

**GOVERNMENT OF INDIA  
CENTRAL PUBLIC WORKS DEPARTMENT  
DEPARTMENTAL EXAMINATION FOR EXECUTIVE ENGINEERS/DD(H)**

**2021  
LAW OF CONTRACT**

**Time 3 Hours**

**Total Marks: 100**

**Section-A**

1. Differentiate between: **(Attempt any four)** **(4 X 5 = 20 marks)**
- (a) 'Agreement' & 'Contract' (with ref to Indian Contract Act)
  - (b) Promisor and Promisee (with ref to Indian Contract Act)
  - (c) Conciliation & Arbitration
  - (d) Advance payment & Secured Advance
  - (e) Item rate tender & EPC tender

**Section – B**

**Section – B contains ten questions and any eight are to be attempted**

**(8 x10 =80 marks)**

2. You are the engineer in charge for a work. More than 2/3<sup>rd</sup> time has elapsed and the progress of work is only 20%. The delay is on the part of contractor. You have decided to initiate action for rescission of contract.

Write a draft show cause notice to contractor. Please quote relevant clause of GCC in your notice.

3. As per clause 12 of GCC, the Engineer in charge is expected to determine the rate of Extra Item within 45 days of receipt of claim. You are not being able to decide the rate in the said time limit and your decision is likely to be delayed by one month.

What would you do in such situation?

4. In one contract, the quantity of an agreement item has increased beyond the deviation limit. The contractor has submitted the revised rate for the excess quantity.

What action (and under which clause of GCC) would you take in such situation? Is there any time limit to take such action?

5. A contract agreement was made for the construction of 100 no. residential quarters. After award of work, the client department reduces the scope of work to 50 no. quarters as they are short of funds.

Write a draft letter addressed to contractor intimating such reduction in scope of work. Please quote relevant clause of GCC in your letter.

6. The contractor is not executing a small part of job. Resultantly, you intend to withdraw this part work from his scope of work and get it done from some other agency.

Write a draft show-cause notice addressed to contractor intimating your intention. Please quote relevant clause of GCC in your notice.

7. In an arbitration Award, the Arbitrator has not recorded the reasons as to how he arrived at a decision. What would you do?

8. What steps do you recommend to reduce the incidence of contractual disputes and the arbitrations in CPWD?
9. In what situation, would you resort to advance payments? What precaution would you take to avoid excess payment in such case?
10. Define with reference to Workmen Compensation Act, 1923:
- (a) Employer
  - (b) Partial Disablement
  - (c) Wages
11. What do we mean when we say that the claim is 'time barred'? How would you defend such a claim?

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