

PROVEN EXPERTISE

IJM CLINCHES RM1.5B INDIA HIGHWAY JOB

Solapur-Bijapur tollway will be company's largest project in value.

KUALA LUMPUR

IJM Corp Bhd has clinched the RM1.5 billion contract to build a 109km highway in India.

In a statement yesterday, the group said it had accepted a letter of award from the National Highway Authority of India (NHAI) to develop the Solapur-Bijapur section of the new National Highway 52 between the states of Maharashtra and Karnataka.

The project will involve the rehabilitation, upgrading and widening of the existing two-lane carriageway to four-lane standards with bypass and the construction of flyovers, bridges, road intersections, railway over-

bridge as well as the operation and maintenance of two toll plazas.

Connecting southern India with northern India, the tollway will serve as an alternative route to the north-south corridor of the National Highways Development Programme.

"We are honoured that IJM has been entrusted by NHAI again with this important infrastructure project to develop the Solapur-Bijapur tollway," said IJM chief executive officer and managing director Datuk Soam Heng Choon.

"The award affirms IJM's proven capabilities in roads and highways sector. It will see us utilising our skills and experience, building on our track record of delivering 16 major road projects totalling 1,378km in India since 1998."

Dewas Bypass Tollway Pte Ltd,

a wholly-owned subsidiary of IJM, has since March this year been involved in a RM193.8 million project to widen and upgrade 19.8km of the Dewas Bypass bypass road in Madhya Pradesh.

IJM's infrastructure division now operates two tolled highways in India — the 246.8km Rewa Tollway and 68.5km Chikaluripet Vijayawada Tollway — and owns 30 per cent of Swarna Tollway.

NHAI will provide a grant of about RM235.86 million for the project. The concession is for 20 years and a construction period of 30 months.

Work is expected to begin in middle of next year and is scheduled for completion in 2021.

At RM1.5 billion, the Solapur-Bijapur tollway will be the largest Indian project undertaken by IJM in value.



Datuk Soam Heng Choon

BIZ PROPERTY EXTRA

AmBank, CGC offer RM100m financing solution for SMEs

KUALA LUMPUR: AmBank (M) Bhd, in collaboration with the Credit Guarantee Corporation Bhd (CGC), has introduced the SME Biz Property Extra, a RM100 million financing solution to assist small and medium enterprises (SMEs) with property purchases and working capital requirement.

AmBank chief executive officer Datuk Sulaiman Mohd Tahir said the SME Biz Property Extra was positioned as a partially secured financing package that was 70 per cent guaranteed by CGC.

"AmBank SME Banking is able to provide applicants with higher term loan facilities and faster financing approval with CGC's guarantee," said Sulaiman in a statement yesterday.

AmBank managing director

of retail banking Jade Lee was optimistic the product would be able to reach a broader segment of the local SME community, with greater margin of financing of up to 148 per cent and high working capital limit of up to RM3 million.

Since January 2015, AmBank has commenced seven tranches of portfolio guarantees with CGC totalling RM1.35 billion, of which RM750 million was under SME banking sector and the fund size surpassed AmBank SME Banking's initial target of RM550 million for the current financial year, it said.

The SME Biz Property Extra is open for applications at all 175 AmBank's branches nationwide.

Bernama

AmBank SME Banking is able to provide applicants with higher term loan facilities and faster financing approval with Guarantee Corporation Bhd's guarantee.

DATUK SULAIMAN MOHD TAHIR

Chief executive officer, AmBank (M) Bhd

LOWER Q3 NET PROFIT

MSM sees improved results in near to medium term

KUALA LUMPUR: MSM Malaysia Holdings Bhd said it expects better results in the near to medium term, after posting a 55.3 per cent drop in third-quarter net profit.

Its net profit dropped to RM10.42 million in the third quarter ended September 30 from RM23.31 million a year ago.

In a filing to Bursa Malaysia yesterday, the company said the lower net profit was due to higher raw material costs and weakening ringgit.

"The group is of the view that the results are expected to improve in the near to medium term as a direct positive result from lower raw sugar price and improvement of operational costs," it said.

MSM is the country's leading refined sugar producer and a subsidiary of Felda Global Ventures Holdings Bhd.

In a separate statement, MSM president and chief executive officer Mohamad Amri Sahari said on a year-on-year basis, the cost of procuring raw sugar was still high at 18.65 per cent.

This was a result of higher sugar prices last year, which continued until middle of this year, although the ringgit had weakened by 5.88 per cent during the same period under review.

"I am encouraged with our progress and results this quarter. This demonstrates the strategic priorities we have laid out to accelerate our business transformation as we managed to stay true to our core business.

"We foresee world sugar prices to drop moderately, albeit remaining cautious of the US dollar versus ringgit uptrend risks, which can severely impede our growth," said Amri.

Quarter-on-quarter, the aver-

age raw sugar cost for MSM increased by 11 per cent, compared with the same period last year, due to higher market price of raw sugar.

Its revenue for the quarter increased 5.6 per cent to RM668.52 million from RM633.12 million due to improved selling price.

For the nine-month period, MSM recorded a net loss of RM45.66 million against a net profit of RM106.33 million recorded in the same period a year ago.

Its revenue in the same period increased 10.4 per cent to RM2 billion from RM1.82 billion.

Amri said MSM's future growth strategy was to ensure the completion of the Johor refinery remained on track.

The current construction is at 71 per cent completed as at September 30 and remained within the budget.



MSM Malaysia Holdings Bhd president and chief executive officer Mohamad Amri Sahari says the cost of procuring raw sugar is still high at 18.65 per cent on a year-on-year basis.