Office imply a

reversed position on whether software inventions should be patentable. Abhishek Pandurangi of Khurana & Khurana reports.

After the Indian Patent Office (IPO) published the [first set of guidelines](#) for examining patents for computer-related inventions in August, in February the office introduced [an amended set of rules](#).

While the previous guidelines were kept in abeyance in response to strong protests by critics, a revision was expected, but surprisingly the IPO has replaced an excessively liberal set of guidelines indicating that any software is patentable with a contrary one which almost indicates that no software patents are allowed.

Among other deviations, while the previous guidelines gave several examples of software and quasi-business method claims that were acceptable—some of them inconceivably broad—the present guidelines do not offer a single patentable example. Below is an example in the previous guidelines which led to raised eyebrows across the industry:

“Example 8.4—A computer-implemented method comprising: identifying one or more person names in a set of one or more documents, with each identified person name more likely to refer to a single person in a profession than other person names in the document; identifying descriptive language from one or more documents, based on the identified names; and identifying within one or more documents other person names that refer to persons in the profession, based on one or more portions of the identified descriptive language.”

The contention with the revised guidelines is whether they reflect the true interpretation of the IPO when it comes to the Indian law on software/business method patents, ie, section 3(k), and its established practice developed over the years on the expression “*per se*”, strongly embedded in it.

Section 3(k) of India's patent statute, the Patents Act, 1970, reads as follows: “3. The following are not inventions within the meaning of this act—(k) a mathematical or business method or a computer program *per se* or algorithms.”

As shown in my previous article on the initial guidelines, and further substantiated here with additional examples, the position at the IPO has always been ‘yes’ to software patents which can be tied to a tangible technical effect or are engaged distinctly with components of an embedded system, thereby honouring the expression “*per se*” in section 3(k).

Table 1 shows a few recent examples of granted/accepted patents which clearly reflect the prevalent practice at the IPO in light of section 3(k).

Table 1: Patents granted at the IPO under section 3(k)

Granted patent no.	Title of the granted patent	Date of certificate issuance
265810	A method for simulating instant messaging client interface on the basis of a web page	April 22, 2015
265145	System and method for implementing data compatibility-based version scheme	February 10, 2015
258513	Update distribution system architecture and method for distributing software	February 13, 2014
258041	Preparing course content aligned with strategic goals and priorities of an organisation	November 28, 2013
257812	Systems, methods, interfaces and software for automated collection and integration of entity data into online databases and professional directories	November 11, 2013

“The narrow approach taken in the guidelines also seems to be taking a contradictory position to that of Indian courts.”

Table 2 shows examples of patents passed during the abeyance period between the previous guidelines and new guidelines being issued.

Table 2: Patents passed during the abeyance period between the two sets of guidelines

Application no.	Title of the patent application receiving order for grant	Date of post-grant publication
5493/CHENP/2007	Bilaterally generated encryption key system	February 12, 2016
2348/CHE/2007	Method of securely transferring an electronic document	February 12, 2016

264/DELNP/2003	Methods and systems for cryptographically protecting secure content	January 15, 2016
27/MUMNP/2008	Method and system of building actual travel fares	January 8, 2016

If one were to critically analyse the patents reflected in the above tables, the claims of each would be rendered non-patentable in light of the current guidelines.

The courts' position

The narrow approach taken in the guidelines also seems to be taking a contradictory position to that of Indian courts. This is attested to by the following remark in the judgment by the Delhi High Court in *Ericsson v Intex Technologies (India)* on March, 13 2015: "Any invention which has a technical contribution or has a technical effect and is not merely a computer program *per se*, as alleged by the defendant ... is patentable."

Furthermore, the new guidelines bring a degree of confusion on interpreting claim construction. Excerpts from the guidelines which are particularly relevant to this are as follows:

"Computer programs are often claimed in the form of algorithms as method claims or system claims with some 'means' indicating the functions of flow charts or process steps. It is well established that, while establishing patentability, the focus should be on the underlying substance of the invention and not on the particular form in which it is claimed."

"What is important is to judge the substance of claims taking whole of the claims together. If the claims in any form such as method/process, apparatus/system/device, computer program product/computer-readable medium fall under the said excluded categories, they would not be patentable. However, if in substance, the claims, taken as whole, do not fall in any of the excluded categories, the patent should not be denied."

In my view, the indication that product claims, process claims, means plus function claims, computer program product claims shall all be treated effectively as the same and not stand to hold any individual significance in the manner of examination and assessment of patentability now undermines the significance of legal writing in patents, and does not provide reliable guidelines to the patent draftsman and examiners alike on the matter of claim construction.

"If the contribution lies in the field of computer programs, check whether it is claimed in conjunction with a novel hardware and proceed to other steps to determine patentability with respect to the invention. The computer program in itself is never patentable."

This again leads to confusion over whether a novel hardware is the restriction implied in the guidelines or whether it implies novelty of the contribution of the hardware with respect to the software. Wouldn't a novel hardware qualify for a patent in itself notwithstanding the question of software associated with it? One would then wonder about the manner in which to draft a claim with embedded system components as a limitation, and probably the examiner will also wonder when his or her turn arrives.

Although the above excerpts do have certain expressions trying to provide a loose proviso for software patents, they seem quite vague and, with the overall undertone of the guidelines only elaborating what is not patentable, seem figurative.

As a final note, I think that this kneejerk reaction of the IPO will certainly pacify parties interested in quashing the software and business method patent regime. Whether that is right or wrong is a matter for debate (a debate which most certainly should be encouraged), but it appears unfounded and strongly overreaching without any amendment to the law or judicial precedent (as in *Alice Corp v CLS Bank* in the US).

It is not unlikely that the future may provide another instance of abeyance and revised guidelines, and it would be my hope to witness another set of guidelines which are balanced and based on legal foundation rather than driven by popular perception and extreme positions, both of which are exhibited in the two sets of guidelines.

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