

[Shri Perath Narayanan Nair.]

it is good that power is vested with the Governor under the provisions of this Bill to exempt foreigners through notifications as and when the Government consider it necessary. But there is this blanket exemption given to the Commonwealth countries, specially Great Britain. Now, it has been sought to be justified on the basis of reciprocity. I know that a very large number of nationals of our country reside in Britain and they enjoy certain privileges, but apart from this reciprocity, specially in the present context of the world situation and from our own security point of view, we have to consider whether it is desirable that this blanket exemption should be given to these people. We know that, though the senior member of the Commonwealth, Great Britain, is seeking to build up military pacts threatening the security of our country. We know that Great Britain and certain other members of the Commonwealth are rushing up military aid, piling up armaments, right on the other side of the borders of this country. So, from the point of view of security I just appeal to the hon. Minister to see whether it is desirable that this blanket exemption should be granted to them. Again, the senior partner of the Commonwealth, with all her long association with our country, is so anxious to make friends with countries who have acted so inimically to our interest. All these things are to be considered. I say this strictly from the security point of view of our country, and that is why this blanket exemption given to these Commonwealth countries makes some of us anxious. We had instances of nationals from Britain coming to this country with very high recommendations. They had come here ostensibly for the purpose of making botanical studies. They had been invited to go to the Naga Hills, and we had reliable reports that these botanical research people who had been allowed to go there had been doing work other than botanical research. These instances make us think—I am not raising the question of quitting the

Commonwealth—but the security of our country must be dominant in our minds, and strictly from that point of view, in the present day context with the Kashmir situation assuming such proportions, I just put it to the hon. Minister whether it is not time that we considered about this general exemption granted to nationals of the Commonwealth countries, including Britain.

That is all that I can say.

MR. DEPUTY CHAIRMAN: Mr. Datar can reply after lunch. Mr. Shah.

1 P.M.

### THE KERALA BUDGET, 1957-58

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH): Sir, I beg to present the statement of estimated receipts and expenditure of the State of Kerala for the year 1957-58.

Sir, the General Elections are just over and it would be some time before a new Government is formed and is able to present its Budget to the new State Legislature. Meanwhile, it is necessary to vote funds before the close of this month to enable the State Administration to carry on until the new Government is in a position to get the Budget for the full year passed by its Legislature. This is, therefore, an interim Budget in which Parliament is being asked to vote supplies for the first three months of the coming year.

Before dealing with the Budget for the ensuing year, I would like to mention that the Revised Estimates for the current year are not being shown in the Budget documents as the Kerala State came into being only on the 1st November 1956 and the figures for the last five months of the year will bear no comparison with the estimates for the whole year.

The revenue of the Kerala State for the year 1957-58 has been esti-

mated at Rs. 26.50 crores and the expenditure on revenue account at Rs. 27.52 crores resulting in a revenue deficit of Rs. 1.02 crores. The revenue estimates do not take credit for any new tax or enhancement of the existing rates of taxes, which would be for the new Government to consider. An additional credit of Rs. 75 lakhs has, however, been assumed from the imposition of inter-State sales tax and the conversion of the rates of sales tax into decimal coinage. The estimates also assume a small credit of Rs. 5 lakhs for the additional yield from betterment levy and water rates under the legislation passed recently. The main items comprising a revenue of Rs. 26.50 crores are, the State's share of the Union Excise Duties, Income-tax and Estate Duty Rs. 3.11 crores, State Agricultural Income-tax Rs. 1.81 crores, Land Revenue Rs. 1.20 crores, State Excise Duties Rs. 2.16 crores, Stamps Rs. 1.16 crores, Forests Rs. 2.78 crores, Sales Tax Rs. 4.31 crores, Grants from the Centre Rs. 3.60 crores and other miscellaneous revenues Rs. 6.37 crores.

The expenditure estimates have been framed on the basis of the existing staff at the existing scales of pay and provision has been included for the continuance of the existing temporary establishments. Due provision has also been made for the schemes included in the Plan.

For capital expenditure outside the revenue account, a provision of Rs. 9.59 crores has been included. The main items under this are Irrigation Schemes, Rs. 195 lakhs, Industrial Development, Rs. 52 lakhs, Civil Works, Rs. 273 lakhs, Water Supply and Drainage Schemes, Rs. 108 lakhs and Electricity Schemes Rs. 309 lakhs. Honourable Members will find the details of the new schemes mentioned in the Explanatory Memorandum and details of the works to be undertaken would be found in the Appendix to the Budget Estimates. Both these documents are being circulated with the Budget papers. I do not, therefore, propose to take the

time of this House in listing them here.

In addition to capital expenditure, the estimates also provide Rs. 109 lakhs for loans and advances by the State Government and Rs. 95 lakhs for repayment of the Central loans.

The total expenditure both on revenue and capital account thus comes to Rs. 39.15 crores. Of this expenditure, Rs. 15.14 crores is on account of the schemes included in the Plan. I may mention that the total expenditure on the Second Five Year Plan of the Kerala State, after making due adjustments for the areas transferred to and from Madras State, has been fixed at Rs. 87 crores. Against this Plan target, the expenditure during the first year of the Plan is estimated at about Rs. 14 crores. Thus during the first two years, the total expenditure on the Plan according to the present estimates would be of the order of Rs. 29 crores. The estimates of Plan expenditure during the ensuing year have been framed in consultation with the Planning Commission on the basis of the resources available to the State at present. If the State Government find it possible to raise additional resources during the course of the year, they will be in a position to take up additional schemes under the Plan with the concurrence of the Planning Commission.

On these estimates the State will require Rs. 1.02 crores to cover their revenue deficit, Rs. 11.63 crores to cover the capital expenditure and loans and advances, or a total of Rs. 12.65 crores. The estimates assume that the State will be able to raise a new market loan of Rs. 2.25 crores and receive Central loans amounting to Rs. 4.72 crores. Other Debt, Deposit and Remittance Heads are estimated to result in a credit of Rs. 2.58 crores. This leaves a balance of Rs. 3.10 crores which will be covered partly by the sale of Government of India securities held by the State Government to the extent of

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Rs. 2.5 crores and partly by the drawing down of cash balance by Rs. 60 lakhs.

My colleague, the Home Minister, will be circulating a pamphlet giving an account of the activities of the Government during the period the former Travancore-Cochin and the Kerala States have been under the President's regime. I am sure the hon. Members will agree that we have every reason to feel satisfied with the progress that the State has achieved during this period. The Central Government has always been anxious to assist the State in every possible manner and I can assure the House that similar assistance would continue to be extended in future.

#### MESSAGE FROM THE LOK SABHA

##### THE KERALA APPROPRIATION BILL, 1957

SECRETARY: Sir, I have to report to the House the following message received from the Lok Sabha, signed by the Secretary of the Lok Sabha:

"In accordance with the provisions of Rule 133 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Kerala Appropriation Bill, 1957, as passed by Lok Sabha at its sitting held on the 23rd March, 1957.

2. The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

Sir, I lay the Bill on the Table.

MR. DEPUTY CHAIRMAN: The House stands adjourned for lunch till 2-30 P.M.

The House then adjourned for lunch at six minutes past one of the clock.

The House reassembled after lunch at half past two of the clock, MR. DEPUTY CHAIRMAN in the Chair.

#### THE FOREIGNERS LAWS (AMENDMENT) BILL, 1957—continued.

SHRI B. N. DATAR: Mr. Deputy Chairman, Sir, I am happy to find that the provisions of this Bill have been generally approved of by the hon. Members of this House. A few objections or misgivings have been given expression to and I should like to reply to them as briefly as possible. I may point out to the hon. Members here that similar laws, immigration laws or other laws, are already on the Statute Books of most of the other countries including Pakistan as well. Pakistan had exactly a similar law as early as the year 1952. Secondly, it might be noted that merely because certain Acts have been passed, it does not mean that all the provisions have to be used in every case. So far as these two laws are concerned, the Foreigners' Act as also the Registration of Foreigners' Act, they have been in use for a number of years as I have pointed out. It might be noted that the Foreigners Act was passed as early as 1864 by the then Government of India. All that was done was that it was not used with reference to those who were born in Britain or who were born in the British Empire. Now, what is proposed to be done is to apply the provisions to all persons except where an exception or a reservation has been made by the proposed section 3A or a similar provision which already exists, as I have pointed out, in the Registration of Foreigners Act. Therefore, merely because on our Statute Book we have such Acts as the Foreigners Act or the Registration of Foreigners Act, it does not mean that our relations are not good so far as the other countries are concerned. For example, take the case of Burma. Our attention has been invited to this fact that, so far as Burma is concerned, we are not extending to them the concessions that sometimes we are extending so far as the Commonwealth countries are concerned. In respect of the Commonwealth countries, there are