

No.1/3/2026-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

709, Chandralok Building,
Janpath, New Delhi
29.04.2026

OFFICE MEMORANDUM

Subject: Force Majeure Clause (FMC).

Attention is invited to para 9.3.6 of the "Manual for Procurement of Goods, 2024", Para 10.4.9 of the "Manual for Procurement of Consultancy Services, 2025", para 9.4.10 of the "Manual for Procurement of Non-Consultancy Services, 2025", and para 7.4.4 of the Manual for Procurement of Works, 2025 issued by this Department, which is reproduced as under:

A Force Majeure (FM) means extraordinary events or circumstances beyond human control, such as an event described as an act of God (like a natural calamity) or events such as a war, strike, riots, crimes (but not including negligence or wrongdoing, predictable/seasonal rain and any other events specifically excluded in the clause). An FM clause in the contract frees both parties from contractual liability and obligation when prevented by such events from fulfilling their obligations under the contract. An FM clause does not entirely excuse a party's non-performance but only suspends it for the duration of the FM. The firm must give notice of FM within a reasonable time as the conditions permit (say, not later than 14 days after its occurrence), and it cannot be claimed ex-post facto. There may be an 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, seek to terminate the contract without any financial repercussion on either side.

Notwithstanding the punitive provisions contained in the contract for delay or breach of contract, the supplier would not be liable for imposition of any such sanction so long as the delay and/or failure of the supplier in fulfilling its obligations under the contract is the result of an event covered in the FM clause.

2. Attention is also drawn to para 9.3.3-3-a) of the "Manual for Procurement of Goods, 2024", para 10.4.1-3-a) of the "Manual for Procurement of Consultancy Services, 2025", para 9.4.2-3-a) of the "Manual for Procurement of Non-Consultancy Services, 2025" and para 7.4.5-1-a) of the "Manual for Procurement of Works, 2025". The referred Manuals recognize delays in delivery in completion of contractual obligations on account of Force Majeure event for which the supplier, consultant,

service provider and contractor is not at fault. In such cases the delivery period and/ or completion period needs to be re-fixed without imposing any penalty on the supplier/ consultant/ service provider/ contractor (i.e., without LD and without a denial clause) after following due procedure mentioned under para 1 above.

3. While the term "War" is defined as an event triggering *Force Majeure* as stated above, for ample clarity it is to reiterate that the ongoing West Asia situation should be treated as war. In cases where disruptions arising from the prevailing West Asia situation have directly affected, or consequentially impacted contractual obligations (for goods and services contracts, construction/ works contracts with Government Agencies), the procuring entities may invoke Force Majeure.

4. In such an event, date for completion of contractual obligations which had to be completed on or after 28th February 2026 may be extended for a period of not less than two months and not more than four months without imposition of any cost or penalty on the contractor. The period of extension (between two and four months) may be decided by the procuring entity after due examination on a case-to-case basis, while determining the admissibility of such claims under the Force Majeure and following the due procedure stipulated above.

5. It is clarified that invocation of Force Majeure shall be considered valid only where the parties to the contract were not in default of their contractual obligations as on 27th February 2026. It is further clarified that invocation of Force Majeure does not absolve all non-performances of a party, but only such non-performances as are directly attributable to disruptions caused by the prevailing West Asia situation. It may be noted that all contractual obligations shall revive upon completion of the period.


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To

Secretaries of all Central Government Ministries/ Departments