



Intellectual Property Practice

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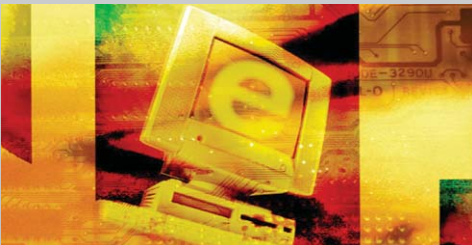


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Editorial

Welcome to the second "World IPR Day Issue" of the Lex Orbis Newsletter.

The journey called 'TRIPS compliance' should have ended with the latest amendments to the Indian Patents Act. The amendments proposed by the Patents Ordinance, 2004 would have made the Indian Patents Act in harmony with the TRIPS agreement. However, the same has not been achieved. The Patents (Amendment) Act, 2005 has deviated considerably from the Ordinance. Arguably, the difference between the Ordinance and the Patents (Amendment) Act, 2005 continues to maintain the chasm between compliance and non-compliance of the TRIPS obligations.

The changes, brought about by the Patents (Amendment) Act, 2005 (as opposed to the Patents Ordinance), have made several fundamental provisions of the patents law ambiguous. This has, in effect, given room for subjective interpretation, while deciding upon the patentability of inventions claimed in a patent application. Further, the stakeholders are left with little choice but to resort to the Courts of Law to clarify these ambiguities. Moreover, the various amendments, brought about by the Patents (Amendment) Act, 2005 may have resulted in interference with settled provisions of patents law per se.

The Ordinance had brought about a welcome change as regards the provisions concerning the patentability of 'computer programs'. Accordingly, applications by the information technology industry with respect to computer software which are technical in nature coupled with hardware, were proposed to be accepted for granting patents. However, by discarding the proposals for these amendments, the Patents (Amendment) Act, 2005 has brought back the original position i.e. the non patentability of computer programs per se.

This Newsletter attempts to address some of these intricate issues arising out of the latest amendments to the Indian Patents Law. All the articles and notes in this Newsletter highlight the central theme – "Has the Indian Patents Law become TRIPS compliant?"

We hope you enjoy reading our newsletter. Your response and comments would be appreciated. Kindly send them to mail@lexorbis.com

We thank you for finding time to read this Newsletter. ●

The Lex Orbis Research Group

India's Patents (Amendment) Act, 2005 – Is it TRIPS Compliant?

This article critically examines the provisions of the Patents (Amendment) Act, 2005 “the Act” - purportedly the last in the series of the TRIPS compliance amendments.

December 2004 witnessed an unprecedented national debate on patents in India. Patent as an institution of private property was by and large an alien concept. Research and developmental activities in independent India, being predominantly public funded, kept the patents law in the periphery of our economic system. Coupled with this was the exclusion of product patents for ‘food, drug, and medicines’ in the scheme of the patents law. This resulted in a widespread misconception that product patent was not available in India in the field of inventive activities. Controversial issues regarding ‘Neem’ and ‘Turmeric’ patent which used to find place in the national media, have ended unceremoniously. Thus, the national debate on TRIPS compliance marked a new beginning for India’s premature patent system. One of the important and positive outcomes of the recent public debate on patents and TRIPS compliance is that it has created national awareness on patents.

The President of India promulgated the Patents (Amendment) Ordinance in December 2004 with a view to fulfill India’s obligations as a WTO Member under the TRIPS Agreement. India had no product patent protection for inventions in respect to ‘food’, ‘drug’ and ‘medicines’ at the time of signing the Marrakesh Agreement. It was given 10 years time to bring its national patents law in conformity with the TRIPS Agreement. One of the major impediment in India’s path to TRIPS compliance was the controversial Section 5 of the earlier Act that provided only limited term process patent protection for inventions relating to ‘food, drugs, and ‘medicines’. Therefore, the scrapping of Section 5 of the earlier Act was the most critical aspect of India’s TRIPS compliant patent regime.

The central theme of this article is – whether the recent amendments have made the patents law TRIPS compliant or not? In order to address this issue, this article looks at how the Act, deviated from the Ordinance. Had the Ordinance been passed by the parliament without major changes, the Indian Patents law would have been in accordance with the TRIPS agreement. However, the Act deviated from the Ordinance in various fundamental ways. This article aims at highlighting the disparity between the Ordinance and the Act and examining it in the lines of the TRIPS agreement.

The Amended Act redefines “inventive step”

A new section 2(1)(ja) substituted the existing definition of ‘inventive step’ to mean “a feature of an invention that involves technical advances as compared to the existing knowledge or having economic significance or both and that makes the invention not obvious to a person skilled in the art”.

This is an interesting attempt to ‘redefine’ one of the cardinal criteria of patentability. ‘Inventive Step’ was originally defined in the Patents (Amendment) Act, 2002, to mean ‘a feature that makes the invention not obvious to a person skilled in the art’. An explanatory note to Art. 27 (1) of the TRIPS Agreement states that ‘inventive step’ is synony-



mous with ‘non-obviousness’. There are abundant judicial pronouncements on what constitute ‘non-obviousness’ as a criterion of patentability. Further, many national patent offices have practice guidelines explaining the fundamental propositions concerning what is not obvious to a ‘person of ordinary skill’ in a given technological art - so as to make an invention patentable.

The new wording of this Section does not reflect a distilled stock of knowledge on this subject. The wording ‘technical advances as compared to existing knowledge’ dilutes the very basis of obviousness/novelty requirements. If an invention is not adequately distinctive over prior art – it is not patentable. What is the additional safeguard achieved by adding expressions that have the scope to make the

whole definition vague and arbitrary?

The second phrase is 'economic significance'. An invention to be non-obvious has to have 'economic significance' or 'technical advances as compared to existing knowledge'. If this is the case then the pertinent question is, what is the very purpose of the 'utility' criterion for patentability? By bringing 'economic significance' under the definition of 'non-obviousness' what has been fundamentally diluted is a cardinal principle of the patent law! This new definition defeats some of the fundamental objectives behind the amendment. It interferes with the time-tested principles of patents law, and in the process has created a new definition that can lead to loose interpretations. It falls short of international legal practices on patentability – and hence is TRIPS non-compliant.

A new definition for 'new inventions'

The Act retains the old definition of 'invention' in Section 2(1)(j). However, it has added a definition on 'new invention'. 'New invention' means any invention or technology which has not been anticipated by publication in any document or used in the country or elsewhere in the world before the date of filing of a patent application with complete specification, i.e. the subject matter has not fallen in public domain or that it does not form part of the state of the art.

The central question is whether the aforesaid definition of 'new invention' is an additional limitation on the definition of 'invention' under Section 2(1)(j)? And if it is, does this amendment confirm to Art. 27 of the TRIPS Agreement?

One can again see a fundamental dilution of the tested principles of patent law is visible. 'Novelty' of an invention is typically ascertained by testing whether the invention has been anticipated by a prior publication, a prior public work or a prior public knowledge. There are numerous case laws on this issue. There are ways to determine this as well – of course, with some levels of inherent limitations in carrying out prior searches. But, redefining 'novelty' requirement in the manner provided in the Act, deviates from the foundational norms on the test of novelty (to in turn ascertain patentability). This is another amendment that takes this Act farther away from the TRIPS Agreement. It puts unreasonable burden on a patent applicant to substantiate novelty and consequently patentability of the claimed invention.

Section 5 scrapped

The Patents (Amendment) Act, 2005 deleted the controversial Section 5. This Section provided for only a limited term process patent protection for inventions in relating to 'food, drug, and medicines'. The amendment now provides for 20 years protection for all categories of inventions

except those excluded under Section 3 of the Act.

'Patent' Redefined

The definition of 'patent' has also been amended. Originally 'patent' was defined to mean 'a patent granted under the Act'. The amended definition of 'patent' means 'a patent for any invention granted under this Act'. While attempting to understand the legislative intent behind this amendment, the primary question that arises is – whether there can be a patent for anything other than an invention! (Obviously there cannot be a patent for discoveries!). The intent seems to be to further qualify the definition to ensure that a patent can be granted only for an 'invention' as provided under the Act. Thereby, the combined reading of Section 2(1) (j) and Section 2(l) will have an overriding effect in ascertaining the validity of a patent even after its grant.

New Use - Redefined

The Ordinance amended Section 3(d) to ensure that what is not patentable is only mere new use. If a second medical indication of a known drug molecule passes the test that it is not a mere new use, as per the Ordinance, it would have been patentable. The Act has discarded this provision. Instead, it contains a cumbersome explanation on Section 3(d) exemption. According to this Section what is not patentable is: (a) "the mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance"; (b) "the mere discovery of any new property or new use for a known substance"; (c) "the mere use of a known process, machine or apparatus – unless such process results in a new product or employs at least one new reactant"

Consequently, if a discovery of a new form of a known drug molecule, results in an enhancement of its known efficacy, it is patentable. Similarly, the mere discovery of a new use of a known substance is not patentable. The amended Section 3(d) when read in conjunction with Section 3(i) would ensure that all methods of use inventions are unpatentable. A joint reading of the amended Section 3(d) and Section 3(i) is capable of keeping a major portion of pharmaceutical R&D outside the scope of patents.

The Act provides an explanation that salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations and other derivatives of known substance shall be considered to be the same substance, unless they differ significantly in properties with regard to efficacy. The phrase 'differ significantly in properties with regard to efficacy' is the final test of patentability as regards all inventions around a drug molecule. It seems that this explanation will keep a huge amount of research and development activity outside the scope of patentability, because the properties concerning

efficacy will have an overriding effect over the standard tests of patentability when it comes to pharmaceutical inventions.

The objective behind such an elaborate explanation in Section 3(d) is probably to check what the Indian generic drug makers allege as 'evergreening'. However, this exclusion also seems to result in nonconformity of the amended law with the general mandate on patentability provided in the TRIPS Agreement.

Software Patents - new provision dropped

The Act dropped the amendments to Section 3(k) that had been proposed in the Ordinance. The Ordinance had introduced a new Section 3(ka) to exclude 'mathematical methods, business methods or algorithms' from the scope of patentability. As per Section 3(k) a computer program's technical application to industry or a computer program in combination with hardware was patentable. What was not patentable was only computer program per se.

The Ordinance attempted to strike a balance between the arguments for and against software patents. It brought the position close to the European Patent Office practices. That was a welcome change. Conventionally, there has been an argument in India that copyright is a preferred mode to protect computer software. That kept a huge amount of R&D activities involving computer software outside the scope of patents. India's leading IT companies and industry associations favoured a reasonable level of protection of computer software through patents. The Act deviated from the Ordinance and brought back the original position i.e. the non patentability of computer programs per se.

Mail Box Application can lead only to 'Paper Patents'!

A Patent acquired through the Mail Box route is virtually of no use. The Act states that a patentee who gets a patent through the Mail Box cannot institute infringement action against any enterprise that has been producing and marketing the patented product prior to January 1, 2005 and continues to manufacture the product as on the date of grant of the patent. Therefore when a pharmaceutical company, which has filed a patent application through the Mail Box route, eventually gets a patent for its product, it cannot file an infringement action against an Indian generic manufacturer who continues to manufacture the patented product. All that the patentee-company can ask for is 'reasonable' royalty. This provision takes away the very sanctity of Mail Box and transitional protection as envisaged in the TRIPS Agreement.

The above provision can be found in the newly inserted 3rd proviso to Section 11A. It is one of the amendments mooted during the recent political deliberations. This proviso undermines the whole concept of transitional protection

under the TRIPS Agreement and definitely makes the Act TRIPS non-compliant.

No More Representation - It is Opposition Before & After the Grant!

All the grounds available for post-grant opposition have been made available to pre-grant opposition as well. The Act thus envisages two oppositions: first when the application is published, and second when a patent is granted. The post-grant opposition has to be initiated by an 'interested person'. But any person can institute pre-grant opposition with the same ground as that of the post grant opposition!

Interestingly the law allows a pre-grant opponent the right to be heard! There is, however, no provision in the Act enabling the applicant to counter the pre-grant opposition. This alone makes it a one-sided affair.

It is pertinent to highlight that the rules mandate that the pre-grant opponent has to file 'a statement supported by evidence'. That makes the pre-grant opposition a legal proceeding involving a process of adducing evidence. In a proceeding, when the opponent is allowed to adduce evidence against the patent applicant and if the patent applicant is not given a chance to counter the evidence, it violates the fundamental principles of administrative law & justice. That makes the provision arbitrary and hence unconstitutional. Accordingly, the pre-grant opposition provision, which does not give the patent applicant the right to counter the evidence that is adduced against him, may not stand the test of judicial scrutiny.

Compulsory License - grounds further expanded

The already elaborate Compulsory Licensing grounds received another boost. The newly inserted Section 92A(1) of the Act expanded the scope of issuance of Compulsory Licenses for manufacture and export of patented pharmaceutical products to countries having insufficient manufacturing capacity in the pharmaceutical sector, if that country has by notification allowed such importation.

Concluding Remarks

Is the Indian Patents Act, 1970 (as amended by the Patents (Amendment) Act, 2005 TRIPS compliant? While there cannot be a final answer to this until competent bodies address and decide on it, there are sufficient reasons to consider that it in fact not TRIPS compliant. The above analysis shows that the final TRIPS compliance is yet to be achieved; perhaps by another amendment. However, the possibility of another amendment in the near future is remote and far-fetched. It is time to wait and watch how the international community responds to India's latest attempt to make its patent regime TRIPS compliant. ●

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Patent Prosecution in India and the TRIPS Compliant Amendments

Preface

Indian patent attorneys, patent examiners and other IPR professionals will have to remove several expressions from their daily lexicon. The age old prosecution steps including 'putting the application in order for acceptance', 'notice of acceptance', 'advertisement of notice of acceptance', 'opposition before grant', and 'sealing of patent', have no place in Indian patent practice any more. The recently promulgated Patent Rules have made substantial changes in patent prosecution in India. About ten years ago, it used to take several years for an application to come up for examination and reach the stage of grant. Now, a patent will be granted in about two to two and half years from the date of filing of an application.

The amendments are not procedural only. The Indian patent regime has undergone a paradigm shift in the recent past. The principal reason for the change was India's obligations, as a WTO Member Country, to meet with the TRIPS deadline of January 01 2005. Amendments were carried out in three phases to make Indian Patent law compliant with the TRIPS norms. These changes have now brought the Indian patents system to world standards - from an anti-monopolistic perspective to a new vision of patents as an investment friendly, R&D encouraging institution of property.

The Patents Act, 1970 was amended first in 1999 and then in 2003. Consideration on the Third Amendment Bill, by the parliament was pending. However, with a view to comply with the WTO/TRIPS deadline of January 01 2005, the President of India promulgated an Ordinance on December 27, 2004 and introduced sweeping changes to the national patents law. The Ordinance was recently substituted by the Patents (Amendment) Act, 2005. This article analyses the procedural amendments brought about by the Act.

The Patents (Amendment) Rules, 2005 (the Rules) have come into force with effect from January 01, 2005. The Rules were amended pursuant to the promulgation of the Patents (Amendment) Ordinance, 2004 and the Patents (Amendment) Act, 2005. The new set of rules introduced major changes in the Indian patent prosecution system.

Foreign Filing Permit

The amended patent law requires an Indian resident to obtain a foreign filing permit before filing a patent applica-

tion outside India. The foreign filing permit is not required, if a corresponding Indian patent application has been filed not less than 6 weeks before filing the foreign application. This requirement will have a direct bearing on the patent prosecution strategies of major companies having R&D facility in India. Earlier, there was no restriction in making a first filing outside India for inventions originating in India. Many companies (including Indian companies) have been making first filings at the USPTO and EPO for inventions originating from their Indian R&D operations. While applicant companies can continue to do so, now they will have to obtain a foreign filing permit. An interesting aspect of this requirement is in relation to PCT international applications. Does this provision mandate an applicant to obtain a foreign filing permit even for a PCT international application, filed with the Indian patent office as the receiving office? If so, does the position change even if the applicant has designated India in the international application? The patent offices continue to ask applicants to file a request for foreign filing even in the case of PCT international applications designating India (currently the designation is by default).

Working Statement

The provision pertaining to the filing of a Working Statement (i.e. a statement that provides information regarding the commercial working of inventions in India) was always there in the Indian Patents Act (See Section 146). However, very few patentees have been complying with this requirement voluntarily. As per Section 122(1), the fine for not filing Working Statement was Rupees 1000. The Rules framed under the Patents (Amendment) Act, 2002 introduced Form 29 prescribing the kind of information required to be furnished by the patentee. A patentee has to file the working statement every 6 months through the term of patent. The Patents Rules, 2003 enhanced the fine from Rupees 1000 to Rupees 20,000. The Ordinance and the latest amendment has substantially hiked it to Rupees 10 lakhs (1 lakh is a hundred thousand). This sweeping increase in the penalty has brought into focus the inconspicuous provision of the patents law concerning working statement. Consequently, patentees have been carefully analyzing the contents of the Form 27 (as per the Patents Rules, 2005). The Form 27 mandates a patentee to provide the following information:

- (a) Has the patented invention been worked in India;
- (b) If not, what are the reasons for the invention not work-

ing;

(c) If it worked what is the quantum and value of patented product;

a. Manufactured in India;

b. Imported

(d) Licenses and sub-licenses granted;

(e) Whether public requirements have been met.

Definitely the last requirement is something no patentee can clearly answer. How can any patentee state whether the requirements of a billion people in India have been met by commercially working the invention in India? Secondly, the above questions are asked in a manner, which assumes that invention is always a stand-alone product. Probably, the draftsmen who prepared the Form had drug patent as the top priority! In many fields of engineering, as for example in telecommunications, it is at times impossible for the patentee to work inventions individually. Often it is a portfolio of patented inventions that is put to commercial use. The quantum of the patented product is therefore, very difficult to estimate!

The Form 27 and the questions asked therein reflect that importation will amount to local working. In fact that is the mandate in Article 27 of the TRIPS Agreement. However, some sections of the public argue that importation does not amount to local working and this is the legislative intent behind Section 83(b). This is yet another provision that requires a judicial scrutiny.

Request for Examination

The timelines to file Request for Examination (RFE) have been changed. As per the Patents (Amendment) Act, 2002 the Request for Examination had to be filed at any time after the publication of an application and within 48 months from the date of filing of the application. The publication time line is 18 months from the date of filing of the application in India. This was the regular time frame. As for PCT National Phase Applications, the 48 months used to be computed from the International Filing Date.

The above position has now been changed. As per the Patents (Amendment) Act, 2005 the deadline to file RFE is any time after publication and within 36 months from the priority date. In the case of PCT National Phase Applications it is 36 months from the international priority date. It is pertinent here to note that India has a 31 months deadline to enter the national phase. Therefore, an applicant who enters the national phase in India in the 31st month will have only 5 months to file RFE.

Yet another relevant point is the difficulty to compute the time line in respect of PCT National Phase Applications. There is no provision in the Act that makes the PCT inter-

national publication equivalent to the publication for Indian purposes. As such, a PCT National Phase Application will have to be published in India on completion of 18 months from the date of filing of the application in India. On the other hand, the 36 months deadline to file RFE is computed from the international priority date. As such, how is it possible for an applicant who enters national phase in India in the 31st month to wait for the 18th month publication to file RFE, if the deadline is 36 months from the international priority date?

Recordation of Assignment

So far, there has been a requirement to register all transactions concerning a patent with the patent office within 6 months from the date of execution of the document concerning such transaction. Typically these transactions included 'assignments', 'mortgages', 'licenses', 'share in a patent', or 'creation of any interest in a patent'. This position has changed. While the law continues to mandate that such transaction must be in writing, the law does not stipulate that the assignment must be registered for it to be valid and enforceable.

Annuity Payments - Time Frame

The amended Rules provide for 6 months extension of time to pay the first annuity, which is payable at the expiration of the 2nd year from the date of the patent. To seek such an extension a request must be filed in Form 4 with the fee of INR 1200 per month.

Grace Period

The grace period for filing patent applications in case of anticipation by prior display of the invention, in an exhibition, description of the invention in a paper presented by the inventor before a learned society or publication in the transactions of a learned society, has been increased from 6 months to 1 year.

Filing Documents with the Patent Office

If a document is electronically transmitted to the patent office it is deemed to have been filed. The Rules, however, stipulate that 'the electronic transmission must be duly authenticated'. The expression 'duly authenticated' has been left undefined making this important provision (especially when the patent office is about to go fully online) unclear.

Statement and Undertaking regarding Foreign Applications

The period within which the statement and undertaking regarding foreign applications must be filed is 3 months from the date of filing of the Indian patent application. In the case of PCT national phase application in India, this period is 3 months from the date of filing the national

phase application in India. As regards the applicant's continuing obligation to furnish information regarding corresponding applications, there is a change in the time frame. Earlier the time limit was 30 days from the date of receipt of the office action. It has now been increased to 3 months.

Inventor's Declaration

There has been a provision in the Indian patent practice to file a 'Declaration as to Inventorship' in Form 5. This is to enable the applicant of a provisional patent application to add on the names of the subsequent inventors while filing the complete patent application. As such, all patent applications with complete specification (like the convention priority applications and PCT national phase applications) are outside the purview of this requirement. The Rules now clarify that even in the case of PCT national phase applications; the inventors' declaration is not required.

Application Form

Two separate Forms were used for filing a PCT national phase application and a convention priority or ordinary



patent application. While Form 1 was used for convention or ordinary patent applications, Form 1 -A was used for PCT national phase applications. This system has been changed. Presently, for all types of patent applications (convention priority, PCT national phase, patent of addition, divisional application and ordinary application) the same Form 1 is used.

Translation of PCT Applications

In the case of PCT national phase applications, which were not filed or published in English, the English translation of the application is acceptable, if it is duly verified by the applicant or even a person duly authorized by the applicant.

Early Examination of National Phase Application

Early examination of PCT national phase application (31

months being the time to enter the national phase) is now possible by filing a request in Form 18 along with a fee of INR 14,000 (USD320) (if the applicant is a legal entity). The regular fee for 'Request for Examination' (if the applicant is a legal entity) is only INR 10,000 (approximately USD 230).

Priority Documents

If a PCT national phase application has not met with the requirement u/r 17.1 (a) & (b) of the Regulations under the PCT, the applicant must file a verified English translation of the priority document within 3 months from the date of an invitation. The new Rules prescribe that such verification can be done by the duly authorized patent agent.

Publication of Applications

All patent applications (with exceptions on grounds of secrecy directions that are provided) will be published on the expiry of 18 months from the date of application or the date of priority whichever is earlier. An early publication (before the expiry of 18 months) is possible by filing a request in Form 9.

Rights of Patent Applicant

An applicant for patent in India shall have like privileges and rights as if a patent for the invention has been granted on and from the date of publication. The applicant, however, cannot institute proceedings for infringement until the grant of patents. As regards the WTO/Mail Box Applications the rights of a patentee shall accrue only from the date of grant.

Time Frame for Examination of Applications

The time frame for examination of patent applications has been substantially changed. Earlier the time period to submit the application in order, for acceptance was 12 months from the date of the first office action. In the meantime, reply to the first office action had to be given within 4 months of its receipt. The new Rules prescribe a total time period of 6 months to put the application in order for grant of patents. This period is extendable by 3 months. Upon filing the RFE, the Controller of Patents will refer the application to an examiner. The law does not prescribe a time limit to do so. The examiner, on receipt of such reference must issue an Office Action within 1 month and not later than 3 months from the date of reference.

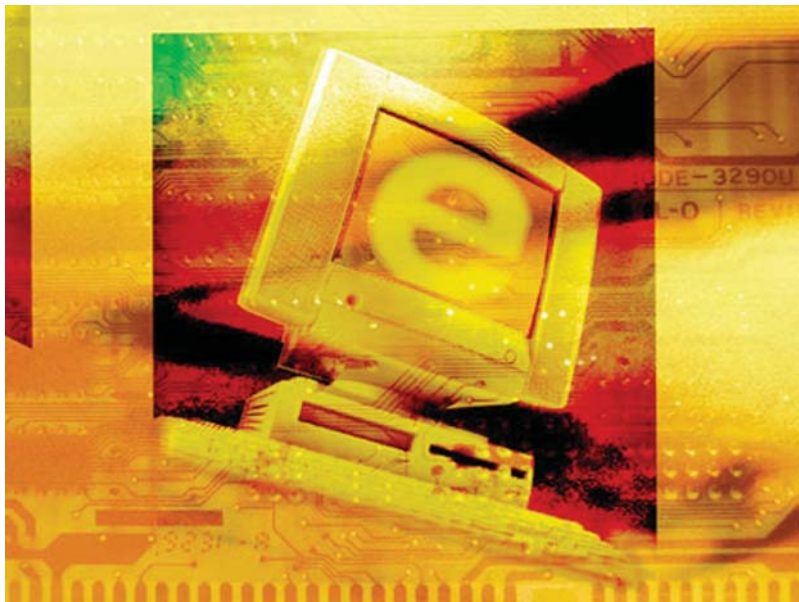
Conclusion

The recent amendments to the Patents Rules were pursuant to the promulgation of the Ordinance. The amended Rules, therefore, brought in a number of progressive changes in the patent prosecution system. However, when the Ordinance was substituted by the Patents (Amendment) Act, 2005, the Rules remained the same. Another revision of the Rules is likely. ●

Software Patents – Intangibly Beyond!

The general mandate of the TRIPS Agreement is that all member states must make patents available for any invention, whether products or processes, in all fields of technology, provided they are (a) new; (b) involve an inventive step and; (c) are capable of industrial application. The TRIPS Agreement allows member states to exclude certain categories of inventions from patentability. These exclusions are provided in Sub-sections (2) and (3) of Article 27. The Indian Patents law contains a list of such exclusions in Section 3. Strictly speaking the subject matters excluded from patentability under Section 3 must fall within the scope of Article 27(2) and (3). However, there have been attempts to read limitations into the TRIPS provisions based on the general provisions and basic principles provided in the Agreement. In the last 10 years of India's experiments with TRIPS compliance, in the domain of patents, one section in the Act that was put to a major test is Section 3. In the past, a critical amendment to Section 3 was the insertion of a new sub-section 3(k) by the Patents (Amendment) Act, 2002. This sub-section, for the first time in the history of India's patents law indirectly made certain aspects of computer program related inventions patentable. Accordingly, the amended law provided that what is not an invention is only 'a mathematical method or business method or a computer program per se or algorithms'.

When the President of India promulgated the Patents (Amendment) Ordinance on December 27, 2004, a major amendment was proposed to be introduced in Section 3 with respect to the patentability of computer programs. The Ordinance split sub-section 3k into two sub-sections: 3(k) and 3(ka). The excluded subject matter as originally stated in Sub-section 3(k) was provided in the new Sub-section 3(ka). They included 'a mathematical method or a business method or algorithms'. The



amended Section 3(k) read as follows:

"(k) a computer programme per se other than its technical application to industry or a combination with hardware".

The key expressions contained in the above amendment are 'technical application to industry' and 'combination with hardware'. The legislative intent, behind these words, was clear. If an invention is directed at computer software having technical application to industry or coupled with hardware – then it is patentable. The word 'technical application to industry' was identical to the 'technical effect' test in European patent parlance. As such, it was a progressive legal development. The latest amendment dropped it.

The law as it stands now has reverted to the original position of excluding computer programs per se from patentability. In the absence of an Examination Guideline explaining what is and/or is not software per se, stake holders will have to look to the IP Appellate Tribunal or the Courts to decide what is the extend of patentability for computer program related inventions. Yet another ambiguity has been brought into the patent law by the latest amendment. ●

If you have any suggestions, comments or queries, please feel free to email at: mail@lexorbis.com

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