

This mail sent on 29th April 2016 by president_cmai@cmai.asia

with this 35 page attached mat

Subject - DeITY Meeting regarding Computer Related Inventions (CRI)

Dear Sir,

Government issued guidelines relating to CRI during February, 2016. Copy attached. This is important matters as it affects all of us relating to patents and their handling at customs during import. There may be issues in this.

Deity has convened a meeting on 4th May at 3.00 PM to discuss issues relating to CRI.

Please let us know your issues/concerns and also confirmation, if you would like to join.

REGARDS

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सत्यमेव जयते

Guidelines for Examination of Computer Related Inventions (CRIs)



**INTELLECTUAL
PROPERTY INDIA**

**OFFICE OF THE CONTROLLER GENERAL OF PATENTS, DESIGNS AND
TRADE MARKS**

19TH FEBRUARY, 2016

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1. Introduction

- 1.1** Information Technology has gained special significance in the past two decades. It has emerged as a vital tool for scientific development. The term "Information Technology" encompasses the whole gamut of inputting, storing, retrieving, transmitting and managing data through the use of computers and various other networks, hardware, software, electronics and telecommunication equipment. Industry has witnessed rapid growth due to the computerization of activities which were hitherto carried out manually or mechanically. The advent of the internet and the World Wide Web (www) coupled with the exponential growth of processing and storage power has led to capabilities previously unheard of. The core elements in the application of Information Technology are computers and their peripherals. Computer Related Inventions (CRIs) comprises inventions which involve the use of computers, computer networks or other programmable apparatus and include such inventions having one or more features of which are realized wholly or partially by means of a computer programme or programmes.
- 1.2** Creators of knowledge in the domain of Computer Related Inventions (CRIs) have consistently endeavored for appropriate protection of their IPRs. The patent regimes have to cope up with the challenges of processing of patent applications in the field of computer related inventions and related technologies. This has been a subject of international attention in the recent past. Major patent offices across the world are confronted with the issue of patentability of CRIs. They have developed examination guidelines/ manuals for examination of patent applications from these areas of technology so as to achieve uniform examination practices.
- 1.3** The aim of this document is to provide guidelines for the examination of patent applications in the field of CRIs by the Indian Patent Office so as to further foster uniformity and consistency in the examination of such applications. The objective of this document is to bring out clarity in terms of exclusions expected under section 3(k) so that eligible applications of patents relating to CRIs can be examined speedily.
- 1.4** The guidelines discuss various provisions relating to the patentability of computer related inventions. The procedure to be adopted by the Patent Office while examining such applications and the jurisprudence that has evolved in this field has also been discussed. Various examples and case laws relating to Computer Related Inventions (CRIs) have also been incorporated for better understanding of the issues involved from the perspective of the Patent Office.

1.5 However, these guidelines do not constitute rule making. In case of any conflict between these guidelines and the provisions of the Patents Act, 1970 or the Rules made there under, the said provisions of the Act and Rules will prevail over these guidelines. The guidelines are subject to revision from time to time based on interpretations by Courts of law, statutory amendments and valuable inputs from the stakeholders.

2. Legal Provisions relating to CRIs

2.1 The Patents (Amendment) Act 2002 (No. 38 of 2002) came into effect on 20th May, 2003. It amended the definition of invention¹ under section 2(1)(j) as *"Invention" means a new product or process involving an inventive step and capable of industrial application;*

and as per section 2(1)(ja)² *"inventive step" means a feature of an invention that involves technical advance 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;*

Further, section 2(1)(ac)³ states that *"capable of industrial application", in relation to an invention, means that the invention is capable of being made or used in an industry;"*

2.2 The Patents (Amendment) Act, 2002 also introduced explicit exclusions from patentability under section 3 for Computer Related Inventions (CRIs) as under:

- (k) a mathematical or business method or a computer programme per se or algorithms;*
- (l) a literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions;*
- (m) a mere scheme or rule or method of performing mental act or method of playing game;*
- (n) a presentation of information;*

¹ Definition of Invention u/s 2(1)(j) under The Patents Act 1970 , after 2002 Amendments

² Definition of 'Inventive Step' under The Patents Act 1970, after 2005 amendments

³ Definition of 'Capable of Industrial Application' under The Patents Act 1970

3. Terms/Definitions

The terms/definitions often used while dealing with computer related inventions are summarised hereunder. The terms which are defined in any of the Indian statutes have been construed accordingly and those which have not been given any statutory definition are normally construed in accordance with their use and ordinary dictionary meaning.

3.1 Algorithm

The term "algorithm" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used.

The Oxford Advanced Learners Dictionary defines 'algorithm' as "*a set of rules that must be followed when solving a particular problem*".

3.2 Computer

The term "computer" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*any electronic, magnetic, optical or other high-speed data processing device or system which performs logical, arithmetic, and memory functions by manipulations of electronic, magnetic or optical impulses, and includes all input, output, processing, storage, computer software, or communication facilities which are connected or related to the computer in a computer system or computer network.*"

3.3 Computer Network

The term "computer network" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*the interconnection of one or more computers through -*

- (i) the use of satellite, microwave, terrestrial line or other communication media; and*
- (ii) terminals or a complex consisting of two or more interconnected computers whether or not the interconnection is continuously maintained;"*

3.4 Computer Programme

The term computer programme has been defined in the Copyright Act 1957 under Section 2(ffc) as "*computer programme" means a set of instructions expressed in words, codes, schemes or in any other form, including a machine readable medium, capable of causing a computer to perform a particular task or achieve a particular result;*"

3.5 Computer System

The term "computer system" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as "*a device or collection of devices, including input and output support devices and excluding calculators which are not programmable and capable of being used in conjunction with external files, which contain computer programmes, electronic instructions, input data and output data, that performs logic, arithmetic, data storage and retrieval, communication control and other functions;*"

3.6 Data

The term "data" is defined in the Information Technology Act, 2000 (No. 21 of 2000) as "*a representation of information, knowledge, facts, concepts or instructions which are being prepared or have been prepared in a formalised manner, and is intended to be processed, is being processed or has been processed in a computer system or computer network, and may be in any form (including computer printouts, magnetic or optical storage media, punched cards, punched tapes) or stored internally in the memory of the computer;*"

3.7 Firmware

The term "firmware" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used.

The Oxford Advanced Learners Dictionary defines "firmware" as "*a type of computer software that is stored in such a way that it cannot be changed or lost*"

3.8 Function

The term "function" is defined in the Information Technology Act, 2000 (No. 21 of 2000) as *"function", in relation to a computer, includes logic, control arithmetical process, deletion, storage and retrieval and communication or telecommunication from or within a computer."*

3.9 Hardware

The term "hardware" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used. The Oxford Advanced Learners Dictionary defines "hardware" as *"the physical and electronic parts of a computer, rather than the instructions it follows"*.

3.10 Information

The term "information" is defined in The Information Technology Act, 2000 (No. 21 of 2000) as *"information" includes data, message, text, images, sound, voice, codes, computer programmes, software and databases or micro film or computer generated micro fiche."*

3.11 Manual

The term "Manual" as hereafter appears means "Manual of Patent Office Practice and Procedure" issued by CGPDTM, as may be amended from time to time.

3.12 Per se

The term "per se" is not defined in Indian statutes including the Patents Act, 1970 and hence, for interpretation of this term, the general dictionary meaning is being used.

The standard dictionary meaning of "per se" is *"by itself" or "in itself" or "as such" or "intrinsically"* - to show that you are referring to something on its own, rather than in connection with other things.

3.13 Software

The term "software" is not defined in Indian statutes and hence, for interpretation of this term, the general dictionary meaning is being used. The

Oxford Advanced Learners Dictionary defines "software" as "*the programs, etc. used to operate a computer*".

4. Examination Procedure

The examination procedure of patent applications relating to CRIs is the same as that for other inventions to the extent of consideration of novelty, inventive step, industrial applicability and sufficiency of disclosure etc. The determination that the subject matter relates to one of the excluded categories requires greater skill on the part of the examiner and these guidelines focus more on this aspect.

4.1 Novelty

Novelty is the foremost requirement to determine the patentability of any invention. No invention can be held patentable if the subject matter as described and claimed was disclosed before the date of filing, or before the date of priority, as the case may be. The determination of novelty in respect of CRIs is no different from any other field of invention.

The definition of "new invention" in The Indian Patents Act, 1970 is as follows:

"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 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 novelty criterion is judged under various provisions of the Patents Act and Rules made thereunder and also based on the procedures laid out in chapter 08.03.02 of the Manual.

4.2 Inventive step

Inventive step is decided in accordance with the provisions of section 2(1)(ja) of the Indian Patents Act, 1970. The determination of inventive step with regard to CRIs is carried out in like manner as in other categories of inventions.

As per 2(1)(ja), "inventive step" means a *feature of an invention that involves technical advance 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;*

When the patentee explains that there is an inventive step which is a technical advance compared to the existing knowledge (state-of-the-art) or that it has economic significance that would not give him the right to a patent as such. 'The inventive step' must be a feature which is not an excluded subject itself. Otherwise, the patentee by citing economic significance or technical advance in relation to any of the excluded subjects can insist upon grant of patent thereto. Therefore, this technical advance comparison should be done with the subject matter of invention and it should be found it is not related to any of the excluded subjects.⁴

Indian Supreme court on inventive step: In *Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries Ltd*⁵ it was held that *"The expression 'does not involve any inventive step' used in Section 26(1) (a) of the Act and its equivalent word 'obvious', have acquired special significance in the terminology of Patent Law. The 'obviousness' has to be strictly and objectively judged. For this determination several forms of the question have been suggested. The one suggested by Salmond L. J. in Rado v. John Tye & Son Ltd. is apposite. It is: 'Whether the alleged discovery lies so much out of the Track of what was known before as not naturally to suggest itself to a person thinking on the subject, it must not be the obvious or natural suggestion of what was previously known.'*

"Another test of whether a document is a publication which would negative existence of novelty or an 'inventive step' is suggested, as under: 'Had the document been placed in the hands of a competent craftsman (or engineer as distinguished from a mere artisan), endowed with the common general knowledge at the 'priority date', who was faced with the problem solved by the patentee but without knowledge of the patented invention, would he have said, 'this gives me what I want?' (Encyclopaedia Britannica; ibid). To put it in another form: 'Was it for practical purposes obvious to a skilled worker, in the field concerned, in the state of knowledge existing at the date of the patent to

⁴ IPAB yahoo v rediffmail

⁵ *Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries Ltd (AIR 1982 SC 1444)*

*be found in the literature then available to him, that he would or should make the invention the subject of the claim concerned ?*⁶

High Court of Delhi on Inventive Step: In the *F.Hoffman la Roche v Cipla*⁷ case the Hon'ble Delhi High Court had observed that the obviousness test is what is laid down in *Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries Ltd (AIR 1982 SC 1444)*⁸ and that "*Such observations made in the foreign judgments are not the guiding factors in the true sense of the term as to what qualities that person skilled in the art should possess. The reading of the said qualities would mean qualifying the said statement and the test laid down by the Supreme Court.*"

Hon'ble High Court further added, "*From the bare reading of the afore quoted observations of Supreme Court, it is manifest that the Hon'ble Supreme Court has laid down the test for the purposes of ascertaining as to what constitutes an inventive step which is to be seen from the standpoint of technological advancement as well as obviousness to a person who is skilled in the art. It is to be emphasized that what is required to be seen is that the invention should not be obvious to the person skilled in art. These are exactly the wordings of New Patents Act, 2005 u/s Section 2(ja) as seen above. Therefore, the same cannot be read to mean that there has to exist other qualities in the said person like unimaginary nature of the person or any other kind of person having distinct qualities..... Normal and grammatical meaning of the said person who is skilled in art would presuppose that the said person would have the knowledge and the skill in the said field of art and will not be unknown to a particular field of art and it is from that angle one has to see that if the said document which is prior patent if placed in the hands of the said person skilled in art whether he will be able to work upon the same in the workshop and achieve the desired result leading to patent which is under challenge. If the answer comes in affirmative, then certainly the said invention under challenge is anticipated by the prior art or in other words, obvious to the person skilled in art as a mere workshop result and otherwise it is not. The said view propounded by Hon'ble Supreme Court in *Biswanath Prasad (supra)* holds the field till date and has been followed from time to time by this Court till recently without any variance..... Therefore, it is proper and legally warranted to apply the same very test for testing the patent; be it any kind of patent. It would be*

⁶ *Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries Ltd (AIR 1982 SC 1444)*

⁷ *F. Hoffmann-La Roche Ltd vs Cipla Ltd., Mumbai Central, ... on 7 September, 2012*

⁸ *Biswanath Prasad Radhey Shyam vs Hindustan Metal Industries Ltd (AIR 1982 SC 1444)*

improper to import any further doctrinal approach by making the test modified or qualified what has been laid down by the Hon'ble Supreme Court in of Biswanath Prasad (supra)."

Accordingly the following points need to be objectively judged to ascertain whether the invention does have inventive step or not:

1. Identify the "person skilled in the art", i.e competent craftsman or engineer as distinguished from a mere artisan
2. Identify the relevant common general knowledge of that person at the priority date;
3. Identify the inventive concept of the claim in question or if that cannot readily be done, construe it;
4. Identify what, if any, differences exist between the matter cited as forming part of the "state of the art" and the inventive concept of the claim or the claim as construed;
5. Viewed without any knowledge of the alleged invention as claimed, do those differences constitute steps which would have been obvious to the person skilled in the art or do they require any degree of inventive ingenuity?

4.3 Industrial Applicability:

In patent law, industrial applicability or industrial application is a patentability requirement according to which a patent can only be granted for an invention which is capable of industrial application, i.e. for an invention which can be made or used in some kind of industry.

It has been defined in section 2(1)(ac) of Indian Patents Act, 1970 as follows:

"capable of industrial application", in relation to an invention, means that the invention is capable of being made or used in an industry;

Industry herein is to be understood broadly having any useful and practical activity while excluding intellectual or aesthetic activity.

Claims relating to "Method of playing games" and "computer programming languages" are not considered to be industrially applicable. A method for

effecting introductions with a view to making friends is not industrially applicable even though it could be carried out by a commercial enterprise.

The requirement of workability and usefulness are both connected to the requirement of industrial applicability. If an invention is not workable, it means that it is also not industrially applicable. The patent specification must disclose a practical application and industrial use for the claimed invention wherein a concrete benefit must be derivable directly from the description coupled with common general knowledge. Mere speculative use or vague and speculative indication of possible objective will not suffice.

The determination of industrial applicability in case of CRIs is very crucial since applications relating to CRIs may contain only abstract theories, lacking in industrial application.

4.4 Sufficiency of Disclosure:

Grant of patents is *quid pro quo* to disclosure. It is for the disclosure of invention by the applicant that the patent rights are granted to him for a limited period of time, if all criteria of patentability is fulfilled. The Patents Act, 1970 requires the applicant to specify 'what' is the invention and 'how' to perform it. The invention shall be described fully and particularly to satisfy the 'what' requirement and further the best method of performing the invention known to the applicant to satisfy the 'how' requirement. The complete specification should therefore disclose the invention completely to meet the requirement of the Patents Act and should also enable a person skilled in the art to work the invention without any assistance of the patentee or any further experimentation. The description must be unambiguous, clear, correct and accurate. It must not contain any statements which may mislead the person skilled in the art to whom the specification is addressed. While the requirements of sufficiency of disclosure is considered generally in all fields of invention; in cases of patent applications concerning computer related inventions (CRIs), these requirements are considered as fulfilled if the specification addresses the following:

4.4.1 Fully and particularly (What):

1. If the patent application relates to apparatus/system/device i.e hardware based inventions, each and every feature of the invention shall be described with suitable illustrative drawings. If these system/device/apparatus claims are worded in such a way that they merely and only comprise of a memory which stores instructions to

execute the previously claimed method and a processor to execute these instructions, then this set of claims claiming a system/device /apparatus may be deemed as conventional and may not fulfil the eligibility criteria of patentability.

If, however, the invention relates to 'method', the necessary sequence of steps should clearly be described so as to distinguish the invention from the prior art with the help of the flowcharts and other information required to perform the invention together with their modes/means of implementation.

2. The working relationship of different components together with connectivity shall be described.
3. The desired result/output or the outcome of the invention as envisaged in the specification and of any intermediate applicable components/steps shall be clearly described.

4.4.2 Best Method of operation (How):

The best mode of operation and/or use of the invention shall be described with suitable illustrations. The specification should not limit the description of the invention only to its functionality rather it should specifically and clearly describe the implementation of the invention.

4.4.3 Claims:

1. The claims should clearly define the scope of the invention and should take care of unity of invention requirements as defined under section 10(5) of the Patents Act, 1970.
2. The claim(s) of a complete specification should be clear and succinct and should be fairly based on the matter disclosed in the specification.
3. The claims in the field of Computer related inventions need to be construed to ascertain the substance of the claim without wholly relying on the forms and types of the claims.

4.4.4 Form and substance:

The sub-section 3(k) excludes mathematical methods or business methods or computer programme per se or algorithms from patentability.

While the judgment of mathematical methods or business methods is comparatively easier, it is the computer programme per se or algorithms related inventions that require careful consideration of the examiner. Computer programmes 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. The algorithm related claims are even wider than the computer programmes claimed by themselves as a single algorithm can be implemented through different programmes in different computer languages. If, in substance, claims in any form such as method/process, apparatus/system/device, computer program product/computer readable medium belong to the said excluded categories, they would not be patentable.

Even when the issue is related to hardware/software relation, (e.g., when the claims recite 'processor is programmed to...' or 'apparatus comprising a processor and configured / programmed to.....') the expression of the functionality as a 'method', is judged on its substance. It is well-established that, in patentability cases, the focus should be on the underlying substance of the invention, not the particular form in which it is claimed. The Patents Act clearly excludes computer programmes per se and the exclusion should not be allowed to be avoided merely by camouflaging the substance of the claim by wording (e.g. different sub-routines are performed in different physical locations such as processors will not suffice).

4.4.5 Means plus Function:

The claims concerning CRIs are often phrased in means for performing some function such as means for converting digital to analog signal etc. These types of claims are termed as means +function format. The 'means' mentioned in the claims shall clearly be defined with the help of physical constructional features and their reference numerals to enhance the intelligibility of the claims. The claims in means plus function form shall not be allowed if the structural features of those means are not disclosed in the specification.

Further, if the specification supports implementation of the invention solely by the computer program then in that case means plus function claims shall be rejected as these means are nothing but computer programme per se.

Where no structural features of those means are disclosed in the specification and specification supports implementation of the invention solely by the software then in that case means in the “means plus function” claims are nothing but software.

4.5 Determination of excluded subject matter relating to CRIs:

Since patents are granted to inventions, whether products or processes, in all fields of technology, it is important to ascertain from the nature of the claimed CRI whether it is of a technical nature involving technical advancement as compared to the existing knowledge or having economic significance or both, and is not subject to exclusion under Section 3 of the Patents Act.

The sub-section 3(k) excludes mathematical methods or business methods or computer programme per se or algorithms from patentability. Computer programmes 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.

4.5.1 Claims directed as “Mathematical Method”:

Mathematical methods are a particular example of the principle that purely abstract or intellectual methods are not patentable. Mathematical methods like method of calculation, formulation of equations, finding square roots, cube roots and all other similar methods are therefore not patentable. However, mere presence of a mathematical formula in a claim, to clearly specify the scope of protection being sought in an invention, may not necessarily render it to be a “mathematical method” claim.

Some examples which will attract exclusion:

- ✚ acts of mental skill. e.g. A method of calculation, formulation of equations, finding square roots, cube roots and all other methods directly involving mathematical methods like solving advanced equations of mathematics.
- ✚ merely manipulates abstract idea or solves a purely mathematical problem without specifying a practical application.

4.5.2 Claims directed as "Business Method":

The term 'Business Methods' involves whole gamut of activities in a commercial or industrial enterprise relating to transaction of goods or services. The claims drafted not directly as "business methods" but apparently with some unspecified means are held un-patentable. However, if the claimed subject matter specifies an apparatus and/or a technical process for carrying out the invention even partly, the claims shall be examined as a whole. When a claim is "business methods" in substance, it is not to be considered a patentable subject matter.

However, mere presence of the words such as "enterprise", "business", "business rules", "supply-chain", "order", "sales", "transactions", "commerce", "payment" etc. in the claims may not lead to conclusion of an Invention being just a "Business Method", but if the subject matter is essentially about carrying out business/ trade/ financial activity/ transaction and/or a method of buying/selling goods through web (e.g. providing web service functionality), should be treated as business method and shall not be patentable.

4.5.3 Claims directed as "Algorithm":

Algorithms in all forms including but not limited to, a set of rules or procedures or any sequence of steps or any method expressed by way of a finite list of defined instructions, whether for solving a problem or otherwise, and whether employing a logical, arithmetical or computational method, recursive or otherwise, are excluded from patentability.

4.5.4 Claims directed as "Computer Programme *per se*":

Claims which are directed towards computer programs per se are excluded from patentability such as,

- (i) Claims directed at computer programmes/ set of instructions/ Routines and/or Sub-routines.
- (ii) Claims directed at “computer programme products” / “Storage Medium having instructions” / “Database” / “Computer Memory with instruction” i.e. computer programmes per se stored in a computer readable medium.

The computer programme per se is excluded from patentability under section 3 (k) apart from mathematical or business method and algorithm. The legislative intent to attach suffix per se to computer programme is evident by the following view expressed by the Joint Parliamentary Committee while introducing Patents (Amendments) Act, 2002:

*"In the new proposed clause (k) the words "per se" have been inserted. This change has been proposed because sometimes the computer programme may include certain other things, ancillary thereto or developed thereon. The intention here is not to reject them for grant of patent if they are inventions. However, the computer programmes as such are not intended to be granted patent. This amendment has been proposed to clarify the purpose."*⁹

4.5.5 A literary, dramatic, musical or artistic work or any other aesthetic creation whatsoever including cinematographic works and television productions

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.11 of the Manual.

4.5.6 A mere scheme or rule or method of performing mental act(s) or a method of playing game(s)

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.12 of the Manual.

4.5.7 Presentation of information

The above criterion is to be judged as per the procedures as laid out in chapter 08.03.05.13 of the Manual.

⁹ JPC Report dated 19th December, 2001.

5. Tests/Indicators to determine Patentability of CRIs:

Examiners may rely on the following three stage test in examining CRI applications:

- (1) Properly construe the claim and identify the actual contribution;
- (2) If the contribution lies only in mathematical method, business method or algorithm, deny the claim;
- (3) If the contribution lies in the field of computer programme, 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 programme in itself is never patentable. If the contribution lies solely in the computer programme, deny the claim. If the contribution lies in both the computer programme as well as hardware, proceed to other steps of patentability.

6. Illustrative examples of Claims which are not patentable

The following examples (illustrative but not exhaustive) exhibit the excluded categories:

Example 1: A patent application was filed with the following main claim:

A method of scoring compatibility between members of a social network, said method comprising the steps of:

preparing interest compatibility scores based on expressed Interests of the members of the social network; and

computing a compatibility score between a first member of the social network and a second member of the social network based on expressed interests of the first member, expressed interests of the second member, and the interest compatibility scores between the expressed interests of the first member and the expressed interests of the second member.

The Controller held "*the said method for scoring compatibility between the social network users is nothing but a business method which shall be used commercially. Thus the subject matter of the instant invention cannot be allowed u/s 3(k) of The Patents Act, 1970.*

The said method for scoring compatibility between the social network users, say estimating the probability and dividing the estimated probabilities from the resultant product, is a mere a mathematical method which cannot be allowed u/s 3(k) of The Patents Act, 1970.

The subject matter of the instant invention, say the method for computing compatibility score, is based on a scheme/predefined set of rules which cannot be allowed u/s 3(m) of The Patents Act, 1970.

Hence, in view of the above pending objections, this application was refused u/s 15 of the Patents Act, 1970'.

Example 2: IPAB Decision in Yahoo Inc. V. Rediff.com India Limited Case¹⁰:

A patent application was filed with the following main claims:

A method of operating a computer network search apparatus for generating a result list of items representing a match with information entered by a user through an input device connected to the computer network, the search apparatus comprising a computer system operatively connected to the computer network and the method comprising:

storing a plurality of items in a database, each item comprising information to be communicated to a user and having associated with it at least one keyword, an information provided and a bid amount;

receiving a keyword entered by a user through an input device;

searching the stored items and identifying items representing a match with the key word entered by the user;

ordering the identified items using the bid amounts for the identified items, and generating a result list including the ordered, identified items;

providing the result list to the user;

receiving a request from the user for information regarding an item selected from the result list;

charging to an account of the information provider associated with the selected item the bid amount associated with the selected item; and

providing information providers with authenticated login access to permit an information provider to modify at least the bid amount associated with the information provider's listing;

wherein the computer system sends an indication of the status of the information provider's account to the information provider in response to the occurrence of a predetermined condition.

Refusing the application, the Controller held that the invention was only a business strategy and hence was not patentable u/s 3(k) of the Act.

¹⁰ IPAB OA/ 22/ 2010/ PT/ CH

Appealing against the decision of the Controller, the appellant (the applicant) submitted that the technical advancement had been clearly brought out in the response to the office objection and that has been totally ignored by the Controller. Further, evidence of the expert which has been filed at the stage of the appeal which also refers to the technical and non-technical features ought to have been considered by the Controller, especially since there was no serious objection to the Expert's evidence by the respondent. It also referred to the decision in *Symbian Ltd. vs. Comptroller of Patents*, Court of Appeal, (2008) EWCA Civ 1066 where the Court of Appeals had explained how Court should deal with matters when there is a technical advancement in respect of excluded subject.

IPAB analyzed various decisions of foreign courts with regard to 'business method', expert evidence, the appellant's own response and Manual of Patent Procedures 2008. In its decision, the Board held that the invention was falling in the category of "method of doing business", maybe a technically smarter way of doing business. It increases the chance of the higher bidders being closer to the top.

The appellant submitted that the board must place itself in 1998 (time of invention), to decide the patentability and what appears so easy and familiar today was new then. To which IPAB held *"even if we go back in time to 1998 the nature of invention is still a method of doing business. That does not change. There are huge innovations in the computers themselves, but the invention claimed is not for the machine but for the method. From whichever point of time we look at it, it still looks to be a business method."*

Example 3: A patent application with the following main claim:

A method of classifying telecommunications network event description records in a mediator system of a telecommunications network by means of a computer program product, comprising

- a) receiving records containing several fields, the fields of which records contain values,*
- b) reading the values contained in at least two specified fields from each received record, and*
- c) classifying the received records using a classification structure containing conditions, wherein the conditions have been formed based on conditional statements for the classes, said conditional statements having differing accuracies, in which the accuracy tells how many different fields of the record are used in the conditional statement of the class, and wherein the classification structure contains field-specific classification*

structures such that there is an own field-specific classification structure for each field according to the conditions of the classification structure, characterized in that for classifying the received records, the method comprises:

selecting field-specific classification structures corresponding to the specified fields and for each record:

searching from the selected classification structures a set of suitable classes for each of the specified fields, wherein the suitable classes correspond to the value read from the field, and

adding each set of suitable classes into a field-specific table, performing an intersect operation between the field specific tables and selecting a class based on the result thereof by performing the steps of:

collecting in a valid-set table the numbers of occurrences of the various classes in the field specific tables, and

selecting the class having the greatest number of occurrences and for which the number of occurrences is the same as the number of different fields appearing in the conditional statement of the class, and classifying the record into the selected class.

Analysis:

The invention as claimed in the claim is directed to classifying data records which are describing telecommunication network events. These records are sorted into service classes for billing purposes. As the service classes are increased, the sorting of records into classes becomes time consuming. The invention solves the problem by reducing a large number of classes into specific sets. Thus, the problem is non-technical and also the solution is non-technical. The solution is nothing but a sequence of computational steps and, therefore, the solution is an algorithm; it takes telecommunication network event records as input and this input is transformed by a sequence of computing steps into the classification of records into different selected classes.

Example 4: A patent application with the following main claim:

A data processing system (100) for repetitively determining a resource amount for counterbalancing the transfer of a failure risk pertaining to a bundle of constructs that may individually fail, the system comprising:

a data storage (110, 120, 130) for storing continuously updated spread values for each construct in the bundle for each distinct individual time instance during said resource amount determination, said spread values indicating a difference between a continuously updated value of the respective construct and a continuously updated value of a respective

reference construct or reference bundle of constructs; and a calculation unit (140) connected to said data storage for calculating a value of said resource amount for an individual time instance based on said spread values, wherein said data storage is further arranged for storing event data for individual constructs in the bundle, said event data indicating whether a failure event has occurred for the respective construct, wherein said calculation unit is further arranged for disregarding the spread values of constructs having experienced a failure event, when calculating said value of said resource amount, wherein said calculation unit is arranged for obtaining a first spread value for each construct relating to a given time instance and not having experienced a failure event, wherein said calculation unit is arranged for obtaining a second spread value for each construct relating to a time instance preceding said given time instance and not having experienced a failure event, wherein said calculation unit is arranged for obtaining a third spread value for each construct relating to the first time instance of said resource amount determination and not having experienced a failure event, wherein said calculation unit is further arranged for calculating a first value for each construct not having experienced a failure event based on said first and third spread values, and a second value for each construct not having experienced a failure event based on said second and third spread values, and calculating said value of said resource amount based on said first and second values, wherein said data storage is further arranged for storing weights for each construct in the bundle, and said calculation unit is arranged for calculating said value of said resource amount by summing up the weighted first values, summing up the weighted second values, and calculating the difference between both sums, wherein said calculation unit is further arranged for calculating said value of said resource amount by multiplying a defined resource amount with the difference between the sum of all weights relating to constructs not having experienced a failure event at said given time instance and the sum of all weights relating to constructs not having experienced a failure event at said preceding time instance, and adding this to the calculated difference between the sums of weighted first and second values, wherein said calculation unit is further arranged for calculating said first and second values also based on a continuously updated time limit for the failure risk counterbalancing at the respective time instance, and wherein the constructs are credit default swaps, the bundle of constructs is a basket of credit default swaps, the failure risk is a credit risk, and the

calculated value of said resource amount is a value of a futures contract that is based on the basket of credit default swaps as underlyings.

Analysis:

The claims are directed towards a data processing system for assessing the failure risk of a bundle of constructs that may individually fail. The system is defined to store and process spread values and for continuously calculating a resource amount which reflects a value of a futures contract. The invention claimed is an algorithm because it only provides a sequence of computational steps of assessing a failure risk of a bundle of contracts. Moreover, the invention as claimed involves transforming by a sequence of computing steps, a non-technical input, such as spread values, into a non-technical output, such as resource amount. Further, the invention as claimed in the claim is directed to assessing and balancing the financial risk; therefore, it is also a method of doing business and hence not patentable.

Example 5: A patent application with the following main claim:

A method of controlling a pension benefits program by administering at least one subscriber employer account on behalf of each subscriber employer's enrolled employees each of whom is to receive periodic benefits payments, said method comprising:

a) providing to a data processing means information from each said subscriber employer defining the number, earnings and ages of all enrolled employees of the said subscriber employer;

b) determining the average age of all enrolled employees by average age computing means; determining the periodic cost of life insurance for all enrolled employees of said subscriber employer by life insurance cost computing means; and

c) estimating all administrative, legal, trustee, and government premium yearly expenses for said subscriber employer by administrative cost computing means; the method producing, in use, information defining each subscriber employer's periodic monetary contribution to a master

trust, the face amount of a life insurance policy on each enrolled employee's life to be purchased from a life insurer and assigned to the master trust and to be maintained in full force and effect until the death of the said employee, and periodic benefits to be received by each enrolled employee upon death, disability or retirement.

Apparatus Claim:

An apparatus for controlling a pension benefits system comprising:

a data processing means which is arranged to receive information into a memory from each subscriber employer defining the number, earnings and ages of all enrolled employees, said data processing means including a processor which includes:

average age computing means for determining the average age of all enrolled employees;

life insurance cost computing means for determining the periodic cost of said life insurance for all enrolled employees of said subscriber employer;

administrative cost computing means for estimating all administrative, legal, trustee, and government premium yearly expenses for said subscriber employer;

the apparatus being arranged to produce, in use, information defining each subscriber employer's monetary contribution to a master trust; the face amount of each life insurance policy to be issued and made payable to said master trust by a life insurer on the life of each enrolled employee and to be maintained in full force and effect until the death of the said employee; and periodic benefits payable by said master trust to each enrolled employee upon death, disability, or retirement.

Analysis:

The invention claimed involves a sequence of computational steps for determining pension benefits and is directed to receive subscriber non-technical input data and to process such data to arrive at a non-technical output data, such as a face value of an insurance policy. Thus, the invention as claimed in the claim is an algorithm.

Further, the invention as claimed in the claim is directed towards a method involving economic concepts and practices of doing business and hence not patentable.

Example 6: A patent application with the following main claim:

A method performed by a computer system (100; 110) for identifying an item definition that matches an item description, the item definition and item description having attributes with values, the item definitions being stored in an item definition table (101), the method comprising:

a) providing one or more rules (211) that specify how to generate a similarity score based on similarity between the values of the attributes of an item definition and an item description, wherein at least one rule specifies a criterion for identifying candidate item definitions;

b) identifying one or more candidate item definitions in accordance with the rules using indexes (212) of attributes into the item definitions in the item definition table, each index for an attribute mapping values of that

attribute to the item definitions; for each of the one or more candidate item definitions,

c) generating a similarity score for the candidate item definition and the item description in accordance with the rules (403, 902), wherein said generating comprises assigning a score to the attributes of the candidate item definition and the item description, and aggregating scores of the attributes to derive the similarity score (909); and

d) selecting the candidate item definition whose generated similarity score indicates it is most similar to the item description as the matching item description.

Analysis

The invention as claimed involves a sequence of computational steps and is directed to a method to match an item description (e.g. of a book) with an item description defined in an "item definition table" (e.g. a web site's database) using rules that define the required similarity of different attributes of the item (for a book, the attributes may be ISBN number, author, title, product type, etc.) Before applying the full set of matching rules, a number of "candidates" are identified (analogous to a pre-selection of candidates before a job interview). This avoids having to perform a time-consuming detailed match against all the items in the table (analogous to avoiding interviewing all applicants). The candidates are identified using indexes of the attributes.

Thus, the invention is directed to take the input corresponding to an item description and transforming it into an output of matched item description. In other words, the invention is directed to an algorithm of transforming an input value into an output value by a sequence of computational steps or rules. Further, the invention is implemented using computer program to carry out non-technical process related to matching the data or simply data processing activities. Therefore, the invention claimed is excluded under section 3(k) and is not patent eligible.

Example 7: A patent application with the following main claim:

A method of editing a business graphic chart in a data processing system having a display, a keyboard comprising the steps of: a) initiating (21) the display of a determined business chart composed of graphic objects by using data extracted from an existing data base file or keyed by an

operator, said initiation involving the creation of a link between said business chart and the data used for creating the chart,

b) displaying (21) said business chart in one predetermined form depending on a selection made by an operator on a display, said displaying also involving the use of a cursor such as an arrow movable by said operator,

c) tracking said cursor in order to determine an individual object over which said cursor moves,

d) in response to said tracking, highlighting said individual object in order to provide a visual feedback to said operator

e) monitoring (22) the operator's inputs on said keyboard to determine whether an action has to be performed on said individual object,

f) performing (27) in response to said monitoring the action selected by said operator on said keyboard,

g) checking whether the results of said actions have made the chart incompatible with the data used to generate the business chart,

h) displaying (29) in response to said checking step a message on said displaying to inform the operator that the displayed business chart is no longer consistent with the data from which it was created.

Analysis:

The invention claimed involves a sequence of computational steps and is directed to a method for editing graphics in a data processing system. The method involves determining a link between the data to be displayed and the graphic, and displaying a message to the operator when the graphic is no longer compatible with the data due to an action performed by the operator. Thus, the invention claimed involves inputs representing data related to non-technical field, such as numerical or textual data extracted from the data base or the key strokes. The non-technical input is transformed into an output related to non-technical field, such as displaying a non-technical chart of numerical values and non-technical message conveying that the displayed chart is not consistent with the input data. Thus, the invention as claimed is an algorithm for processing a non-technical input into a non-technical output. Further, the invention as claimed is a computer implemented solution to edit graphs related to numerical values to carry out a non-technical process of data processing. Thus, it also falls under computer program per se category.

Example 8: A patent application with the following main claim:

*Apparatus (10) for rebalancing a capitalization weighted stock index comprising:
means (18, 19, 20) adapted to receive as input a data feed of information relating to stocks in a stock index;
means (12, 42, 60) adapted to classify stocks in the index as a Large Individual Stock if a stock has a capitalization weight above or equal to a first threshold or as a Small Individual Stock if the stock has a capitalization weight below the first threshold;
means (12, 44, 64, 66) adapted to scale down the Large Individual Stocks by an excess capitalization weight of the large stocks;
means (12, 48) adapted to distribute an aggregated excess capitalization weight of the Large Individual Stocks over the capitalization weights of the Small Individual Stocks; and
means (12, 14, 30) adapted to output data (50, 52) corresponding to redistributed capitalization weights of the stock index.*

Analysis:

The invention as claimed involves a sequence of steps and is directed to a method for rebalancing a capitalization-weighted stock index. Stock indexes are used to track the performance of a group of stocks. Capitalization-weighted indexes are regarded as having the disadvantage that a few large stocks may dominate the overall performance of the index. The invention as claimed is aimed at overcoming this drawback by scaling down large individual stocks and distributing the corresponding excess capitalization over the smaller stocks. The output data correspond to the redistributed capitalization weights of the stock index.

The invention as claimed is a computer implemented method directed to a non-technical field related to stock indexes. Since the invention as claimed is a computer program directed to a non-technical field, it is a computer program per se. Further, the invention claimed is directed to a non-technical field related to method of doing business and is not patent eligible.

Example 9: A patent application with the following main claim:

A system enabling subscribers of a wireless Telecom Operator to execute financial transactions with a mobile phone, in which a subscriber has one

or several open Financial Transaction Accounts being managed by the Telecom Operator, which can receive monetary deposits and on which debit and credit operations can be executed, the system comprising:

a) a Transaction Processing Platform which is a software system running on computers of the Telecom Operator and which is interfaced at least with a subscribers' database, a wireless telephone network, an accounting system and other elements of a Telecom Operator infrastructure, the Transaction Processing Platform comprising means for:

a. receiving and interpreting financial transaction orders transmitted over the wireless telephone network via the mobile phone, and

b. executing the ordered financial transactions and managing the related movements and operations including debiting and/or crediting related Financial Transaction Accounts, confirming transactions, establishing statements of accounts, reporting transactions to Financial Transaction Account owners, sending and receiving transaction related data through the wireless communication network to/from the mobile phones, and

b) a client software program which can run on a mobile phone or on the Subscriber Identity Module inserted in the mobile, said client software program being arranged to perform the following functions:

a. allowing authentication of the subscriber through password input via the mobile phone;

b. enabling capture or validation by the subscriber of the financial transaction related data and display thereof on the mobile phone;

c. enabling via the mobile phone, sending or receiving transaction related data or financial transaction account information to/from the Transaction Processing Platform through the wireless telephone network, wherein the financial transactions are executed between the mobile phones of at least two users connected to the system via the wireless telephone network and the Transaction Processing Platform.

Analysis:

The invention as claimed is directed towards enabling a telecom operator to manage and complete financial transactions. Although the claims include multiple hardware components, such as a mobile phone, a transaction processing platform, subscriber's database, and wireless communication network, in essence the invention is directed to perform and complete a financial transaction while managing the related movements of accounts. The invention claimed, viewed as a whole, is related to a non-technical field of doing a business. Therefore, it is excluded under section 3(k) of the Patents Act, 1970.

Example 10: A patent application with the following main claim:

An automatic auction method executed in a server computer comprising the steps of:

- a) transmitting information on a product to be auctioned to a plurality of client computers via a network, each client computer belonging to a bidder;*
- b) receiving a plurality of auction ordering information pieces, each including a desired price and a maximum price in competitive state, for purchase of said product, from the plurality of client computers via the network;*
- c) storing the received auction ordering information pieces in the server computer for respective bidders;*
- d) setting an auction price;*
- e) determining whether there is any bidder who proposes a desired price equal to or higher than the auction price using the auction ordering information pieces stored in the server computer;*
- f) if there is no bidder in the step e), lowering the auction price, and repeating the step e);*
- g) if there is more than one bidder at step e), judging whether there is more than one bidder for whom the auction price is less than or equal to the desired price such that a competitive state occurs using the auction ordering information pieces stored in the server computer;*
- h) if the competitive state occurs, increasing the auction price by a predetermined value;*
- i) excluding the bidder who proposes acceptable a price lower than the increased auction price and specifying the other bidder or bidders using the auction ordering information;*
- j) judging whether the competitive state occurs among the bidder or bidders specified in the step i);*
- k) repeating the steps h), i) and j) and determining the remaining bidder as a successful bidder when there is no competitive state at step j); and*
- l) if no competitive state occurs in the step g), determining the remaining bidder as a successful bidder.*

Analysis:

The method includes auction with preliminary steps of data exchange between the client computers and the server computer in order to collect bids from the participants. An auction price is set and successively lowered (which is typical for so-called Dutch auctions) until it reaches the level of the highest bid or bids as determined by the "desired price".

The invention as claimed is a computer implementation of an auction method to identify a successful bidder for a product offered for sale at an auction; accordingly, the scope of the invention as claimed in the claim encompasses a “business method” and, therefore, is excluded under section 3(k) of the Act.

Example 11: A patent application with the following main claim:

A computer based method of supporting the creation, servicing and payment of financial contracts and the operation of a plurality of financial accounts connected thereto having terms and conditions which provide repayment of monies tendered by one entity to another on a date or dates in the future, along with periodically provided compensation thereon, for the purpose of protecting the solvency of the issuing entity and providing reasonable compensation to contract holders said method comprising the steps of:

a) storing the negotiated terms and conditions of a financial contract with an identified contract holder into at least one electronic database;

b) periodically adjusting by an account management data processor coupled with the at least one electronic database the level of compensation on the financial contract to produce a rate of compensation tied to an external benchmark and to determined inputs based on such terms and conditions,

c) allowing the issuing entity to establish a lower rate of compensation in any period in which its solvency or deteriorating credit quality,

d) including with respect to the business activity to which the contract relates, is otherwise threatened in exchange for establishment of a higher rate of compensation during periods in which the results of a formula computation exceed certain pre agreed levels;

e) the account management data processor creates and maintains one or more accounts in the at least one electronic database to which funds received on the issuance of the financial contract are allocated; and

f) utilizing one or more computers to interact and update said accounts maintained in said memory means and report the data contained therein.

Analysis:

The invention as claimed is a computer implemented method for processing financial data. The method steps are sequence of computational steps and are directed to create financial contracts and administer them so as to obtain an improved adjustable rate structure for financial institution. In essence, the invention is a set of rules or a sequential procedure to operate on non-technical

business data related to financial contracts. The output is improved adjustable loan structure. Therefore, the invention as claimed in the claim is an algorithm and also a business method. Therefore, the invention as claimed in the claim is excluded under section 3(k) of the Patents Act , 1970.

Example 12: A patent application with the following main claim:

A method for generating a page suitable for display on a mobile communication device(320)

based on a webpage from a website server (330), said method comprising the steps of:

initiating at the mobile communication device (320) a request for the webpage from the website server (330);

establishing a communication link (304) between the website server and the mobile communication device(320) on a direct end-to-end or secure communication path;

receiving (515) at least a portion of the webpage at the mobile communication device(320) over said communication link with said website server;

obtaining (511, 512) one or more transcoding instructions for the mobile communication device (320) from a server(310);

transcoding (516) said received portion of the webpage according to said one or more transcoding instructions; and

generating a page suitable for display on the mobile communication device (320) based on said transcoded webpage.

Analysis:

The alleged invention relates to an e-commerce application for transcoding content or elements of a webpage received at a client device like mobile phone.

It was held that Mobile communication device configured as such is not allowed due to lack of specific physical characteristics and as it works solely on the basis of software module which has been configured to execute the instructions on the device.

The core concept of the claimed subject matter is a transcoding engine which has been configured to transcode the webpage during a secure end to end connection which is a software module and it doesn't have any specific interaction with hardware capabilities according to the invention. Plug in to the browser mentioned is again a software component. Hence the subject matter was not allowed under Section 3(k) of the Patents Act , 1970.

Example 13: A patent application with the following main claim:

A computer implemented method, of estimating a characteristic of a signal, the method executable by a computer processor (220) comprising the steps of:
allocating a plurality of measurements amongst numerically sequential primary partitions, each said measurement being associated with a characteristic of a signal, each said primary partition having a respective primary numerical range, a value of each said measurement being numerically within one of the primary numerical ranges;
allocating the measurements associated with one of the primary partitions amongst numerically sequential secondary partitions, one of the measurements associated with the one primary partition having a desired rank, the secondary partitions being disposed numerically within the primary numerical range of the one primary partition, each said secondary partition having a respective secondary numerical range, the value of each said measurement associated with each said secondary partition being within a respective one of the secondary numerical ranges; and
selecting one of the secondary partitions in accordance with the desired rank, one of the measurements associated with the selected one secondary partition having the desired rank.

Analysis:

The alleged invention relates an algorithm stored in the memory and executed by the conventional processor. It was further held that the alleged invention

has not disclosed how the processor has been configured and with what inventive constructional device. Therefore, the application was refused under section 3(k) of the Patents Act 1970.

Example 14: A patent application with the following main claim:

A method of determining, from transform coded data, an inverse transform to generate a number of bits required to represent an output value which would be obtained as a result of an inverse transform being performed on said transform coded data, said method comprising the steps of:

obtaining, at an MPEG decoder, a sum of coefficient values within said transform coded data (204);

comparing, in the MPEG decoder, this sum to a pre-determined threshold value (206);

deciding, in the MPEG decoder, as a consequence of said comparison which inverse transform implementation, selected from an 8 bit inverse transform implementation, and a 9 bit inverse transform implementation, should be performed when decoding said transform coded data; and

performing in the MPEG decoder on the transform coded data, the decided inverse transform.

Analysis:

The invention is all about calculating IDCT which is used in MPEG decoder. The mathematical equations used in pages 6-7 are used for calculation; moreover preamble of the claim 1 itself directs towards a mathematical method. The inventive feature of the alleged invention is based on a mathematical equation. Hence claims 1-8 are not allowed since it falls u/s 3(k) of The Patents Act, 1970.

The method steps defined in claims are nothing but algorithmic steps to calculate IDCT. Steps are - Obtaining sum of coefficients values - Comparing sum to a threshold value - Decide whether to use 8 bit IDCT or 9 bit IDCT implementation Hence method claims falls U/S 3(k) of The Patents Act, 1970.

Example 15: A patent application with the following main claim:

A system for managing a billing account, comprising:

*a wireless network (104);
a server (106, 120, 122, 130); and
a client device (102, 108, 110, 112) comprising:
 a transceiver; and
a computer platform (206) including:
 a memory (212); and
at least one processor (208) coupled to the memory (212) to perform
operations within the client device (102, 108, 110, 112) and further
coupled to the server (106, 120, 122, 130) via the wireless network (104)
and configured to establish at least one primary account associated with a
first type of service, wherein the at least one primary account includes
periodic fees that are charged to the billing account on a periodic basis,
and to establish at least one secondary account associated with a second
type of service, wherein the at least one secondary account represents an
amount of prepaid service that is available for charging usage of the
second type of service to the billing account, wherein the amount of
prepaid service represented by the at least one secondary account is
calculated by adding a prepaid service credit to the at least one
secondary account at each of a set of billing periods and deducting
charges from the at least one secondary account based on the usage of
the second type of service during the set of billing periods.*

Analysis:

The alleged invention relating to prepay account management for both wireless and non-wireless devices was held to be not patentable as conventional client/server architecture is used to implement the method for managing accounts and services associated therewith. The implementation is in the form of a billing manager which uses known transceiver and user interface. It was held that the claimed invention is nothing more than implementation of business process (administration of accounts) by conventional client/server architecture and is not patentable under section 3 (k) of the Patents Act , 1970, as it is a business method.

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