

## **MEDIA RELEASE**

September 18, 2024

### **HDC Responds to Dr Moonilal' s Claims on Trestrail Development**

The Trinidad and Tobago Housing Development Corporation (HDC) wishes to respond to the questions raised by the Member of Parliament (MP) for Oropouche East, Dr. Roodal Moonilal, regarding the Trestrail Housing Development. Dr. Moonilal questioned the fees paid to the contractor, Ricky Raghunanan Group of Companies, the absence of a Performance Bond, and the contractor's experience.

The HDC can confirm that, as of today's date, the HDC has not expended funds to the contractor or made payments for remedial works. The HDC however has remedy for defective works, which can be "set off" under the contract.

The HDC awarded a Silver Book Design-Build Finance contract to the Ricky Raghunanan Group of Companies, which places the overall responsibility, and risk for the design and construction of the project on the contractor.

It must be noted that contrary to the assertions made no fees have been paid, as the HDC will only remit funds for certified "fit-for-purpose" units. Further, remedial works will be performed by Clause 14.17 of the FIDIC contract which states "without prejudice to any other right or remedy, the employer (including any right or remedy of deduction or set off), may deduct from any sum due, or to become due to the contractor, under or in connection with the contract and from any sum retained from any payment otherwise due to the contractor, any sum, due or to become due, from the contractor under or in connection with the contract".

The Performance Bond represented \$7.2 million (10 %) of this contract. The HDC did recognise in 2020, after the execution of the contract, that the contractor failed to provide such bonds. Despite being instructed to so do, on several occasions and noting his recent attempts, to date, this remains unsuccessful. Given that a performance bond has not been provided, and the HDC has made no payments to the contractor, the HDC has suffered no financial loss. Further, the Ricky Raghunanan Group of Companies has performed in the past on several projects for the HDC before commencing this contract.

The HDC wishes to assure its clients that it is committed to building units that are certified fit-for-purpose for the citizenry of Trinidad and Tobago. The HDC reiterates that the MP for Oropouche East's inference on the lack of construction experience by the contractor is incorrect.

**END**