

The Collectors of Customs, Collectorates of Customs (Appraisement – West)/ Appraisement – East / SAPT / Appraisement – Port Muhammad Bin Qasim / Enforcement / JIAP), Karachi / Hyderabad/ (Appraisement/Enforcement), Quetta/Gawadar/ Khuzdar (Appraisement/ Enforcement/ AIIA), (Appraisement East/West), Lahore, Faisalabad/ Appraisement, Sargodha/ Enforcement, Sambrial (Sialkot)/ Enforcement, Multan/ Islamabad/ Gilgit-Baltistan/ (Appraisement/ Enforcement), Peshawar/ Enforcement, Dera Ismail Khan/Exports (Port Qasim/Custom House, Karachi)/Transit Trade. Karachi.

**DETERMINATION OF CUSTOMS VALUES OF EXERCISE MACHINES UNDER  
SECTION 25-A OF THE CUSTOMS ACT, 1969**

**(VALUATION RULING NO. 1867 /2024)**

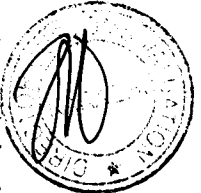
No. Misc/13/2023-IX

Dated: 21-03-2024

In exercise of the powers conferred under Section 25A of the Customs Act, 1969, the Customs values of Exercise Machines are determined as follows:

2. **Background of the valuation issue:** Earlier, the Customs values of Exercise Machines were determined under Section 25A of the Customs Act, 1969 vide Valuation Ruling No.916/2016 dated 26-08-2016. An exercise has been undertaken by this Directorate to re-determine the Customs values afresh in line with values prevalent in the international market.

3. **Analysis / Exercise done to determine Customs Values:** In this regard, meeting on 08-03-2024 was held in the Directorate of Customs Valuation, Karachi. Ninety (90) days' clearance data has been retrieved and the same has been scrutinized. Subsequently, market inquiry has been conducted and examined in the light of this Directorate's Office Order No.17/2014 dated 19-03-2014 and in terms of Section 25 (7) read with Section 25(9) of the Customs Act, 1969.

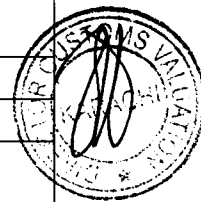


4. **Method (s) adopted to determine Customs values:** Valuation methods specified in Section 25 of the Customs Act, 1969, are duly considered in sequential order to arrive at the Customs values of subject goods. The transaction value method as provided in sub-section (1) of Section 25 of the Customs Act, 1969, was found inapplicable due to absence of information as required under sub-section (2) of Section 25 of Customs Act, 1969. Therefore, identical goods value method provided in Section 25(5) was examined for applicability to determine Customs values of subject goods. However, it was found that the same could not be solely relied upon due to absence of demonstrable evidences of quantities and qualities. Information available was, hence, found incomplete. Subsequently, similar goods value method provided in Section 25(6) was also examined for applicability to determine Customs values of subject goods. The assessed values in similar goods import data of exercise machines for the last 90 days of various origins reflected values as per previous VR No. 916/2016 dated 26-08-2016. However, Declared Values (DV) of similar goods had shown

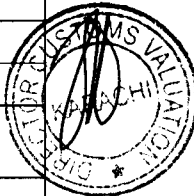
consistent variations. Hence, this method was also found inapplicable. Market enquiry as envisaged under Sub-Section (7) of Section 25 of the Customs Act, 1969 was also conducted but could yield results to some extent because of variation in market prices. In line with statutory sequential order of section 25, Computed value method, as provided in Section 25(8) of the Customs Act, 1969 was examined, but the same also could not be applied as the conversion cost from the constituent materials and allied expenses, in the country of export, were not available for manufacturing of Exercise Machines. Finally, the Customs values of the subject goods have been determined under Section 25(9), read with Section 25(7), and Customs Rule 121(2) of Customs Rules, 2001 which provides that the methods of valuation, to be employed under sub-section (9) of section 25 of the Act may be inclusive of those laid down in sub-sections (1), (5), (6), (7) and (8) of the said section, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of sub-section (9) of that section.

5. **Customs values of Exercise Machines:** hereinafter specified, shall be assessed to duty / taxes at the Customs values as per following Table:-

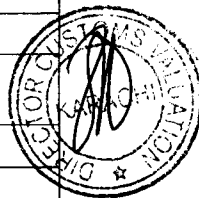
S.No	Description of goods	PCT	Proposed PCT's for WeBOC	Origin	Customs Values (C&F) US\$/KG
1	2	3	4	5	6
1.	Motorized Treadmills up to 1.0 HP	9506.9100	9506.9100.1000	China	6.15
			9506.9100.1010	Taiwan	6.75
			9506.9100.1020	Other Origins	8.00
2.	Motorized Treadmills 1.1 to 2.0 HP		9506.9100.1030	China	6.60
			9506.9100.1040	Taiwan	6.96
			9506.9100.1050	Other Origins	8.22
3.	Motorized Treadmills 2.1 to 3.0 HP		9506.9100.1060	China	8.74
			9506.9100.1070	Taiwan	9.60
			9506.9100.1080	Other Origins	11.36
4.	Motorized Treadmills 3.1 to 4.0 HP		9506.9100.1090	China	9.78
			9506.9100.1100	Taiwan	10.75
			9506.9100.1110	Other Origins	12.70
5.	Exercise Bike		9506.9100.1120	China	5.75
			9506.9100.1130	Taiwan	6.88
			9506.9100.1140	Other Origins	7.48
6.	Elliptical Trainer		9506.9100.1150	China	7.36
			9506.9100.1160	Taiwan	8.10
			9506.9100.1170	Other Origins	9.57
7.	Gymnasiums		9506.9100.1180	China	2.30
		9506.9100.1190	Taiwan	2.53	



		9506.9100.1200	Other Origins	3.00
8.	Multi Station Gymnasium	9506.9100.1210	China	3.45
		9506.9100.1220	Taiwan	3.80
		9506.9100.1230	Other Origins	4.50
9.	Incumbent Machine	9506.9100.1240	China	6.30
		9506.9100.1250	Taiwan	7.00
		9506.9100.1260	Other Origins	8.20
10.	Electrical Trainer	9506.9100.1270	China	6.90
		9506.9100.1280	Taiwan	7.60
		9506.9100.1290	Other Origins	9.00
11.	Stepper Gymnasium	9506.9100.1300	China	2.64
		9506.9100.1310	Taiwan	2.90
		9506.9100.1320	Other Origins	3.44
12.	Squat Station Gymnasium	9506.9100.1330	China	2.70
		9506.9100.1340	Taiwan	3.00
		9506.9100.1350	Other Origins	3.50
13.	Barbells	9506.9100.1360	China	2.10
		9506.9100.1370	Taiwan	2.30
		9506.9100.1380	Other Origins	2.70
14.	Bench Press AB King	9506.9100.1390	China	2.45
		9506.9100.1400	Taiwan	2.55
		9506.9100.1410	Other Origins	3.00
15.	Incline Bench Press Gymnasium	9506.9100.1420	China	4.40
		9506.9100.1430	Taiwan	4.80
		9506.9100.1440	Other Origins	5.70
16.	Hammer Strength Machine Gymnasium	9506.9100.1450	China	2.50
		9506.9100.1460	Taiwan	2.70
		9506.9100.1470	Other Origins	3.20
17.	Cables and Pulleys/Cable Cross	9506.9100.1480	China	2.70
		9506.9100.1490	Taiwan	3.00
		9506.9100.1500	Other Origins	3.50
18.	Dumb Bells	9506.9100.1510	China	1.85
		9506.9100.1520	Taiwan	2.00
		9506.9100.1530	Other Origins	2.40



19.	Iron Rod (Pull Up Bar)	9506.9100.1540	China	2.00
		9506.9100.1550	Taiwan	2.20
		9506.9100.1560	Other Origins	2.60
20.	Lat Pull Down Machine Bench Practice	9506.9100.1570	China	2.40
		9506.9100.1580	Taiwan	2.65
		9506.9100.1590	Other Origins	3.15
21.	Leg Extension Machine	9506.9100.1600	China	4.35
		9506.9100.1610	Taiwan	4.80
		9506.9100.1620	Other Origins	5.70
22.	Leg Curl Machine	9506.9100.1630	China	3.75
		9506.9100.1640	Taiwan	4.10
		9506.9100.1650	Other Origins	4.85
23.	Hyper Extension Bench	9506.9100.1660	China	3.05
		9506.9100.1670	Taiwan	3.35
		9506.9100.1680	Other Origins	3.95
24.	Dipping Bars Rod Dippes	9506.9100.1690	China	2.88
		9506.9100.1700	Taiwan	3.15
		9506.9100.1710	Other Origins	3.50
25.	Smith Machine	9506.9100.1720	China	2.40
		9506.9100.1730	Taiwan	2.65
		9506.9100.1740	Other Origins	3.15
26.	Preacher Bench	9506.9100.1750	China	3.45
		9506.9100.1760	Taiwan	3.80
		9506.9100.1770	Other Origins	4.50
27.	Abdominal Bench	9506.9100.1780	China	4.15
		9506.9100.1790	Taiwan	4.55
		9506.9100.1800	Other Origins	5.35
28.	Leg Press Machine	9506.9100.1810	China	4.35
		9506.9100.1820	Taiwan	4.80
		9506.9100.1830	Other Origins	5.68
29.	Hack Squat Machine	9506.9100.1840	China	4.70
		9506.9100.1850	Taiwan	5.20
		9506.9100.1860	Other Origins	6.15
30.	Calf Machine	9506.9100.1870	China	4.45
		9506.9100.1880	Taiwan	4.85



			9506.9100.1810	Other Origins	5.75
31.	Leg Adduction/Abduction Machine		9506.9100.1820	China	4.95
			9506.9100.1830	Taiwan	5.45
			9506.9100.1840	Other Origins	6.45
32.	Pec Deck Machine		9506.9100.1850	China	4.35
			9506.9100.1860	Taiwan	4.80
			9506.9100.1870	Other Origins	5.70
33.	Kettle Bells		9506.9100.1880	China	1.80
			9506.9100.1890	Taiwan	1.90
			9506.9100.1900	Other Origins	2.25
34.	Wall Ball		9506.9100.1910	China	3.45
			9506.9100.1920	Taiwan	3.80
			9506.9100.1930	Other Origins	4.50
35.	Foam Roller Gymnasium		9506.9100.1940	China	4.08
			9506.9100.1950	Taiwan	4.50
			9506.9100.1960	Other Origins	5.30
36.	Stability Ball Yoga Exercise Gymnasium		9506.9100.1970	China	3.45
			9506.9100.1980	Taiwan	3.60
			9506.9100.1990	Other Origins	4.50
37.	Other Exercise Machine		9506.9100.2000	China	4.60
			9506.9100.2010	Taiwan	5.06
		9506.9100.2020	Other Origins	5.98	



6. In cases, where declared values are higher than the Customs values determined in this Ruling, the assessing officers shall apply those values in terms of sub-section (1) of Section 25 of the Customs Act, 1969. In case of consignments imported by air, the assessing officers shall take into account the difference between air freight and sea freight while applying the Customs values in this Ruling.

7. **Validity of this Valuation Ruling:** This Ruling, containing the Customs values for assessment of subject imported goods, shall be applicable until and unless the same are rescinded or revised by the competent authority in terms of sub-section (4) of Section 25A of the Customs Act, 1969.

8. **Revision of the values determined vide this Valuation Ruling:** If aggrieved, a revision petition may be filed against this ruling as provided under Section 25D of the Customs Act, 1969, within 30 days from the date of its issuance, before the Director General, Directorate General of Customs Valuation, 7<sup>th</sup> Floor, Custom House, Karachi.

9. The Collectors of Customs may kindly ensure that the values given in this Valuation Ruling are applied by the concerned staff without fail. Any anomaly observed may kindly be brought to the notice of this Directorate immediately. Customs values determined in the Ruling are for the description and specification as mentioned in the table of this Ruling. PCT Codes are mentioned for illustrative purposes so that Valuation Ruling values are made accessible to the assessing officers. The assessment shall be finalized on the basis of correct classification after fulfilling requisite formalities related to importability or any other certifications required thereon. In addition to this, it is further necessary to verify that there is no mis-declaration of any sort or violation of Import Policy Order or Section 15 of the Customs Act, 1969 or any other law in vogue therein.

10. ***This Ruling supersedes Valuation Ruling No.916/2016 dated 26-08-2016 and Order in Revision No. 262/2016 dated 21-10-2016.***

  
(Fayaz Rasool Maken)  
Director

Copy for information to: -

- 1) The Member Customs (Operations), Federal Board of Revenue, Islamabad.
- 2) The Director General, Customs Valuation, Custom House, Karachi.
- 3) The Chief Collector of Customs, Appraisalment (South), Custom House, Karachi.
- 4) The Chief Collector of Customs, Enforcement (South), Custom House, Karachi.
- 5) The Chief Collector of Customs, Appraisalment (Central), Custom House, Lahore.
- 6) The Chief Collector of Customs, Enforcement (Central), Custom House, Lahore.
- 7) The Chief Collector of Customs (North), Custom House, Islamabad.
- 8) The Chief Collector of Customs, Baluchistan, Custom House, Quetta.
- 9) The Chief Collector of Customs, Khyber Pakhtunkhwa, Custom House, Peshawar.
- 10) The Director General, Intelligence and Investigation (Customs), FBR, Islamabad.
- 11) The Director General, PCA & Internal Audit, Karachi.
- 12) The Director General, IOCO, Karachi
- 13) The Director, Intelligence & Investigation, Karachi / Lahore / Islamabad/ Quetta/ Peshawar/ Faisalabad.
- 14) The Director, Transit Trade, Custom House Karachi
- 15) The Director, Directorate of Customs Valuation, Lahore/Quetta/Peshawar.
- 16) The Deputy Director (HQ), Directorate General of Customs Valuation, Karachi, for uploading in One Customs & WeBOC database system.
- 17) The Chairman (Valuation Committee), FPCC&I, Federation House, Clifton, Karachi.
- 18) The Chambers of Commerce & Industry, Karachi, Lahore, Islamabad, Hyderabad, Quetta & Peshawar.
- 19) The Karachi Customs Agents Group, Bohri Road, Karachi.
- 20) The Webmaster, Federal Board of Revenue, Islamabad.
- 21) Guard File.