

Kangayam rice mill cluster on track

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The rice mill cluster in Kangayam, the formation of which was announced by the Union Government about six months ago, is now on the anvil. Forty nine of the over 100 rice mills have come together to form the cluster to help expand, improve and standardize rice production in the region, says K.S. Jagadeesan, adviser, Erode District Rice Mills Owners' Association. "The cluster will have common facilities such as cleaning and drying yards, stores, packing units, a laboratory, training centre and service centre, which otherwise may not be within the reach of rice mills as individual units."

"With a standardized production technique to ensure uniformity in quality, the cluster will meet one of the buyers' important expectations." The cluster, to be registered as a separate company, may compete internationally as well. When the cluster begins functioning, standardization of production and uniformity in quality could enable branding, again an important requirement to compete internationally.

Yet another benefit is the capacity to undertake large orders. "Execution of orders of even one lakh tonnes of paddy will not be a problem once the cluster starts production," Mr. Jagadeesan says. The average processing capacity of each mill is now about 13 tonnes of paddy a day. The mills buy paddy from Karnataka and Andhra Pradesh and sell the rice in Tamil Nadu.

To develop the cluster, the government will contribute between 45 and 75 per cent of the cost as loans and subsidies under different heads. Micro, Small and Medium Enterprises-Development Institute under the Union Ministry of Micro, Small and Medium Enterprises is coordinating its formation. Rice mill clusters are set to come up also in Arani, Kancheepuram and Tiruvannamalai.

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