

Gamuda-MMC, Gadang expected to bid for job

COVETED DEAL: Tunnelling works for JB-Singapore Rapid Transit System

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THE contract for tunnelling works for the proposed Rapid Transit System (RTS) between Singapore and Johor Baru will see the likes of Gamuda-MMC bidding for the job and competing with other contenders, analysts say.

Analysts believe Gadang Holdings Bhd and IJM Corp Bhd, both which have experience in underground works, may also bid for the tunnelling works.

This is provided the Malaysian and Singaporean governments agree to award the job to a local party, said an analyst.

Malaysia and Singapore are examining the prospect of expanding the scope of the pro-

posed RTS to include AN underground road link between the two neighbours.

Prime Minister Datuk Seri Najib Razak said that a study has been commissioned for the most viable option for the project, targeted to be operational by 2018.

IJM is currently part of a consortium that won a contract worth RM1.3 billion for the Pahang-Selangor Raw Water Tunnel project.

Gadang, in a joint venture with Hyundai Group, is among the favourites to win a contract worth as much as RM12 billion for underground tunnelling works for the Klang Valley Mass Rapid Transit (KVMRT) Sungai Buloh-Kajang line.

"Unlike Gamuda-MMC, IJM and Gadang will have to rope in foreign partners because of their balance sheet," the analyst said.

Maybank Investment Bank Bhd construc-

tion analysts Wong Chew Hann thinks the best candidate for the tunnelling works is Gamuda-MMC.

"There are very few experienced contractors in Malaysia that can undertake tunnelling works and the only one that comes to mind is Gamuda-MMC as they completed SMART," she told Business Times.

Gamuda-MMC are currently the main contractors for the RM12.5 billion electrified double tracking project between Ipoh and Padang Besar.

Both companies have also been appointed as project delivery partners for the KVMRT.

"Since the award of the double-tracking project, Gamuda has not won any other major projects. Their outstanding order book is about RM2 billion, thus it is about time they win something," Wong said.