

# SMOOTH AS SILK

## – THE RM 1.25 BILLION KAJANG TRAFFIC DISPERSAL RING ROAD



**M**otorists heading to and from the Kajang and Balakong areas will be able to enjoy a smoother, faster and more pleasant ride, with the completion of the 37km Kajang Traffic Dispersal Ring Road (KRR) by the middle of 2004.

The highway is being constructed by Sunway Construction Berhad (SunCon), as the turnkey contractor for Sistem Lingkaran-Lebih Raya Kajang Sdn Bhd (SILK). SILK is a concessionaire company formed jointly by Barisan Minda Sdn Bhd and Sunway Holdings Incorporated Berhad.

This is the Works Ministry's urban highway project, which requires SILK to design, build, operate, manage and maintain KRR for 36 years before transferring it back to the Government.

On 5 July 2001, Dato' Seri S. Samy Vellu the Works Minister, and Tan Sri Dato' Seri Dr Jeffrey Cheah, Chairman of The Sunway Group, officiated the ground-breaking ceremony at the project site near Bandar Sungai Long.

Tan Sri Jeffrey Cheah said that he was pleased to see that the team's commitment and effort in the project had finally come to fruition. The project was forced to be put on hold due to the regional economic crisis, shortly after the "go ahead" approval from the Ministry of Works was received in 1997.

He said SILK had taken various steps to repackage the project and explore other financing options to commence work again.

It was on 1 August 2001, the SILK signed a supplemental concession agreement, which had been executed on 8 Oct 1997, with the Ministry of Works. The concession period had been extended from 33 to 38 years. And the good news does not stop here as SILK successfully raised funds for the project through a RM 580 million fully-subscribed private bond issuance.

SILK signed the Islamic Debt Securities agreement, on August 9, with Deutsche Bank (Malaysia) Berhad, as the lead manager, while Alliance

Bank Malaysia Berhad and Bank Islam Malaysia Berhad are co-lead managers.

This further boosts the Group's confidence that the Ring Road project will be completed on schedule. Backed by the company's vast experience in highway design and construction, SILK will ensure that the Ring Road will be constructed according to the highest possible standards.

The project, which is well under construction, is designed to alleviate traffic problems in Kajang and the surrounding areas of Balakong, Semenyih, Bangi, Sungai Long and Sungai Chua.

In addition, the KRR will also provide the regional linkages to the South-eastern corridor of the Klang Valley. Apart from that, the SILK highway also offers easier access for motorists to Putrajaya, Cheras, Semenyih and Bukit Jalil. And what's more, the development of the Ring Road corridor will also help create new business areas and job opportunities for companies.

This 37KM Ring Road involves the construction of 21KM of new roads and the upgrading of 16KM of existing roads to dual carriage way standard.

These dual 3-lane and dual 4-lane carriageways will have 12 multi-level interchanges with 4 toll plazas operating on an open toll system. Other facilities include:

- The installation of the state-of-the-art computer system for traffic surveillance and variable message signs for motorists.
- Efficient street lighting for safer driving at night.
- Footbridges at various public areas for pedestrians to cross the highway safely.

As safety is always a prime concern, SILK will also be taking steps to ensure the safety of motorists and pedestrians throughout the construction period. SILK will provide clear traffic signs to forewarn motorists to road construction works, as well as traffic diversions.



Construction / Manufacturing