

SCOMI and PRASARANA end Monorail job dispute

PETALING JAYA: A settlement has finally been reached between Scomi Group Bhd's subsidiary, Scomi Transit Projects Sdn Bhd (STP), and Prasarana Malaysia Bhd with the signing of a new contract for RM303mil, ending their dispute relating to the Kuala Lumpur Monorail Fleet Expansion Project Contract back in June 3, 2011.

This project was for the completion of the upgrade of the Kuala Lumpur monorail stations and the electrical and mechanical system, the construction of a new depot, and delivery of 12 sets of new four-car trains.

"STP and Prasarana are entering into the settlement agreement for the purpose of amicably determining the legal proceedings between the parties, while concurrently moving forward with the completion of the project," said Scomi Group in a filing with Bursa Malaysia.

Under the settlement agreement, Scomi Group said Prasarana would make payments amounting to RM181mil to STP for refurbishment works to repair five sets of four-car monorail trains that have stopped working since January 2018.

Of the five sets of four-car trains, the first three trains will be repaired within three months of the start date of restoration work, while the remaining two trains will be refurbished within six months of the commencement date.

In a filing with Bursa Malaysia yesterday, it was said that payments of RM181mil by Prasarana would be utilised to make payments to STP's lenders, creditors and employees.

Both parties will enter into a further agreement for the completion and delivery of seven, four-car monorail trains within 30 days of the condition precedents being met, or any other later date that is mutually agreed upon in writing at an expected cost of RM122mil.

According to news reports, the seven sets of new trains would be built in STP's factory.

Yesterday, the agreement was signed by Scomi Group CEO Sammy Tse Kwok Fai and Prasarana president and CEO Datuk Mohamed Hazlan Mohamed Hussain. The signing was witnessed by Transport Minister Anthony Loke.

SOURCE: THE STAR BUSINESS | PAGE : 2 | 5 APRIL 2019