# ANNEXURE - 20

# THE ECONOMIC TIMES

## Politics and Nation

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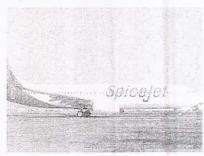
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## How political parties have a well-oiled system of hiring aircraft during elections

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It is hard to intagine, due to the ubiquity of Narendra Modion the ground, peering out of posters, flashing on TV screens and popping up on the web, that he spends an awful lot of time in the air.

Few Indians have actually travelled within India by air as much as Modi, the chief minister of Gujarat, has in recent months. Since September 2013, when he became the opposition BuP's candidate for prime minister. Modi has been keeping a hectic election campaign, on occasions addressing as many as three to four rallies a day in various parts of India.



fillications have become a

filled seems to have ample reservoirs of energy, but it is intense campaign is also sustained by a number of nelicopters and one business jet. It would have been impossible for him to address rallies in Imphal in (Aanipur, Guwahati in Assam and Chennai in Tamil Nadu in one day — as he did on February 5, 2014 — as a passenger of GoAir or Air India.

# HOW PARTIES HIRE AIRCRAFT DURING ELECTIONS

Every party has at least three middlemen, or agents, who liaise between them and aircraft operators



Middlemen come into play because political parties rely on their expertize and network and operators have the comfort of receiving payments upfront



Middlemen take commissions of 5-10%

Before an election, a party gives a set of requirements – estimates of number of rallies and the locations – to these agents



Agents approach operators

A typical conversation



Bargaining begins

Regardless of the consumption of these hours, agents pay upfront. Of course, old hands have the luxury of paying only an advance



Deal is sealed

Many places in India, particularly in the Northeast, are beyond reach due to poor road and rail network, making aircraft the sole means of transport. Not that air connectivity is any good.

The case for travelling in business aircraft also becomes pretty strong when the alternative is the swamp of chaos at airports and slowness of roads or trains beyond. If a politician had to visit Barmer or Jaisalmer in

That would be devoting three days of a packed election illnerary to one place. "Even politicians who hit the campaign trail two months ago in copters will be able to cover only about 200 constituencies [out of 543] by the end of elections," said GR Gopinath, the promoter of Deccan Charters.

### Well-established System

Modi's epishany that only corporate jets will not crimp his busy schedule is not recent. Media reports in 2007, sourcing a Right to Information Act filling by Gujarat opposition leader Arjun Modhvadia, established that 68 of the 100 flights by Modi since 2003 were in aircraft owned or hired by companies with huge interests in the state.

His apponents. Congress president Sonia Gandhi and son, party vice-president, Rahul Gandhi are regular users of aircraft that belong to major corporate houses. Modil and the Gandhis have plenty of company.

Senior leaders of every large political party in India discovered the virtues of business aircraft long ago (see Frequent Filers...) But at no time do politicians fly in corporate aircraft more frequently than during elections.

For air charter companies, which broadly fall under the category of NSOPs by virtue of owning a nonscheduled operator permit (as their nomenclature suggests, they do not — must not—follow a timetable of flights like commercial airlines), elections are the equivalent of a sale season in retail.

Only, there is a markup of charges. They can efford to thanks to the scramble for alroraft. Gulab Singh, the owner of Saarthi Airways, said almost every charter company receives orders during elections. "There are no hard feelings [among competitors]. There are lots of political parties and lots of area to cover."

It helps that the alroraft and genuine charter companies are in short supply. Thirteen state governments, including those in Uttar Pradesh and Bihar, own helicopters, but the model code of conduct that kicks in when efections are announced bars them from using their aircraft.

Nevertheless, multiple interviews with politicians, operators, analysts, aircraft spare parts providers, maintenance and repair companies and civil aviation officials (most agreed to talk on the basis of anonymity) point to a well-organized system of flying during elections.

The deficit of aircraft and tack of expertize — politicians conft want to take chances after the fatal helicopter crashes of former Andrra Pradesh chief minister YS Rajasekhara Reddy and his Arunachai Pradesh counterpart Dorjee Khandu in 2009 and 2011 — drives political parties to a band of middlemen, or agents, who arrange the aircraft by liaising with NSOPs (see How Parties Hire. ). NSOPs are pleased with this arrangement because they conft have to chase politicians for payment.

"It is a minimum guarantee model because the party chaos also skim money," said one operator. In Ultrar Pradesh and Bihar, due to the abundance of contenders — BuP, BSP, Samajwadi Party. Congress, Janata Dai (United) and scores of splinter groups — and the vast swathes of land, demand is as big as in the rest of the country.

Singh, whose main clients are politicians and Bollywood stars, is the agent for the BJP as well as leaders of other parties such as Latu Prasad. Nitish Kumar and Ram Vilas Paswan. He has been flying politicians since 1996-97.

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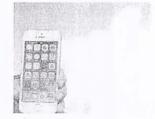
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Readers' opinions (41)

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GG (mm)

14 May 2014 09:35 PM

I don't see the point of the article. So long as the parties are PAYING the private companies for the flights where is the corruption? As for middle-men, who among us has never used the services of a travel agent?

SLS BHU (delhi) 25 Mar, 2014-01:06 PM

hdfygvcghf fnf

muthuramank (Bangalore) 24 Mar. 2014 95:14 PM

Vote for AAP to stop this non sense

Vihar Shivankar (nagpur)

24 Mar. 2014 64:48 PM

Very good.....Keep it on!!!

V.O.Hari (Chennai)

24 Mar. 2014 02:28 PM

When You are using Business house providing Aircrafts how can you bypass their demands and work for the aam admi? Business tycoons are not fools to spend these much money on a CM for Charity. Still some people believe that Modi will save India from the clutches of Corruption.

Kumar (Bir) replies to V.O.Hari 24 Mar. 2014 07 04 PM

Good CEOs also command higher perks and their time is valuable... I would not want my company making a peon a CEO to save money.

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