



GOVERNMENT OF PAKISTAN  
COLLECTORATE OF CUSTOMS APPRAISEMENT (EAST)  
CUSTOM HOUSE, KARACHI.



C-227/KAPE/DC/PCT/2023

Dated: 02/02/2026

PUBLIC NOTICE NO. 15/2026

SUBJECT: DETERMINATION OF CLASSIFICATION OF BIOMETRIC HANDHELD DEVICE /POS SCANNER

1. The Collectorate of Customs (AIIA) Air Freight Unit, Cargo Complex Airport Lahore forwarded a reference for determination of classification of "POS Scanner with Standard accessories (Model: TPS360), a smart android mobile terminal, featuring a biometric fingerprint scanner that offers accurate identification".

2. Brief facts as reported by the referring Collectorate are M/s Secure Tech Consultancy imported a shipment containing 5000 pieces of Biometric Handheld device vide GD No.LPAF-HC-27695-28-01-2023 declared under PCT heading 8471.6030. However, the clearance Collectorate changed HS code from 8471.6030 to 8517.6990 on grounds that devices are capable of transmitting data, performing easy paisa transaction, based on android operating system, possessing valid IMEI number and SIM capability. However, the importer is of the view that it is a hand held biometric device for payment by debit or credit card and prime function of device is scanning of finger print for identification of person, therefore classifiable under heading 8471.6030 instead of 8517.6990 which is more appropriate to mobile phones. In view of the above, the matter was referred to Classification Committee for ascertaining appropriate PCT heading of aforementioned device.

3. The meeting of Classification Committee was held on 06.03.2024, 02.12.2023 and 14.09.2023, which was attended by the Departmental representatives and authorized representative of the importer i.e. M/s Masood Aziz Associates.

4. The representative importer that the TPS360 is a Smart Android Mobile Terminal, featuring a biometric fingerprint scanner that offers accurate identification. Being the most stable biometric characteristics, fingerprint authentication can be used to prevent unauthorized physical access to the school, office, laboratory, warehouse, etc.

- Compact fingerprint reader is FBI (PIV) and Mobile ID (FAP 20) and STQC certified, supporting 4G/3G/2G network, GPS, Wi-Fi, Bluetooth 4.0
- 5-inch 720P HD screen, easy to hold and carry

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Muhammad Abu Bakar Siddiqui  
Chief (TPS)

- Multiple fingerprint scanners optional to meet more fingerprint acquisition demands
- Optional 5MP/13MP rear camera and 5MP front camera with strong expandability
- 5/7.5/9AH or larger battery optional ensures the longer service life
- Support NFC/IC card for various verification scenes. Silicon rubber case + 1.5m fall prevention.

5. They stated that Collectorate of Customs (Adjudication), Lahore vide Order-in-Original No.385/2023 dated 19.10.2023 decided the classification of subject goods under PCT heading 8471.6030 as "Scanner" on grounds that prime function of device is scanning of finger prints for identification of person, therefore classifiable under PCT heading 8471 instead of 8517 which is more appropriate to mobile phones. They further stated that optical readers are also covered under heading 8471 as their device performs scanning and digitizing documents capturing barcodes or QR codes by image processing technology into a digital format that can be processed or stored electronically. They are of the view that subject device performs the function of scanning, verification of finger prints and performing computation and arithmetic functions, therefore ousted from purview of 8517. Even laptops and Tablets providing traditional smartphone features are covered under PCT heading 8471.3010. They stated that subject device is appropriately classifiable under PCT headings 8471.6030 or 8471.3090 and if both merits equal consideration, then by application of GIR 3(c), it is classifiable under PCT heading 8471.6030.

6. The Department vide its letter No.04/APR/Misc/AFU/19/2022/PT dated 09.03.2023 submitted arguments in favor of PCT heading 8517.6990, the department relied upon Chapter Note 6(A), 6(D), sub-heading note 2 to Chapter 84 and Chapter Note 5 of Chapter 85 which are reproduced below: -

- i. **6(A)** "For the purpose of heading 84.71, the expression "automatic data processing machines" means machines capable of: (i) Strong the processing program or programs and at least the data immediately necessary for the execution of the program; (ii) Being freely programmed in accordance with the requirements of the user; and (iv) Executing, without human intervention, a processing program which requires them to modify their execution, by logical decision during the processing run."
- ii. **6(D)** "Heading 84.71 does not cover the following when presented separately, even if they meet all of the condition set forth in Note 6 (C) above: (i) Printers, coping machines, facsimile machines, whether or not combined (ii) Apparatus for reception of voice, images or other data, including

*apparatus for communication in a wired or wireless network (such as a local or wide area network) (iii) Loudspeaker and Microphones; (iv) Television cameras digital cameras and video camera recorders; (v) Monitors and Projectors, not incorporating television reception apparatus.”*

iii. sub-heading note 2 to Chapter 84 “*For the purpose of subheading 8471.49, the terms “systems” means automatic data processing machines whose units satisfy the conditions laid down in Notes 6(C) to; Chapter 84 and which comprise at scanner and one output unit (for Example, a visual unit display unit or a printer).”*

iv. Note 5 of Chapter 85 “*For the purposes of heading 85017, the term “Smart phones” means telephones for cellular networks, equipped with a mobile operating system designed to perform the function of an automatic data processing machine such as downloading and running multiple applications simultaneously, including third-Party applications, and whether or not integrating other features such as digital cameras and navigational aid systems”*

v. The Collectorate submitted that the regulatory authority, i.e., Pakistan Telecommunication Authority (PTA), has granted approval to these goods under the category of mobile phones.

7. The Collectorate is of the view that the imported goods attract PCT Code 8517.6990 on the grounds that these devices are communication devices capable of transmitting and receiving data using 2G/3G/4G networks, and can be connected to an automatic data processing machine. The Collectorate further contends that the devices are capable of performing all functions of a mobile phone, whereas automatic data processing machines require a separate peripheral device, such as a modem or router (whether wired or wireless), to connect to the internet.

8. The Collectorate has also observed that, as the goods are not freely programmable in accordance with the requirements of the user, they are excluded from classification under HS Code 8471.6030. Additionally, since the goods are capable of transmitting data wirelessly using a SIM-based network, possess Wi-Fi connectivity, and operate on an Android-based operating system, they are also excluded from heading 84.71 on this basis.

9. Furthermore, the Collectorate maintains that, as these devices are communication devices capable of transmitting and receiving data using 2G/3G networks and performing functions similar to those of a mobile phone, they are appropriately classifiable under PCT heading 8517.6990.

The Committee agreed with the Collectorate's observation that the goods are not Automatic Data Processing (ADP) machines of heading 84.71, as the products in question perform a specific function beyond data processing, i.e., biometric data collection. Therefore, they are not classifiable under heading 8471. However, the Collectorate's observation with respect to classification under heading 8517.6990 is devoid of merit, as for classification under heading 8517, the device must perform the function of telephony or the transmission/reception of voice. These functions are not available in the subject device.

10. The Committee observed that the TPS360 biometric fingerprint scanner is used for multiple applications, such as voter verification, border control verification of persons, security access control, banking, and SIM card registration. This indicates that the device's primary function is to prevent unauthorized access to data whether in the form of entry to sensitive locations, attendance monitoring, fingerprint verification with national identification databases, or financial transactions based on the installed operating system. The device, as contended by the importer, does not fall under heading 8471, since it is combined with other features as identified in the product analysis. The relevant paragraph of the Explanatory Notes to heading 84.71 is reproduced below:

*"The readers described above are classified in this heading only if presented separately. When combined with other machines (e.g., machines for transcribing data onto data media in coded form and machines for processing such data in coded form) they are classified with those machines, provided they are presented with them."*

11. Since the optical reader is combined with other components to form a TPS biometric handheld device, in accordance with EN 84.71, the classification of the optical reader must be subordinate to that of the complete unit. Therefore, the subject device cannot be classified under heading 8471.

12. The Classification Committee then considered PCT heading 8543, as the principal function of the device is not specifically defined elsewhere in the tariff. Moreover, its use is not limited to biometric authentication or access control alone, but extends to multiple applications such as voter verification, border control, security access control, banking, and SIM card

registration, based on its Android operating system. Accordingly, reliance is placed on the Explanatory Notes to HS heading 8543, the relevant portion of which is reproduced below:

***“This heading covers all electrical appliances and apparatus, not falling in any other heading of this Chapter, nor covered more specifically by a heading of any other Chapter of the Nomenclature, nor excluded by the operation of a Legal Note to Section XVI or to this Chapter.***

***The electrical appliances and apparatus of this heading must have individual functions. The introductory provisions of the Explanatory Note to heading 84.79 concerning machines and mechanical appliances having individual functions apply, mutatis mutandis, to the appliances and apparatus of this heading.”***

The relevant portion of the Explanatory Notes to heading 84.79 is reproduced below:

***This heading is restricted to machinery having individual functions, which:***

- (a) is not excluded from this Chapter by the operation of any Section or Chapter Note; and***
- (b) is not covered more specifically by a heading in any other Chapter of the Nomenclature; and***
- (c) cannot be classified in any other particular heading of this Chapter since:***
  - (i) no other heading covers it by reference to its method of functioning, description, or type; and***
  - (ii) no other heading covers it by reference to its use or to the industry in which it is employed; or***
  - (iii) it could fall equally well into two (or more) such headings (general-purpose machines).***

13. In view of the aforementioned Explanatory Notes, the primary function of the device, i.e., a handheld biometric device built for secure identity registration and verification is to scan users' biometric features, process that data, and issue control and reporting commands directly to connected external devices and systems. Once a user's features have been scanned, the device analyzes the data and provides a control action, reports to a supervisory system controller, or both.

14. Accordingly, such goods fall under heading 8543, which covers electrical machines and apparatus having individual functions, not specified or included elsewhere.

15. The biometric controller at issue performs a function other than data processing, namely biometric validation for granting access to individuals. This function is not specifically provided for elsewhere in the Harmonized System. Therefore, the goods are classifiable under heading 8543, specifically under subheading 8543.7090, as machines having individual functions not covered by any preceding heading.

16. In view of the above, the Classification Committee is of the view that the TPS360 biometric fingerprint scanner is appropriately classifiable under PCT heading 8543.7090, by application of GIR Rules 1 and 6.

17. The above classification determination is specific to the product whose details/specifications have been given above. Further, the ruling is based on the documents and information provided by the referring Collectorate and shall be treated as annulled if it is found at any subsequent stage that the same was obtained by providing incorrect, false, misleading or incomplete information.

18. This ruling is issued in accordance with Chapter-II (Classification) of CGO 12/2002 dated 15.06.2002, following deliberations held by the Classification Committee constituted thereunder, and with concurrence from the current Classification Committee Constituted under CGO. 02 of 2025 dated 24.03.2025. Any appeal against this determination/decision shall lie with the Board in terms of Rule 2 of the Pakistan Rules provided in the preamble of the First Schedule to the Customs Act, 1969.

Sd/-

(Ammara Durrani)

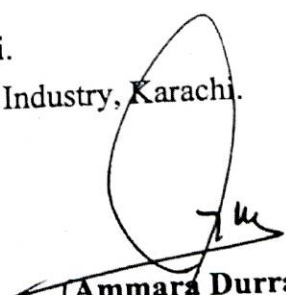
Additional Collector/

Secretary Classification Committee

**Copy for information to:**

1. Member (Customs-Policy), Federal Board of Revenue, Islamabad.
2. Member (Customs-Operations), Federal Board of Revenue, Islamabad.
3. Member (Customs-Legal & Accounting), Federal Board of Revenue, Islamabad.
- ✓ 4. Member (FATE), Federal Board of Revenue, Islamabad.
5. The Chief (Tariff & Trade), Federal Board of Revenue, Islamabad.
6. The Director General of Customs Exports & Input/Output Co-Efficient Organization (IOCO), Karachi.
7. The Chief Collector of Customs (Appraisalment) South, Custom House, Karachi.
8. The Chief Collector of Customs Appraisalment Balochistan, Custom House, Quetta.

10. The Chief Collector of Customs Appraisalment (North), Custom House, Peshawar.
11. The Collector, Collectorate of Customs (AIIA), Air Freight Unit, Cargo Complex Airport, Lahore.
12. The Collectorate of Customs (Appraisalment) West/East/PMBQ Custom House, Karachi.
13. The Director, Reforms and Automation (R&A), Custom House, Karachi with the request to incorporate this ruling in WeBoC.
14. M/s Secure Tech Consultancy (Pvt) Ltd Software Technology Park,1-9/319/31-9, Islamabad.
15. Masood Aziz and Associates, First Floor State Life Building No 3 ,DrZiaudin Road , Karachi.
16. The Karachi Chamber of Commerce & Industry, Karachi.
17. The Federation of Pakistan Chambers of Commerce and Industry, Karachi.
18. The Karachi Customs Agents Association, Karachi.
19. Notice Board.

  
(Ammara Durrani)  
Additional Collector/  
Secretary Classification Committee