

**No. 283/18/2020-GRID SOLAR**  
भारत सरकार / Government of India  
**नवीन और नवीकरणीय ऊर्जा मंत्रालय/ Ministry of New & Renewable Energy (MNRE)**  
ग्रिड सौर ऊर्जा प्रभाग / Grid Solar Power Division

Block No. 14, C.G.O. Complex,  
Lodi Road, New Delhi - 110003  
**Dated: 20.03.2020**

**OFFICE MEMORANDUM**

**Sub: Time Extension in Scheduled Commissioning Date of RE Projects considering disruption of the supply chains due to spread of coronavirus in China or any other country as Force Majeure (FM) event - reg.**

(1). The Government of India, vide O.M. No. 18/4/2020-PPD dated 19<sup>th</sup> February, 2020 (copy enclosed) from Procurement Policy Division, Department of Expenditure, Ministry of Finance, has clarified that the disruption of the supply chains due to spread of coronavirus in China or any other country should be considered as a case of natural calamity and Force Majeure Clause (FMC) may be invoked, wherever considered appropriate, following the due procedure.

(2). This Ministry, by way of various representations as well as discussion during various meetings with Renewable Energy (RE) Developers and RE associations, has been receiving requests for considering disruption of the supply chains due to spread of coronavirus in China or any other country as Force Majeure (FM) event for grant of appropriate time-extension in Scheduled Commissioning Date of RE projects as per Force Majeure Clause in concerned contractual agreements.

(3). This issue has been examined in the Ministry and in line with the above referred O.M. dated 19.02.2020 of Government of India, it has been decided that:

(a) All Renewable Energy implementing agencies of the Ministry of New & Renewable Energy (MNRE) are hereby directed to treat delay on account of disruption of the supply chains due to spread of coronavirus in China or any other country, as Force Majeure.

(b) The Renewable Energy implementing agencies may grant suitable extension of time for projects, on account of coronavirus, based on evidences / documents produced by developers in support of their respective claims of such disruption of the supply chains due to spread of coronavirus in China or any other country.

(c) Further, all project developers claiming aforesaid disruption and desirous of time extensions, shall make, a formal application to SECI/ NTPC/ other implementing agencies, giving all documentary evidence(s) in support of their claim. SECI/ NTPC/ Implementing agencies shall examine the claim objectively and grant appropriate Extension of Time (EoT) based on facts. While considering the requests for grant of extension of time on account of disruption of the supply chains due to spread of coronavirus in China or any other country, SECI/NTPC/any other implementing agency may fully satisfy itself that the claimants were actually affected due to disruption of the supply chains due to spread of coronavirus in China or any other country in the period for which extension of time has been claimed. The



implementing agencies shall also ensure that no double relief is granted due to overlapping periods of time extension granted for reasons eligible for such relief.

(d) The State Renewable Energy Departments (including agencies under Power/ Energy Departments of States, but dealing in renewable energy) are also requested to treat delay on account of disruption of the supply chains due to spread of coronavirus in China or any other country, as Force Majeure and issue their own instructions on the subject.

(4). This issues with the approval of Hon'ble Minister of State (I/C) (NRE & Power).



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To

1. **Chairman & Managing Director, Solar Energy Corporation of India Limited (SECI)**, 1st Floor, D-3, A Wing, Prius Platinum Building, District Centre, Saket, New Delhi-110 017, Email: md@seci.co.in
2. **Chairman & Managing Director, NTPC Ltd.**, NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi- 110003, Email: cmd@ntpc.co.in
3. Addl. Chief Secretaries / Pr. Secretaries / Secretaries of Power / Energy / Renewable Energy Departments of State Governments/ UT Govts./ Administrations

Copy to:

1. PS to Hon'ble Minister (Power & NRE)
2. Sr. PPS to Secretary, MNRE
3. JS (AKS)/ JS (BPY) / JS (DDJ)/ JS&FA
4. All Group Heads and Division Heads in MNRE
5. MNRE website for dissemination of information

No.F.18/4/2020-PPD  
Government of India  
Ministry of Finance  
Department of Expenditure  
Procurement Policy Division  
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Room No.512, Lok Nayak Bhavan,  
New Delhi dated the 19<sup>th</sup> February, 2020.

**OFFICE MEMORANDUM**

**Subject: Force Majeure Clause (FMC)**

Attention is invited to para 9.7.7 of the "Manual for Procurement of Goods, 2017" issued by this Department, which is reproduced as under:

*A Force Majeure (FM) means extraordinary events or circumstance beyond human control such as an event described as an act of God (like **anatural calamity**) or events such as a war, strike, riots, crimes (but not including negligence or wrong-doing, predictable/ seasonal rain and any other events specifically excluded in the clause). An FM clause in the contract frees both parties from contractual liability or obligation when prevented by such events from fulfilling their obligations under the contract. An FM clause does not excuse a party's non-performance entirely, but only suspends it for the duration of the FM. The firm has to give notice of FM as soon as it occurs and it cannot be claimed ex-post facto. There may be a FM situation affecting the purchase organisation only. In such a situation, the purchase organisation is to communicate with the supplier along similar lines as above for further necessary action. If the performance in whole or in part or any obligation under this contract is prevented or delayed by any reason of FM for a period exceeding 90 (Ninety) days, either party may at its option terminate the contract without any financial repercussion on either side.*

2. A doubt has arisen if the disruption of the supply chains due to spread of corona virus in China or any other country will be covered in the Force Majeure Clause (FMC). In this regard it is clarified that it should be considered as a case of natural calamity and FMC may be invoked, wherever considered appropriate, following the due procedure as above.

  
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To,

Secretaries of all Central Government Ministries/ Departments