

SunCon rises 10% after consortium lands RM508m highway job in India

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March 27, 2020 10:58 am +08



KUALA LUMPUR (March 27): Sunway Construction Group Bhd (SunCon) shares rose as much as 10% to RM1.85 in the morning trades today after the group said it had secured a highway construction contract from the National Highways Authority of India worth 8.64 billion rupees (RM508 million).

At 10am, SunCon pared some of its gains at RM1.55, with some 99,200 shares done.

In a statement yesterday, SunCon said the project was awarded to the consortium company established between Sunway Construction Sdn Bhd – a wholly-owned subsidiary of SunCon – and Indian based RNS Infrastructure Ltd.

RNS Infrastructure is primarily involved in infrastructure construction and has been partnering with SunCon since 2001 and participated together in two infrastructure projects.

The construction package involves developing a new road and widening existing road to four lanes on a 36.75km highway stretch in the state of Tamil Nadu, India.

SunCon noted the letter of award on highway construction also includes a 15-year operations and maintenance contract, which will bring about 70.8 million rupee a year.

The construction duration for the project is estimated to be two years, and work is expected to start in October 2020.