

'Middle class, not the rich, bears tax burden in India'

G. Srinivasa Rao

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Describing the Union Budget 2012-13 as a 'lame duck' which does not help the cause of the common man much, Mr B. Yerram Raju, former banker and expert on agriculture economics said it looks more like an exercise to help the UPA Government survive than revive the economy.

Speaking at the Budget Talk 2012 organised by *Business Line* and ITM College here today, Mr Raju said, "Unlike in the Western countries, in India rich are not being taxed. Instead the middle class which constitutes the large section of population has to take the burden".

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The event featuring three speakers provided an insight into the budget to the hundreds of management students who turned up. The jumble of figure as is known to the common man, the budget was explained in detail by the experts who in addition to Mr Raju, consisted of senior assistant professor of Ec-



Mr B. Yerram Raju (left), retired banker, and Mr K.P.C. Rao, company secretary, talking at the Budget Talk 2012 organised by ITM College and Business Line. — N. Murali

onomics, Kakatiya University (KU), Dr B. Suresh Lal and a company secretary Mr K.P.C. Rao.

According to Mr Yerram Raju, who is also Regional Director, Professional Risk Management International Association, the Central Government should have made more allocations to the agricultural sector and devised a mechanism to eliminate the middlemen to save the innocent farmers.

Presenting the academic

perspective on the Budget, Dr Suresh Lal explained the concepts of zero based budget, deficit budget and surplus budget.

Bringing out the contradictions of Indian economy, he said, "Nearly 80 per cent of rural population does not have toilet facilities but of them, 60 per cent have cell phones."

Mr Suresh Lal opined that the Government should have made more allocations to health and education sectors

whereas the defence and interest payments on loans are taking away more than 50 per cent of receipts.

Mr K.P.C. Rao explained about the direct and indirect taxes and how it impacted the lives of people. He said the finance minister has brought down the personal tax burden of individuals this time.

Giving an insight into service tax, external commercial borrowings and other measures announced, Mr Rao said several enactments still remain archaic and need to be refined.

Earlier, ITM director Dr Dayakar Rao welcomed the gathering. He said with the growth of electronic media and online, information flow on budgets is very fast. Even analysis is available to people on the same day. He advised students to carefully study the budget to understand the intricacies and fine print. Mr V. Rishi Kumar, Senior Assistant Editor, *Business Line*, introduced the speakers and the subject.

Mr S.D.T. Rao, Regional Manager, *Business Line*, proposed a vote of thanks.