



Aviation trends: B'luru soars, IndiGo surges

BY HOWINDIALIVES.COM

A spate of good news is flying out from the Indian aviation sector. IndiGo, the leader in the sector, just turned in its best-ever fourth quarter. A new airport in Mumbai is about to begin operations. Several mid-level airports are stringing together above-industry growth in traffic. The international segment has crossed a key historical level that augurs well for future growth. With fuel prices also tumbling, airlines are in decent shape going into the lean season.

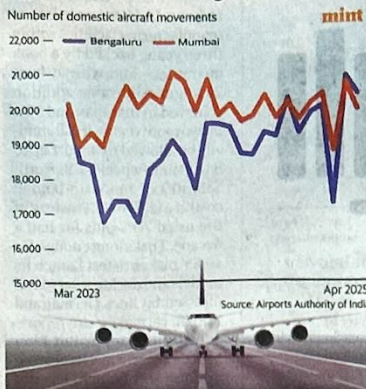
On 28 May, IndiGo said it would kick off flights from the Navi Mumbai airport, with 18 daily domestic departures, or 36 aircraft movements. It estimated increasing this to 79 daily departures by November. For Mumbai, the capacity relief is overdue. The existing airport has been operating at capacity for some years now. Even if airlines wanted to add more flights, the airport didn't have slots. Meanwhile, Bengaluru has crept up on Mumbai in the second slot in domestic flights, even overtaking it this March and April. How much of this is due to Bengaluru's own brisk growth and how much due to Mumbai's capacity constraints will become clear once the Navi Mumbai airport stabilises.

Meanwhile, Indian aviation is now a two-horse race between IndiGo and the Air India Group. The consolidation was led by the Tata-owned Air India Group, with two sets of mergers in late 2024. Latest data shows Air India Group has lost domestic share to IndiGo in 2025. One reason could be Air India opting to refurbish some of its fleet. A lot of this refurbishment is expected to be completed in stages in 2025—while IndiGo expands.



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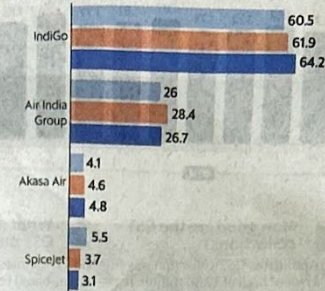
Bengaluru topped Mumbai in domestic flights for the second straight month in April



Air India ceded its domestic passenger share to IndiGo in 2025

Airline-wise passenger share in domestic segment (in %)

2023 2024 2025



Air India Group comprises Air India and Air India Express. Vistara merged with Air India in November 2024, and AirAsia India merged with Air India Express in October 2024. Data for 2025 is for January-April 2025.

Source: Directorate General of Civil Aviation

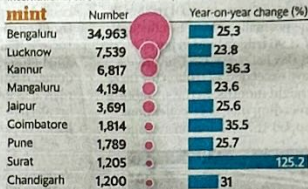
International: Tier-II Pick-up

FOR THE period January-March 2025, IndiGo posted its best-ever Q4, returning a net profit of ₹3,067 crore. In addition to domestic, IndiGo has been expanding steadily in international segment. It increased its international passenger share from 18.2% in the December 2023 quarter to 19.4% in the December 2024 quarter, the latest for which such data is available.

At the airport level, movements of international flights increased 9.4% in 2024-25. Delhi and Mumbai grew 7-8%. Of the 46 airports that saw international traffic in 2024-25, 16 grew above 20% in flight movements. These 16 airports account for only 14% of all international movements, and embody the widening of the international pie—from the main metros to tier-II cities. Nine of them recorded at least 1,000 international aircraft movements in 2024-25, and Bengaluru is the only main metro airport among them.

Several tier-II airports are seeing 20%-plus growth in international traffic

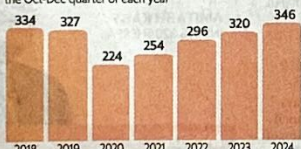
International aircraft movements, 2024-25



The chart shows international airports that recorded at least 1,000 international flight movements in 2024-25 and an increase of above 20%. Source: Airports Authority of India

Active international destination pairings crossed pre-pandemic levels

Number of international destination pairings in the Oct-Dec quarter of each year



Destination pairing refers to a specific departure airport (origin) and an arrival airport (destination) on a flight itinerary. Data excludes pairings that showed 0 passengers or showed passengers on only one-way (an occurrence during restricted flight movement in covid periods). Source: Directorate General of Civil Aviation

Pairings: Pandemic Recovery

SUCH POCKETS of strong growth underpin the recovery of the international segment. According to data from the Indian regulator, there were 346 destination pairings (for example, Delhi-Dubai) in the international segment in Q3 of FY25, the latest available for this data. In the last quarter of the calendar year, this is the first time since the pandemic that the number of destination pairings has crossed the pre-pandemic high registered in the December 2018 quarter.

Take Bengaluru, the largest of the set of 16 airports in 2024-25 with more than 1,000 international flight movements and above 20% year-on-year growth. It went from 21 active international pairings in the December 2023 quarter to 25 in the December 2024 quarter, with the additions being Denpasar, Langkawi, Phuket and Port Louis. Similarly, Lucknow went from 8 to 11, and Jaipur from four to five.

Fuel: Bottom Line Benefit

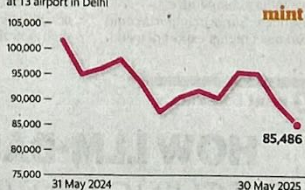
SIMILAR GROWTH is also seen in the domestic segment—9.1% in passenger growth in 2024-25. All three leading Indian airlines—IndiGo, Air India Group and Akasa—are acquiring new aircraft and have a healthy order pipeline. Besides a steady operating environment, the current outlook on oil prices is also favourable. In the past year, Brent crude price per barrel has dropped about 23%. In the same period, domestic aviation turbine fuel price at Delhi's Terminal 3 has dropped about 16%.

Fuel is the biggest cost head for airlines, and a drop in prices boosts their bottom lines. In the March 2025 quarter, IndiGo's fuel cost as a share of revenues was 30.5%. By comparison, in the September 2024 quarter, which is a lean season and when ATF prices were higher, it was 39%. As the lean season approaches, they will hope for fuel prices to stay low.

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The current domestic price of aviation fuel is the lowest in the past year

Price of domestic aviation turbine fuel (in ₹ per kilo litre) at T3 airport in Delhi



Data for the last day of each month.

Source: Hindustan Petroleum Corporation Limited

PARAS JAIN/MINT