

वास्तुकला परिषद्
Council of Architecture

(वास्तुविद् अधिनियम, 1972 के अंतर्गत भारत सरकार का एक स्वायत्त सांविधिक निकाय)
(An Autonomous Statutory Body of Govt. of India, under the Architects Act, 1972)

Ref. No. CA/80/2026/AOA
July 30, 2026

The Executive Engineer & Senior Manager C)-II
O/o SE & PD, IPC,
Central Public Works Department
CGO Complex, 1st Floor, 'B' Wing,
Near White Church, Indore- 452001
Email: se-indorecircle@cpwd.gov.in

Subject: RFP for Selection of an Architectural Consultancy firm for Providing Comprehensive consultancy for construction of (i) Residential complex, (ii) Studio Apartments, (iii) Student Activity Centre, (iv) Visitors hostel at IIT Indore -reg.

Sir,

The Council of Architecture is a statutory body established by the Architects Act, 1972 (A Special Central Act), for regulating architectural education and profession throughout the territory of India.

It has come to the notice of the Council that the Central Public Works Department Indore, Madhya Pradesh, has invited RFP (Technical & financial Bids from Architects/ Architectural firms for Providing Comprehensive consultancy for construction of (i) Residential complex, (ii) Studio Apartments, (iii) Student Activity Centre, (iv) Visitors hostel at IIT Indore

The Central Public Works Department Indore, Madhya Pradesh, has asked architects to deposit cost as EMD of Rs. 7,60,027/- Further, Companies and LLPs have been made eligible contrary to the Act.

Pertinent to the matter, I have to inform you that the profession of architects is regulated, controlled and maintained under the procession of the Architects Act, 1972 and Regulations framed thereunder. The Council is empowered under Section 22 of the Act to lay down, by Regulation's standards of professional conduct and code of ethic of Architects. These Regulations have overriding effect over any other law for the time being in force in India.

Accordingly, the Council has framed the Architects (Professional Conduct) Regulations, 1989. The Regulation 2(1) (xiv) of the said Regulations provides that an architect shall not prepare designs in competition with other Architects for a Client without payment or for a reduce fee (except in a competition conducted in accordance with the Architectural Competition Guidelines approved by the Council). Further, Regulation 2(1) (xii) provides that an architect shall observe and uphold the Council's Conditions of Engagement and Scale of Charges. The Council has prescribed Scale of Charges for Architectural Services based on Type of Project and Scope of Work & Services.

Therefore, professional services of Architects in competition against each other can be availed only by conducting Architectural Designs Competition (Two Stage/ Single Stage / Limited – as per the requirement and complexity of the project), in terms of the Architectural Competition Guidelines prescribed by the Council for selection of a qualified and competent Architect in a very fair and transparent

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The consultant should not be appointed by inviting competitive commercial bidding/lowest fees.

Architects are professional like Doctors, Advocates and Chartered Accountants, whose conduct and ethics are regulated and governed under the Act and hence should not be insisted to pay processing fee, earnest money, Performance/ Bank Guarantee, bid security or quote lowest fee, etc. on the lines of contractors.

Further, the firms registered as MSMEs are exempted from payment of EMD etc. A copy of Order dated 23.03.2022 of Ministry of Micro, Small and Medium Enterprises is attached herewith for your kind perusal.

A copy of the office memorandum dated 12.11.2020 of Ministry of finance in the matter is enclosed herewith.

Under the provisions of the Architects Act, 1972, namely Sections 2 (a), 25, 35, 36 and 37 of the Act only an architect registered with the Council of Architecture or a partnership firm can only use the title and style of architect of any word/ derivate of word architect and none else. LLPs and companies cannot use the title and style of Architecture. Violation of this prohibition is a punishable offence under Section 36 and 37.

Any term and conditions prescribed in the bids/tender/ contract/agreement/ offer or any Manual/Guidelines of any Publication Body/ Authority for appointment of Architects shall have to be consistent with the above provisions of the Architects Act, 1972 and Regulations & other professional documents prescribed pursuant thereto. Even the scheme under of ease of doing business such conditions are not insisted.

A Handbook of Professional Documents of the Council containing Act, Rules, Regulations, etc. is enclosed herewith for your kind perusal.

In view of the above, it is requested that Central Public Works Department Indore, Madhya Pradesh should appoint Architects by conducting Architectural Design Competition and not on basis of Inviting lowest quotation/Bid. Further, EMD. should not be insisted and no company be appointed as Architect.

Thanking you,

Yours faithfully,

R. K. Oberoi
Registrar

Encl: As above

No. F.9/4/2020-PPD
Government of India
Ministry of Finance
Department of Expenditure
Procurement Policy Division

512, Lok Nayak Bhawan, New Delhi
Dated the 12th November 2020

OFFICE MEMORANDUM

Subject: Bid Security/ Earnest Money Deposit.

The Government is in receipt of many representations that on account of slowdown in economy due to the pandemic, there is acute financial crunch among many commercial entities and contractors, which in turn is affecting timely execution of the contracts. It has also been represented that this may affect the ability of contractors to bid in tenders and hence reduce competition. Requests are being received for reduction in quantum of Security Deposits in the Government contracts.

2. As per Rule 170 of General Financial Rules (GFRs) 2017, Micro and Small Enterprises (MSEs) and the firms registered with concerned Ministries/ Departments are exempted from submission of Bid Security. Further, in lieu of Bid Security, Ministries/ Departments may ask bidders to sign "Bid Security Declaration" accepting that if they withdraw or modify their bids during period of validity etc., they will be suspended for the time specified in the tender documents. Similar provisions also exist in the Manuals for Procurement of Works 2019 and Manual for Procurement of Consultancy & other Services 2017.

3. In this context it is noted that Bid Security (also known as Earnest Money Deposit) is still being taken from the contractors by the various Ministries/ Departments, though the relaxations have already been provided in General Financial Rules (GFRs) 2017.

4. In view of above, it is reiterated that notwithstanding anything contained in Rule 171 of GFRs 2017 or any other Rule or any provision contained in the Procurement Manuals, **no provisions regarding Bid Security should be kept in the Bid Documents in future and only provision for Bid Security Declaration should be kept in the Bid Documents.**

5. Wherever, there are compelling circumstances to ask for Bid Security, the same should be done only with the approval of the next higher authority to the authority competent to finalise the particular tender or the Secretary of the Ministry/ Department, whichever is lower.

6. The above instructions will be applicable for all the tenders issued till 31.12.2021.

7. These instructions will be applicable for all kinds of procurements viz. Goods, Consultancy, Works, non-consulting Services etc and are issued under Rule 6(1) of the GFRs 2017.

K. Narayana Reddy

(Kotluru Narayana Reddy)

Deputy Secretary to the Govt. of India

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To,

All the Secretaries and Financial Advisers to Government of India

Copy to: Secretary, Department of Public Enterprises with a request to issue the same instructions to Central Public Sector Undertakings (CPSUs).