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KUB, Keloil developing petrochemical township

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SETTING aside political rivalry, Umno-controlled KUB Malaysia Bhd yesterday signed an agreement with Pas Kelantan Government-held Keloil Sdn Bhd to jointly develop a petrochemical township at Pantai Senok in Bachok, Kelantan.

Prime Minister Datuk Seri Mahathir Mohamad, who is on a one-day visit to the State, witnessed the signing after he launched KUB Tekstil Sdn Bhd's factory in the Pengkalan Chepa industrial area.

Kelantan Menteri Besar Datuk Nik Abdul Aziz Nik Mat was also present.

Keloil, a subsidiary of the Kelantan Economic Development Corporation, was represented by its chairman, Deputy Menteri Besar Abdul Halim Abdul Rahman while chairman Datuk Hassan Harun signed for KUB.

Under the agreement, both companies will initiate a feasibility study to determine the initial outlay for the development, which will sprawl over a 2,000ha site.

KUB and Keloil will later incorporate a joint-venture company to develop the project site and relevant infrastructure.

The project, to be known as the Pantai Senok Integrated Petrochemical Complex, is scheduled to be completed in 2003.

It will be the centre for downstream activities and the gas industry in Kelantan, facilitating the utilisation, processing, distribution and development of petroleum resources and products.

KUB Tekstil Sdn Bhd is a wholly-owned subsidiary of KUB. It has an authorised capital of RM10 million and a paid-up capital of RM2 million.

Since operations began in August, the factory has been producing KUB's line of school uniforms, sportswear and children-wear bearing the Canggih brand name.

It also produces sports apparel for export, under licence for international brands such as Adidas, Nike and Umbro.

The factory expects RM23 million in sales in its first year of operation and RM28 million for 1998.

Earlier, Hassan said the factory was set up to promote the development of the State.

"Kelantan is lagging in development. This factory will be a catalyst for the growth of its economy."

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