



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



No.C-65/KAPE/DC-PCT/2024

Dated: 06.04.2026

PUBLIC NOTICE NO. 12/2026

SUBJECT: CLASSIFICATION OF 'AUTOMATION CONTROL KITS'.

The Directorate of Post Clearance Audit (PCA), Lahore initiated proceedings on the basis of alleged mis-declaration in respect of classification of "Automation Control Kits" imported by M/s Orient Electronics (Pvt.) Limited, Lahore during the period December, 2016 to January, 2019. The goods were initially declared under PCT heading 8543.7090. However, the PCA proposed classification under PCT heading 8415.9099, treating the same as parts of air conditioners. The matter was adjudicated through Order-in-Original and subsequently upheld in Order-in-Appeal, against the importer. The importer being aggrieved thereof, filed Customs Reference No. 62426 of 2024 before the Honourable Lahore High Court, which directed that the matter be placed before the Classification Committee for determination of correct classification.

2. The Classification Committee were convened and attended by representatives of the importer, officers of the referring Collectorate, and Members of the Classification Committee.

3. The importer M/s Orient Electronics (Pvt.) Limited submitted that they are engaged in the manufacture and supply of home appliances, including air conditioners. Certain models of air conditioners incorporate an additional feature enabling remote switching (on/off) and temperature control via Wi-Fi connectivity. For this purpose, an "Automation Control Kit (Model: BE786V3)" is installed. They further submitted the followings arguments;

- The subject kit is not essential for the normal operation of the air conditioner.
- Air conditioners function independently through conventional remote controls without requiring the said kit.
- The kit provides an additional, optional feature for remote access and energy management.
- The kit can be adapted, with minor modifications, for use with other household appliances such as washing machines and microwave ovens.

28/4/2026

Muzammad Abu Bakar Siddique  
Chief (TPS)

FBR E-Box No. 46595-8  
Received in Member (TPS) Office on 28/04/2026

- The functionality of the kit resembles that of remote control devices (already classifiable under PCT 8543.7010 when imported separately), albeit with enhanced connectivity via Wi-Fi.

They relied upon the Explanatory Notes to Section XVI (Part II), parts suitable for use solely or principally with a machine are to be classified with that machine. However, this principle does not apply where the item itself constitutes an article covered under a separate heading. Given that the subject kit possesses independent functions such as wireless communication, data processing, and remote control capability, and does not form an integral or indispensable part of the air conditioner, it cannot be classified as a "part" under heading 84.15.

The Directorate (PCA), Lahore contended that the Automation Control Kit (BE786V3) is specifically designed for air conditioners and is incapable of independent operation. It was argued that the kit derives power from the air conditioner and functions solely in conjunction therewith. Accordingly, reliance was placed on Note 2(b) to Section XVI, asserting that goods suitable for use solely or principally with a specific machine are classifiable with that machine, i.e., under PCT heading 84.15.

The Classification Committee examined the sample and considered the technical literature of the subject goods and observed that the kit primarily comprises a Wi-Fi module (ESP-WROOM-02) with Internet of Things (IoT) capabilities and following key components are include in kit:

- ESP8266EX Wi-Fi System-on-Chip (SoC)
- SPI Flash memory
- Communication interfaces such as ADC, HSPI, SDIO, UART, PWM, I2C, and I2S

The principal functions of the kit is include Remote switching (on/off) of air conditioners, Adjustment of temperature and operational settings, Monitoring of energy consumption, Scheduling and timer-based operations and Communication with mobile applications via internet connectivity

The Classification Committee observed that the subject kit functions as a Wi-Fi communication module enabling devices to connect to wireless networks and communicate with external applications. It acts as a bridge between the appliance and internet-based control systems. The Committee further observed that the module is not exclusively designed for air conditioners and can be utilized across multiple appliances. It performs independent

communication and data transmission functions. Heading 84.15 is limited to air conditioning machines and their essential parts, which is not applicable in the present case. Heading 85.43, being a residual heading, is not applicable where a more specific heading exists. **The Committee therefore considered heading 85.17, which covers apparatus for transmission or reception of data in wired or wireless networks.**

4. The Classification Committee in light of the foregoing discussion and holds by application of GRI 1, 3(a) and 6, the imported items namely "**Automation Control Kits (Wi-Fi Modules)**", are appropriately classifiable under **PCT Heading 8517.6990**.

5. The above finding is specific to the product whose details/ specifications have been given above. Further, the ruling is based on the documents, literature and information provided by the referring Collectorate/importer 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.

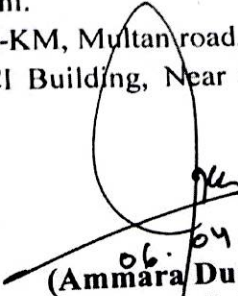
6. This ruling is issued in accordance with Chapter-II (Classification) of CGO 12/2002 dated 15.06.2002, following deliberations held by the Classification Committee constituted thereunder, and with concurrence from the current Classification Committee constituted under CGO. 02 of 2025 dated 24.03.2025. 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  
Chairman 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.
9. The Chief Collector of Customs Appraisalment Punjab, Custom House, Lahore.
10. The Chief Collector of Customs Appraisalment (North), Custom House, Peshawar.
11. All Collectors / Directors of Customs.
12. The Director, Directorate of Post Clearance Audit (PCA), Lahore

13. The Director, Reforms and Automation (R&A), Custom House, Karachi with the request to incorporate this ruling in WeBOC.
14. The Karachi Chamber of Commerce & Industry, Karachi.
15. The Federation of Pakistan Chambers of Commerce and Industry, Karachi.
16. The Karachi Customs Agents Association, Karachi.
17. M/s. Orient electronics (Pvt) Ltd, Head office 26-KM, Multan road, Lahore Pakistan.
18. M/s. Akhtar Ali & Associates, 3<sup>rd</sup> Floor, LCCI Building, Near China Chowk, 13-Sharah-e-Aiwan-e-Tijarat, Lahore.
19. Notice Board.

  
06.04.2024  
(Ammara Durrani)  
Additional Collector  
Chairman Classification Committee