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PRIORITY: Firm keen to undertake Colombo project on government-government basis

SHAREN KAUR
KUALA LUMPUR

sharen@mediaprima.com.my

SCOMI Engineering Bhd is betting on its rail expertise and technology to beat its Japanese rival, Hitachi Monorail System, and secure the first monorail project in Sri Lanka.

Sri Lanka has announced, under its master plan, a US\$970 million (RM3.7 billion) monorail network for the capital city of Colombo.

The first phase — a line from Malabe to Kotahena via the business hub around the World Trade Centre and Colombo Fort railway station — is already the subject of a feasibility study.

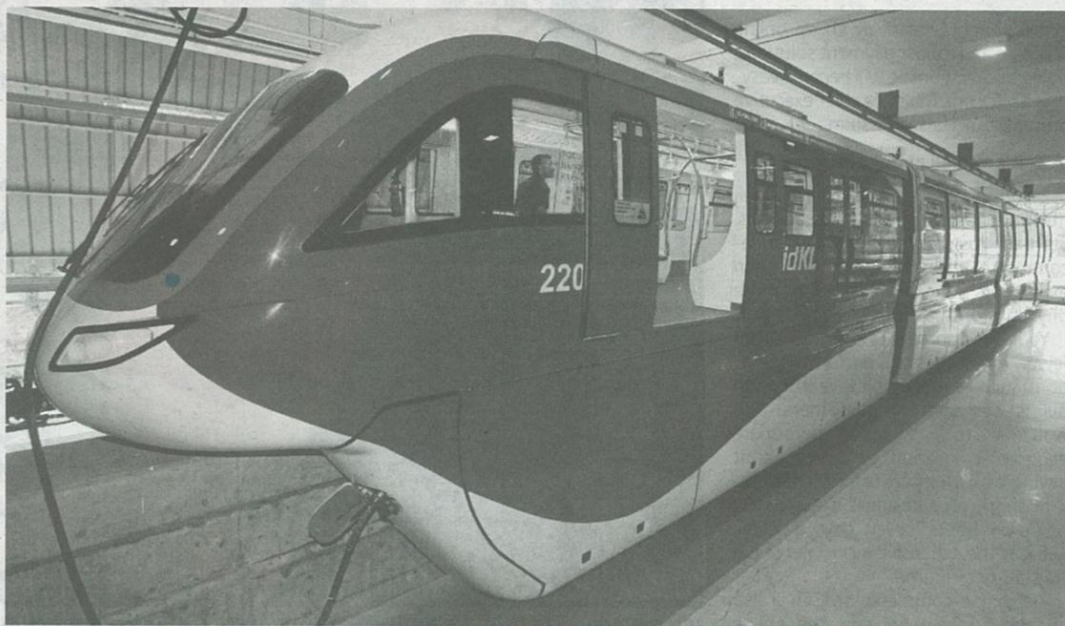
Scomi Engineering, which has two major ongoing projects in Brazil, is operating the monorail system in Mumbai.

It had submitted proposals to the Sri Lankan government over the past two years on developing the country's monorail system.

The company is also a supplier of monorails for the existing KL Monorail line.

Chief executive officer Kanesan Velupillai said Scomi Engineering had recently indicated its interest to the Sri Lankan government for the possible undertaking of the monorail project in Colombo on a government-to-government basis.

A fresh proposal was submitted early this year through a delegation led by Malaysian special envoy of



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infrastructure to India and South Asia, Datuk Seri S. Samy Vellu.

"The proposal is being reviewed by the government. As soon as the elections in Sri Lanka are over, we expect the project implementation to take off.

"The government of Sri Lanka is making the monorail a priority project, due to the population increase," Kanesan said.

Samy Vellu and his team were in Colombo early this year on a fact-finding mission at the invitation of

the Sri Lankan government and to explore possibilities on how Malaysia can help to develop Sri Lanka's physical infrastructure.

A study done by transport authorities with foreign expertise showed that Sri Lanka needed to invest up to 1.7 trillion rupees (RM102.87 billion) over the next 20 years, or 800 billion rupees a year, to modernise its transport system.

The investments are needed for bus, rail, monorail, road widening

and improvement, and transport demand management systems.

The study envisages that 976 billion rupees of investment will come from the government, supported by multilateral and bilateral foreign funding, with the rest from the private sector.

Some 459 billion rupees of the government investment will be used for rail, with 115 billion rupees earmarked for the setting up of a monorail system within the Colombo Metropolitan Region.