Estimation & Costing (DI04006021)

Lecture 13: Data Required: Charges and Provisions

Components of Total Cost

Civil Cost

The direct cost of all items of work evaluated by taking out quantities and multiplying by rates.

- **GST (Goods and Services Tax):** Typically applied at 18% (or as per current govt norms) on the civil cost of construction.
- Various other percentage charges are added to the civil cost to arrive at the total project cost.

Contingencies & Supervision Charges

- **Contingencies (3% to 5%):**
  - Incidental expenses of miscellaneous character which cannot be classified under any distinct item.
- **Work Charged Establishment (1.5% to 2%):**
  - Temporary establishment (supervisors, watchmen, etc.) employed specifically for the execution of the work.
- **Supervision / Departmental Charges (10% to 15%):**
  - Added when a work is executed by a department (like PWD) for another department to cover the cost of planning, designing, and supervision.

Summary Table of Charges

Type of Charge	Typical Percentage
Contingencies	3% to 5%
Work Charged Establishment	1.5% to 2%
Water Supply & Electrification	8% each
Departmental Charges	10% to 15%
Contractor's Profit	10%

Table: Standard percentage provisions