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TONGKAH JOINS HANDS WITH OTTO TO MAKE SOLID WASTE DISPOSAL EQUIPMENT

KUALA LUMPUR, Jan 22 (Bernama) -- Tongkah Holdings Bhd, through its manufacturing subsidiary, Tongkah Moulding Technologies Sdn Bhd, has formed a 51-49 percent joint venture with Otto Holding International of Germany to produce solid waste disposal equipment.

The joint venture, Tongkah-Otto (M) Sdn Bhd, will be operating at its RM35 million factory currently being built at the new Bukit Tengah industrial Park in Pulau Pinang, next to Tongkah Moulding Technologies.

Tongkah group of companies' executive chairman and chief executive officer, Mokhzani Mahathir, said that the factory will be ready in March this year with its initial production expected in May.

Speaking to reporters after the joint venture signing ceremony, he said for the first six months of operation, the company will produce 190,000 two and four wheel mobile garbage bins followed by environment engineering hardware in the coming months.

The signing was witnessed by Datuk Ting Chew Peh, minister of Housing and Local Government with Otto represented by its director for International Export, Lucien Rosler.

Mokhzani said the design specification of their product was tailored to comply with the forthcoming national waste management project requirement.

He added that the Tongkah Otto alliance was the second joint venture of Tongkah Moulding Technologies, whose paid up capital is RM2.5 million.

Mokhzani said the Tongkah group would continue to seek investment in related technologies that would enable it to provide higher valued added services to clients.

Currently, the group has successfully diversified into manufacturing, information technology, financial and health care services.

Asked on the listing of its subsidiary, THB Industries, he said proposals have been forwarded to the authorities and hoped it would be completed in a couple of months.

"Maybe we will be listing THB Industries first, while two other subsidiaries have also the necessary qualification for listing," he added.

Meanwhile, Datuk Ting said the government was still discussing with a consortium to privatise the management of solid waste to as well as to determine new regulations pertaining to waste management.

The consortium comprises Hicom Bhd, MMC, Consec Gali Sdn Bhd and Rumpun Hijau Sdn Bhd.

However, the parties have yet to reach a decision, he added.

When a decision has been reached, the bill on waste management would be forwarded to the Cabinet before being tabled in Parliament in October at the earliest. -- BERNAMA

AA/MA MR