

SunCon clinches RM508 mil highway project in India

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KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) has clinched a RM508 mil highway project in India, its first overseas project for the year.

The project, which is expected to commence in October, consists of developing a new road and widening of the existing road to four lanes on a 36.75km highway stretch in Tamil Nadu, it said in a statement here today.

The group, which received the Letter of Award (LOA) from the National Highways Authority of India (NHAI), said the project was awarded to Sunway Construction Sdn Bhd-RNS Infrastructure Ltd, a consortium formed with a local firm.

The development and widening works of the highway stretch from the Thorapalli Agraharam to the Jittandahalli sections of National Highway (NH) 844 and the construction period for the project is two years, said SunCon.

The project will be operated under the Hybrid Annuity Model (HAM), where NHAI will pay 40% of the project cost during the construction period with the remaining 60% to be paid over 15 years as a fixed annuity amount.

HAM, an initiative of the Indian government, was introduced to provide a better financial mechanism for road development.

The LOA includes a 15-year operations and maintenance contract which will bring in an additional RM4 mil a year.

“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 group managing director Chung Soo Kiong.

This project is part of NHAI’s effort to improve the infrastructure and roadworks in India and to widen and to shorten the Hosur-Dharmapuri section of NH 844.

Upon completion, motorists can avoid Krishnagiri to reach Hosur or Bengaluru and the new route, passing through Rajakottai and Palacode, will be shorter by 25km.

SunCon’s consortium partner for the project, RNS Infrastructure, provides a wide range of infrastructure construction services such as for dams, highways, bridges, tunnels, powerhouses and residential buildings.

SunCon had previously partnered with RNS Infrastructure in June 2001 for its first two infrastructure projects in India. – March 26, 2020, Bernama