

## Simarpreet Singh



The coronavirus onslaught will lead to a delay in execution of projects, stretching the completion schedules. Projects which are to be commissioned by June will be particularly affected. Rating agency CRISIL has estimated that about 3-GW solar projects worth Rs 16,000 crore will bear the brunt of coronavirus. Since most of these projects are connected with the interstate transmission system, any inordinate delay in their commissioning may invite transmission/point of connection charges from the Power Grid Corporation of India under Long Term Open Access rules. The prices of components like solar modules will go up in the short term with cheaper supplies from China drying up. This hike will be reflected in an increase in project costs as well with modules making up for roughly 60

per cent of the cost of a solar project. India sources about 80 per cent of its solar modules from China, which is worst affected by this health crisis. But things will be back on track if the situation returns to normal by the middle of this year. Thankfully, developers have been exempted from penalty for any delay in commissioning of projects due to the present circumstances with the Union Finance Ministry agreeing to invoke the force majeure clause to allow more time to developers to complete their projects without inviting any fine. The force majeure clause exempts both the parties from fulfilling their contractual obligations in extraordinary circumstances beyond human control, like wars, riots, crimes or natural calamities.