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Inno-Enhance to build export processing zone

Desmond Ngiam

INNO-Enhance Sdn Bhd, a subsidiary of Larut Consolidated Bhd is to build a RM104 million Export Processing Zone in Pakistan in a venture with the Provincial Government of Punjab and the Punjab Industrial Development Board.

The three parties signed the agreement in Kuala Lumpur yesterday witnessed by Prime Minister Datuk Seri Dr Mahathir Mohamad and visiting Pakistani Prime Minister Mohamad Nawaz Sharif.

Inno-Enhance executive director Lee Kim Seng said under the agreement, the company would hold a 95 per cent stake in the project, while the remainder would be taken up by the PIDB.

The project is scheduled to begin by the middle of next year and should be completed within seven years, he added.

Speaking after the signing ceremony, Lee said the EPZ would be a self-contained industrial development with a modern facilities and an inland port, as well as the possibility of an independent power plant.

"The first phase development will cover an area of 200ha of flat agricultural land with about two hectares of industrial lots initially," Lee said.

Larut owns a 60 per cent stake in Inno-Enhance with the remaining 40 per cent held by Talam Corporation Bhd.

The Larut Group is currently negotiating with the Government of Punjab to undertake two other projects in Pakistan, namely a low-medium-cost housing project and the Islamabad-Murree Expressway.

Lee added of the total development cost RM100 million was for earmarked for construction costs and RM4 million for the land acquisition.

Lee said the RM100 million construction cost would be jointly-financed by "Malaysian companies and some foreign companies", while the acquisition of the land would be fully financed by Inno-Enhance.

At the signing ceremony Larut Group was represented by its director Datuk Chan Ah Chye and chairman YB Ahmad Apandi Johan.

The Punjab Government was represented by its Minister of Industries and Mineral Development Muhammad Arshad Khan Lodhi, and PIDB managing director and chief executive Chaudhary Mohammad Ashraf.

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