



Trade Descriptions (Cheap Sale Price) Regulations 1987*

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In exercise of the powers conferred by section 38A of the Trade Descriptions Act 1972, the Minister makes the following regulations:

Citation and Commencement

1. These Regulations may be cited as the **Trade Descriptions (Cheap Sale Price) Regulations 1987** and shall come into force on the 1st January 1988.

Interpretation

2.—(1) In these Regulations, unless the context otherwise requires—

“authorised Assistant Controller” means an Assistant Controller of Trade Descriptions who has been authorised in writing by the Controller for the purposes of these Regulations;

“cheap sale price” means the price of the goods which, in the ordinary course of trade or business, is indicated in any manner to be less than the price at which the goods or goods of the same description were previously supplied or offered to be supplied.

(2) Any expression or indication, whether direct or indirect, including the expression “sale” or “discount” and by whatever means used or given in the course of trade or business, indicating or likely to be understood as indicating that the price at which the goods are offered is less than the price at which the goods or goods of the same description were previously supplied or offered to be supplied shall be treated as an indication that the person using the



expression or giving such indication is supplying or offering to supply the goods at cheap sale price:

Provided that where such expression or indication is affixed, labelled, marked or tagged in any manner on the goods, bags or containers thereof by the manufacturer, producer, importer or wholesaler of such goods, the manufacturer, producer, importer or wholesaler of such goods, as the case may be, shall be deemed to be the person supplying or offering to supply the goods at cheap sale price.

Application to Controller, Deputy Controller or Authorised Assistant Controller

3.—(1) No person shall in the course of trade or business supply or offer to supply goods of any description at cheap sale price except with an approval from the Controller, Deputy Controller or any authorised Assistant Controller.

(2) An application for approval under subregulation (1) shall be in Form 1 as set out in the Schedule and such application shall be submitted not later than 30 days immediately prior to the date of commencement of the supply or offer to supply goods at cheap sale price.

(3) In the case where the applicant has more than one place of business, he shall send a copy of the application of each place of business to the authorised Assistant Controller in the area in which the goods are supplied or offered to be supplied at cheap sale price.

(4) Any application under subregulation (2) or (3) shall be sent by delivering it personally or by sending it by registered post.

(5) For the purpose of this regulation, where the cheap sale price is affixed, labelled, marked or tagged in any manner on the goods, bags or containers thereof by the manufacturer, producer, importer or wholesaler of such goods, the application referred to in subregulation (2) shall be served by the manufacturer, producer, importer or wholesaler of the goods, as the case may be.

(6) Where the application for approval has been served on the Controller, Deputy Controller or any authorised Assistant Controller, no person shall increase the price of the goods supplied or offered to be supplied at cheap sale price at any time during the continuous period of thirty days immediately prior to the date of commencement of the supply or offer to supply such goods at cheap sale price:

Provided that where any person reduces the price of the goods supplied or offered for supply at cheap sale price at any time during the continuous period of thirty days immediately prior to the date of commencement of the supply or offer to supply such goods at cheap sale price, no increase from the reduced price shall be made within that period.

(7) Any person who provides false or misleading information under this regulation shall be guilty of an offence.



Grant or Refusal of Approval

3A.—(1) Upon receipt of an application under regulation 3 together with the documents and information required, the Controller, Deputy Controller or any authorised Assistant Controller may grant an approval with or without conditions or he may refuse to grant an approval without assigning any reason for such refusal.

(2) The approval shall be in Form 2 as set out in the Schedule.

(3) The decision of the Controller, Deputy Controller or any authorised Assistant Controller under subregulation (1) shall be final.

Withdrawal of Approval

3B. The Controller, Deputy Controller or any authorised Assistant Controller may withdraw his approval if he is satisfied that—

(a) the applicant has contravened any of the conditions imposed under the approval granted; or

(b) the applicant or any person who is a director, manager, secretary or other similar officer of the applicant has, either in connection with the application for approval or at any any time after the grant of approval, provided false, misleading or inaccurate information to the Controller, Deputy Controller or any authorised Assistant Controller.

Display of Approval at Business Premises

3C.—(1) Any person who has been granted an approval under subregulation 3A(1) shall cause it to be prominently displayed at the business premises where the goods are supplied or offered to be supplied at cheap sale price.

(2) Where an applicant has more than one business premises he shall cause a copy of the approval to be prominently displayed at each business premises where the goods are supplied or offered to be supplied at cheap sale price.

Maintenance of Records

3D. Any person who has been granted an approval under subregulation 3A(1) shall maintain true and complete records of such supply or offer to supply goods at cheap sale price and he shall keep such records for a period of one year from the date of commencement of the supply or offer to supply goods at cheap sale price.

Maintenance of Stock

3E. Any person who has been granted an approval under subregulation 3A(1) shall during the period when the goods are supplied or offered to be supplied at cheap sale price maintain a reasonable stock of goods for such purpose.



Duration of Supply or Offer to Supply Goods at Cheap Sale Price

4.—(1) Any duration of the supply or offer to supply goods at cheap sale price shall not exceed thirty days or any such duration as may be approved by the Controller, Deputy Controller or any authorised Assistant Controller.

(2) (Deleted).

(3) This regulation shall not apply to any retailer who supplies or offers to supply goods to which the cheap sale price is affixed, labelled, marked or tagged in any manner on the goods, bags or containers thereof by the manufacturer, producer, importer or wholesaler of such goods:

Provided that where the retailer is found supplying or offering to supply goods to which the cheap sale price is affixed, labelled, marked or tagged on the goods, bags or containers thereof, such retailer shall be deemed to supply or offer to supply goods at cheap sale price unless he proves that the cheap sale price affixed, labelled, marked or tagged on the goods, bags or containers thereof were so affixed, labelled, marked or tagged on the goods, bags or containers thereof by the manufacturer, producer, importer or wholesaler of such goods.

Seventy Percent of the Goods Displayed to be at Cheap Sale Price

4A. No person shall in the course of trade or business supply or offer to supply goods of any description at cheap sale price unless at least seventy percent of all the goods displayed for sale in the business premises are to be offered at cheap sale price.

Only Four Sales at Cheap Sale Price per Year

4B. The total number of sales at cheap sale price that can be approved for any applicant under regulation 3 shall not exceed four times in any calendar year.

No Increase in the Cheap Sale Price Affixed etc. by the Manufacturer, Producer, Importer or Wholesaler

5. No person shall, in the course of trade or business, supply or offer to supply goods at a price which is more than the cheap sale price affixed, labelled, marked or tagged on the goods, bags or containers thereof by the manufacturer, producer, importer or wholesaler, as the case may be.

Indication of Price

6.—(1) Any person who in the course of a trade or business supplies or offers to supply goods of any description at cheap sale price shall indicate on such goods the following:

(a) the price at which the goods were previously supplied or offered to be supplied by him; and



(b) cheap sale price:

Provided that where the nature of the goods is so small as to render it impracticable to indicate the particulars specified in paragraphs (a) and (b), it shall be sufficient if display panels bearing the said particulars are placed in a conspicuous manner proximate to the goods.

(2) For the purpose of subregulation (1), “the price at which the goods were previously supplied or offered to be supplied by him” means the lowest price at which the goods or goods of the same description were supplied or offered to be supplied by him in the ordinary course of trade or business on the same premises during the continuous period of thirty days immediately prior to the date of commencement of the supply or offer to supply goods at cheap sale price.

Presumption

7. For the purposes of any prosecution under these Regulations, where it is required to prove the lowest price at which the goods or goods of the same description were supplied or offered to be supplied on the same premises during the continuous period of thirty days immediately prior to the date of commencement of the supply or offer to supply goods at cheap sale price, it shall be sufficient for the prosecution to prove the price at which such goods or goods of the same description were in fact supplied or offered to be supplied at any time during the said period:

Provided that where there are different prices in respect of goods supplied or offered to be supplied during the said continuous period of thirty days immediately prior to the date of commencement of supply or offer to supply goods at cheap sale price, the lowest of such prices shall be taken to be the said price.

Exemption

8. These Regulations shall not apply to any person who, in the course of trade or business—

(a) reduces the price of goods where such reduction of price does not in any way indicate any comparison with any other prices;

(b) reduces the price of goods where the indication or expression relating to such reduction in price is made in compliance with any specific condition relating to the purchase of such goods; or

(c) reduces the price of goods where the indication or expression relating to such reduction in price is made orally within the premises where the sale is made.



Offences

9.—(1) Any person supplying or offering to supply goods of any description who gives, by whatever means, any false indication in respect of cheap sale prices shall be guilty of an offence.

(2) An indication in respect of cheap sale price is false—

(a) if the indication of the previously supplied or offered to be supplied price referred to in regulation 6 (1) (a) is false; or

(b) if the price at which the goods are supplied or offered to be supplied is equal to or more than the price at which the goods were previously supplied or offered to be supplied; or

(c) if the price at which the goods are supplied or offered to be supplied is falsely claimed to be less than the price at which the goods were previously supplied or offered to be supplied by a specific amount or proportion; or

(d) if the goods are not available for supply throughout the period that the goods were to have been supplied or offered to be supplied at cheap sale price.

(3) Any person who contravenes or fails to comply with any provision of these Regulations shall be guilty of an offence.

(4) Any person supplying or offering to supply goods of any description who, in the application under regulation 3, provides false or incorrect particulars relating to the price at which the goods were previously supplied or offered to be supplied shall be guilty of an offence.



SCHEDULE
FORM I

TRADE DESCRIPTIONS ACT 1972

TRADE DESCRIPTIONS (CHEAP SALE PRICE) REGULATIONS 1987

(Regulation 3)

APPLICATION FOR AN APPROVAL TO SUPPLY OR OFFER TO
SUPPLY GOODS AT CHEAP SALE PRICE

To:

Controller/Deputy Controller/Authorised Assistant Controller of
Trade Descriptions, Enforcement Division, Ministry of
Domestic Trade and Consumer Affairs,

.....

Sir,

*I/We
(Name of Business/Company)

wish to apply for an approval to supply or offer to supply goods at cheap sale price.

Note:

If the space provided is not sufficient to provide details, please attach annexure(s).
Each annexure must be signed by the applicant.

1. PARTICULARS OF APPLICANT:

- (a) *Name of Applicant/Business/Company
(b) Registration No. and Registration Date
(c) Business Licence No.
(City Hall/Municipality/Local Authority)
(d) Registered Address
(e) Telephone No.
(f) Correspondence Address
(g) Address of Branch/Branches and Telephone No.
(h) Business Status : *Sole Proprietor/Partnership/Private Limited/
Others
(i) Type of Business Registered
(j) Principal Business and Field of Operations



2. State address of business premises (including branches) where the sale at cheap sale price is going to be held:
.....
.....
.....
3. State the duration of the intended sale at cheap sale price to be held:
From until
4. State how many times have *you/your company submitted any application to have a sale at cheap sale price in the current year:
.....
5. State how many times has your application in No. 4 above been approved and state the dates:
.....
6. State the purpose of having this sale at cheap sale price:
.....
7. PARTICULARS OF THE GOODS WHICH ARE INTENDED TO BE SUPPLIED OR OFFERED TO BE SUPPLIED AT CHEAP SALE PRICE:
 - (a) State the percentage of the goods which are intended to be supplied or offered to be supplied at cheap sale price in the said premises (The computation of percentage should be based on the whole volume of the goods that are displayed in the said premises.)
 - (b) Particulars of the goods are to be listed as follows
(Please submit particulars of goods for each and every business premises (including branches). Please use annexures if the columns are not sufficient).

Item	Business address	Particulars of goods (appropriate designation, brand name and weight/volume/quantity/capacity)	The price at which the goods were previously supplied or offered to be supplied	Cheap sale price



8. AFFIRMATION

*I/We hereby declare that all the particulars stated in this Form and any annexures are true and accurate. *I/we understand that any false statement made in this Form shall be an offence under the Trade Descriptions (Cheap Sale Price) Regulations 1987.

.....
(Signature)

.....
Company's Seal

Name:

Designation:

I.C. No.

Dated:

* Delete whichever is not applicable.



FORM 2

TRADE DESCRIPTIONS ACT 1972

TRADE DESCRIPTIONS (CHEAP SALE PRICE) REGULATIONS 1987

(Regulation 3A)

**APPROVAL FOR SUPPLY OR OFFER TO SUPPLY GOODS AT
CHEAP SALE PRICE**

Approval is hereby granted to

of

to supply or offer to supply goods at cheap sale price at the following business premises

with effect from until
(..... days) subject to the provisions of the Trade Descriptions (Cheap Sale Price) Regulations 1987 and the following conditions:

*Controller/Deputy Controller/Authorised Assistant
Controller of Trade Descriptions,
Ministry of Domestic Trade
and Consumer Affairs*

Dated

Made the 13th May 1993.

* Published as P. U. (A) 424/87 and as amended by P. U. (A) 136/93.