Written by Administrator Wednesday, 30 June 2010 05:48 -

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Inflation hits civic body, expenses up Rs 10 cr June 30th, 2010 DC Correspondent

June 29: It is not only middle class families and working professionals who are suffering from inflation and price rise. Chennai Corporation has been hit by the spurt in prices, with high input costs and implementation of the Sixth Pay Commission recommendations causing a huge dent in the finances of the civic body.

According to official sources, the corporation requires about Rs 1.25 crore per day to pay wages to its staff and to maintain the city clean and tidy. On the other hand the civic body's average income through tax is about Rs 1.5 crore per day. This leaves the civic body with little money to implement crucial infrastructure projects and is forcing its financial managers to work overtime to ensure that populist schemes like free gold rings for children with Tamil names and scholarships and cash awards for meritorious corporation school children are not affected.

"After expansion of the corporation's limits, several mud roads have to be re-laid with tar and new infrastructures like bridges, causeways, storm water drains and streetlights have to be put Written by Administrator Wednesday, 30 June 2010 05:48 -

up in the neglected suburbs," explained a corporation official. "There is requirement for a huge sum of money and the present revenue or even revenue to be generated from the suburbs will not suffice."

The official pointed out that the fuel price hike and input cost will cost an additional expenditure of about Rs 10 crore per annum. According to revenue department sources, besides the routine road relaying and drain constructions, city corporation is also facing the Herculean task of collecting over Rs 300 crore from major property owners who have been evading payment of property tax to the civic body for last many years.