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JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT

TEST -1 EXAMINATION- FEB 2019

M.Tech Construction Management IInd Semester

COURSE CODE: 10M11CE211

MAX. MARKS: 15

COURSE NAME: Construction Contracts and Laws

COURSE CREDITS: 3

MAX. TIME: 1 Hr

Note: Sharing of any material is not allowed. Assume necessary data but must be clearly mentioned. All hypothesis must be clearly mentioned

Q1. Explain fully, using examples or cases where possible, the following three terms/clauses used in Indian Contract Act (1872):-

(i) Free consent

(ii) Obligation of person who has received advantage under void agreement or contract that becomes void

(iii) Order of performance of reciprocal promises

[3 Marks]

Q2. Define in detail (a). **Lump Sum contract** and (b). **Item Rate contract**. Differentiate between these two types of contracts.

[4 Marks]

Q3. What is '**Guaranteed Maximum Price (GMP) contract**'? Explain advantages and disadvantages of GMP contract.

[3 Marks]

Q4. Potential bidders for the contract to construct a football stadium at a fixed price are supplied with technical data regarding soil conditions by the client.

The successful bidder decides to do his own tests before commencing construction work and is alarmed to discover that the cost of building the foundations is likely to be double the figure he priced the work at based on the data supplied by the client.

The contractor does not want to proceed any further at the price originally quoted but the client claims the contractor is bound by contract and cannot refuse to complete the contract at the tendered price.

With regard to the rules regarding 'misrepresentation' in Indian contract law, explain fully the legal position of both the successful tenderer and the client.

[5 Marks]

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