

SunCon clinches RM508m highway project in India



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KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) has bagged a RM508 million contract from National Highways Authority of India (NHAI).

SunCon, in a statement today, said the project was awarded to Sunway Construction Sdn Bhd – RNS Infrastructure Ltd, a consortium formed by Sunway Construction Sdn Bhd and RNS Infrastructure Ltd.

The project consists of developing a new road and widening of the existing road to four lanes on a 36.75 kilometre highway stretch in the state of Tamil Nadu.

The project will be operated under the Hybrid Annuity Model (HAM), where NHAI will pay 40 per cent of the project cost during the construction period.

The remaining 60 per cent will be paid over a period of 15 years as fixed annuity amount.

HAM is an initiative by the government of India, which was introduced to have a better financial mechanism for road development.

The project also includes a 15-year operations and maintenance contract which will bring about an additional RM4 million per annum.

"We are very pleased to clinch our first overseas project for the year as this is part of our plan for geographical diversification focused on Asean and India," said SunCon managing director Chung Soo Kiong.

SunCon said the development and widening works of the highway stretches from the Thorapalli Agraharam to the Jittandahalli sections of national highway (NH) 844.

Work is expected to commence in October and to be completed in two years.

SunCon's consortium partner for the project, RNS Infrastructure is an Indian company that provides a wide range of infrastructure construction services such as construction of dams, highways, bridges, tunnels, power houses and residential buildings.

SunCon previously partnered with RNS Infrastructure in June 2001 for its first two infrastructure projects.