

## IS FARMER A CONSUMER?

Of late reports of suicide by farmers due to crop failure are making headlines. It is alleged that farmers, unable to withstand failure of crops due to defective seeds, adulterated pesticides and spurious fertilizers, have gone to the extent of committing suicide. Can such farmers, who have suffered loss, approach Consumer Forums for relief? Are they eligible for compensation?

Even after 15 years of its enactment, the Consumer Protection Act is silent on the question whether a farmer is a consumer. This is because the CPA does not include grievances arising out of commercial transactions and whether agriculture is a commercial transaction depends on facts of each case. The National Commission has indicated certain principles to be applied while deciding disputes relating to agriculture.

For instance, if the land holding of a farmer is small and all his income from agriculture is used for his livelihood, he can be considered as a consumer. Secondly if there is no profit motive in his agricultural activity, he should be treated as a consumer. Can a farmer who grows commercial crops, though on a small scale, approach the consumer forum for defective seedlings?

In a recent case the Karnataka State Consumer Disputes Redressal Commission has decided that growers of commercial crops cannot be considered as consumers as per the provisions of CPA. In this case Mr. C.P.Belliappa, an agriculturalist had purchased 2000 tissue culture cardamom plants from M/S Indo American Hybreed Seeds, Bangalore. He had relied on the brochures published by the company which promised that the seedlings are classy and the seedlings were raised from high yielding clones and there would be multifold increase in unit productivity.

However to the misfortune of Mr Belliappa, the crop failed. All the flattering claims proved totally false. It was proved by Belliappa that the plants raised in his own nursery showed robust growth while those raised from tissue culture plants were frail and weak. The yield from tissue culture plants was just 40% of what he could get from plants grown in his own nursery.

But he could not succeed in his attempt for the simple reason that the complaint was not maintainable. Apart from other reasons, the hybrid company argued that the complaint is not maintainable as the agriculturalist is not a consumer. It said that he had purchased cardamom plantlets for commercial purposes. It said that the farmer has chosen to mix two crops in cultivation namely cardamom and coffee, which are diametrically opposed to each other.

Relying on the judgment of the National Commission in the case of Laxmi Engineering Works vs. PSG Industrial Institute, the state commission has decided that the farmer is not a consumer. In this case it was decided that whenever a person carries on his business on a large scale he cannot be treated as a consumer. If the commercial use is by the purchaser himself for the purpose of earning his livelihood by means of self-employment such purchaser is yet a consumer. For example, if a person purchases an auto rickshaw to ply it himself on hire for earning his livelihood, he would be a consumer. But if he employs several drivers or assistants, it would be a commercial purpose.

Observing the fact that the farmer, in the present case, has not mentioned anything about the nature and extent of his profession it said that he is not growing cardamom for his livelihood or this was not his self-employment. The fact that he is growing coffee also indicates that Mr Beelliappa is carrying on agriculture for profit. The farmer had purchased 2,000 plantlets which is an indication that it is not for livelihood but for commercial purposes. The very fact that a commercial crop is grown will be for sale. The commission has held that the overall picture that freezes out of the material placed on record is that if a person grows cardamom on a large scale, with considerable labour input, it is for profit and he cannot be considered a consumer for the purposes of the CPA.

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