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MARC Insights

Indigo Airlines Case Study

September 2025

Table of contents

Industry Overview

A Glimpse into India's Aviation Industry

1

3rd
Rank Globally

India is the world's 3rd largest aviation market, with 174 million passengers in 2024 – 4.2% of global traffic, behind the U.S. (18%+) and China (16.7%).

2

503
Airports & Air strips

Out of which 135 are managed by Airports Authority of India, while the rest are operated by private players, state governments, or the defense forces.

3

UDAN
The game changer in Indian Aviation

Since launch, UDAN has launched 625 routes, connected 90 airports, and flown 1.5 crore+ passengers.

Market Drivers

Urbanization Driving Mobility Need
By 2030, 40% of Indians will live in cities (as per NITI Aayog), accelerating demand for fast, affordable domestic flights.

E-Commerce Boosts India's Air Cargo
India's air cargo market, driven by e-commerce, handled over 4 MTPA in 2025 and is projected to reach 10 MTPA by 2030, serving as a key driver of aviation growth.

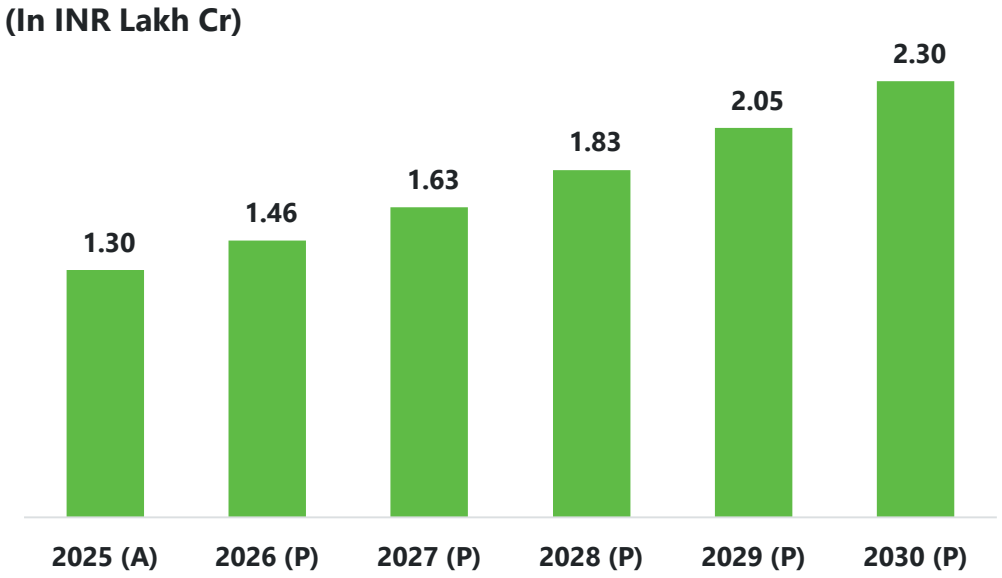
Rising Income Fuels Air Travel Demand
As per International Monetary Fund India's per capita GDP is projected to double from INR 2 lakhs in 2025 to INR 4 lakhs by 2030.

Policy Push: UDAN & 100% FDI Open the Skies
UDAN expanded regional routes; 100% FDI in aviation attracts global investment and scales infrastructure.

Source: GIDC , Pro Kerela, Goa IPB, IBEF, Gomantak Times, businesstoday, Outlook Business, IBEF - Goa Presentation , ddnews.gov, weforum,

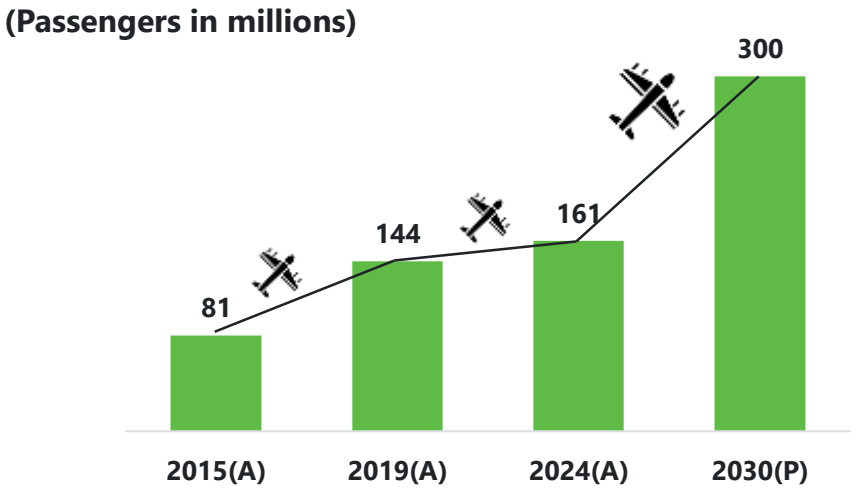
India’s Aviation Landscape: Market Size & Travel Growth

India’s Aviation Market - Size

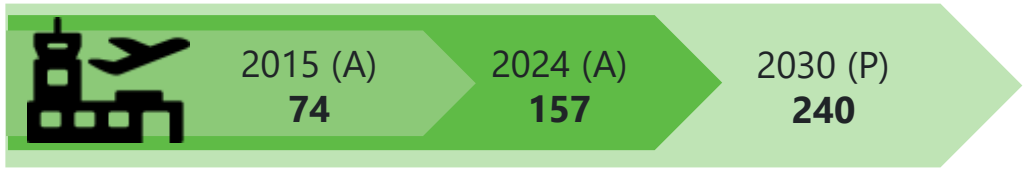


- The Indian Aviation market is expected to grow from **INR 1.30 Lakh crore in 2025** to **INR 2.30 Lakh crore in 2030**. This reflects nearly doubling the market size in 5 years.
- Rising incomes and booming e-commerce are driving India’s aviation market growth.
- Urbanization and supportive government policies are further boosting air travel demand.

Domestic Air Travel Growth in India



Number of Airports in India



India’s aviation industry doubled its operational airports from 74 in 2014 to 157 in 2024, with Ude Desh ka Aam Nagrik (UDAN) scheme driving growth by reviving airstrips and creating new regional airports for better connectivity.

Source: imarcgroup, mordorintelligence, indiatoday, dgca.gov, ibef, economictimes, economictimes

India's Aviation Paradox- Grounded Airlines

SAHARA AIRLINES	Air Sahara struggled with financial instability due to high operational costs and mounting debts. Despite efforts to remain competitive, it failed to sustain profitability. The acquisition by Jet Airways in 2007 aimed to revive the brand but led to its complete absorption, resulting in Air Sahara's operations being permanently shut down.
JET AIRWAYS	Jet Airways was a leading carrier but faced a liquidity crisis in 2019. Inability to secure emergency funding, coupled with rising debts and unpaid leasing charges, forced it to suspend flights. Operational challenges and investor withdrawal worsened its problems, ultimately leading to the airline's indefinite grounding and market loss.
FLY SMART go	Go First faced a crisis in 2023 when faulty Pratt & Whitney engines grounded much of its fleet. With mounting debts, cash shortages, and disrupted operations, the airline struggled to continue service. Unable to secure financial rescue, it filed for bankruptcy, highlighting how technical failures can derail even established carriers.
AIR DECCAN	Deccan Airways, India's first low-cost carrier, shut down in 2007 due to rapid expansion, poor planning, flawed cost structures, weak market research, and customer service. Kingfisher's 2007 acquisition and merger with Deccan further aggravated operational challenges, causing brand confusion, operational inefficiencies, and financial losses, accelerating the airline's downfall.
KINGFISHER	Kingfisher Airlines expanded rapidly but lacked financial discipline, accumulating over INR 7,000 crore in debt. Acquisition of Air Deccan caused brand confusion and inefficiencies. Salaries went unpaid, trust declined, and with grounded aircraft and regulatory issues, the airline collapsed in 2012, leaving a void in India's aviation sector.
Paramount Airways	Paramount Airways ceased operations in 2010 after losing three Embraer-170s leased from Celestial Trading due to incomplete payments. The airline also faced legal issues and regulatory challenges, leading to its eventual shutdown.

Source: simpleflying, spsairbuz, pradsriv.medium, simpleflying, worktheate, incbusiness, simpleflying

India's Aviation Challenges: Air Turbine Fuel Issues

Air Turbine Fuel (ATF)- Average Fuel Price

In INR per Barrel

In 2019, prices were high at INR 7,490 per barrel. Due to the COVID-19 pandemic, prices dropped sharply to INR 4,296 in 2020 as flights were suspended.

With the gradual return of air travel, prices increased to INR 7,600 in 2021 and further surged to INR 11,566 in 2022 because of higher demand and global supply issues.

After that, prices started to decrease, reaching INR 9,363 in 2023 and INR 8,151 in 2024.

Source: share.google, sansad , thehindu, policycircle, etvbharat, Jagranjosh, thehindu, eelet.org.uk

Challenges with Air Turbine Fuel

Aviation turbine fuel accounts for about 45% of airline operating costs in India, and high state taxes, like Tamil Nadu's 29% VAT, further elevate airfare, impacting airline profitability.

Around 40% of Indian airspace is controlled by the military, forcing airlines to take longer routes, which increases fuel consumption, operational costs, and flight durations, impacting efficiency and profitability.

Fuel costs in India are the highest in the world. Even when global fuel prices drop, Indian airlines do not see a similar reduction in fuel expenses. Another big challenge is the rising value of the dollar against the Indian rupee.

India imports over 80% of its crude oil from countries like Iraq and Saudi Arabia, making ATF prices highly vulnerable to global supply disruptions and price swings.

Airlines use fuel hedging to lock in prices and protect against sudden oil price increases, but it carries the risk of losses if market prices fall below the agreed fixed rate.

India's Aviation Challenges: Technical Challenges and Safety Risks

Technical Challenges

Indian airlines are confronting significant operational disruptions due to recurring technical failures, including in-flight engine shutdowns, unexpected system malfunctions, and critical component failures. These issues have led to widespread aircraft groundings, flight cancellations, and increased maintenance demands, severely impacting capacity and operational efficiency.

Major Concerns

1	The International Civil Aviation Organisation currently ranks **India 48th** in its global aviation safety oversight programme.
2	A total of **2,094 investigations** has been carried out against serious defect/snags reported during last 5 years (up to June 2025), according to the Civil Aviation Ministry.
3	The aviation regulator reported **65 in-flight engine shutdown** incidents in India between 2020 and 2025 (till date).
4	From January 2024 to May 2025, **11 Mayday** calls were reported in Indian airspace, mostly due to technical issues.

Technical and Safety Challenges in Indian Aviation

Pratt & Whitney Engines: One of the biggest challenges for Indian airlines is the recurring failure of Pratt & Whitney geared turbofan engines, worsened by supply chain issues, causing aircraft groundings and reduced operational efficiency.

Technical Defects in Indian Airlines: Indian carriers reported around 183 technical defects until July 2025, with Air India and Air India Express accounting for 85, Akasa Air 28, and SpiceJet 8, according to DGCA.

Go Airlines Operational Collapse: Go Airlines (India) Limited grounded nearly half its fleet in FY24 due to faulty engines and was subsequently ordered for liquidation by the NCLT in January 2025.

Air India Safety Audit Findings: India's aviation watchdog (DGCA) identified 51 safety lapses at Air India in July 2025, including inadequate pilot training, unapproved simulators, and poor rostering, highlighting ongoing operational and safety challenges.

Grounded Aircraft Impact on Indian Aviation: Approximately 133 aircraft of select Indian airlines were grounded in March 2025, representing nearly 16% of the total fleet and significantly affecting available seat kilometer (ASKM) and overall industry capacity.

Source: The Times of India, ndtv, economictimes, timesofindia, economictimes, economictimes, ndtv, indiacorplaw, insurancejournal, economictimes

Further Challenges in India's Aviation Sector

Competitive Pricing

- India's aviation market is driven by extreme price sensitivity, where travelers often prioritize cost over comfort or loyalty.
- The rise of online aggregators has intensified fare transparency, pushing airlines into constant price wars.
- As a result, carriers operate on razor-thin margins despite rising fuel and operational costs, making profitability a persistent challenge.

ACMI Lease Trap

- ACMI (Aircraft, Crew, Maintenance, Insurance) leases help airlines meet short-term capacity needs by renting serviced aircraft, though useful for expansion, these USD-denominated leases recovered in INR - create currency mismatch, straining airlines in India's low-fare, competitive market.
- SpiceJet, Go First, and Jet Airways faced financial troubles or shutdowns due to overreliance on ACMI amid rising USD costs.

Airport Charges

- Indian airlines are increasingly burdened by rising airport related costs such as landing, parking, and user development fees (UDF) which further strain airline margins in an already price-sensitive market.
- *Delhi Airport hiked landing charges by 84% for narrow - body aircraft to INR 347/MT (from INR 188) and INR 564/MT for wide - body aircraft. Mumbai Airport raised its domestic UDF to INR 175 (from INR120) since May 2025.*

Talent Shortage

- India's aviation growth is being held back by a widening gap between pilot demand and supply, worsened by costly and limited training infrastructure.
- India needs 10,900 new pilots by 2030, but produces only 1,200 – 1,500 CPL holders annually, with training costs ranging from INR 60 lakh to INR 1 crore, making entry into the profession unaffordable for many.

Source: economictimes, fortuneindia, mackinstitute, ch-aviation, reuters, livemint, indianexpress, etedge-insights

Above the Clouds: Exploring IndiGo’s Success

Indigo At Glance

With over 1200 daily flights, a market share of 60%+, and a network covering 80+ domestic and 30+ international destinations, IndiGo (6E) is India's largest and most dependable airline. Backed by a lean cost structure, strategic fleet choices, and disciplined operations, IndiGo has remained consistently profitable in a market where many carriers have failed, emerging as the backbone of Indian aviation.

Milestones

2006 — Took off with a single aircraft, launching operations with a bold low-cost model.

2009 — Turned profitable in just 3 years, breaking industry norms.

2011 — Went international, connecting India to global skies.

2015 — Listed on stock exchanges, becoming the first Indian airline IPO in a decade.

2017 — Entered regional skies with ATR 72-600, expanding reach to underserved cities.

2022 — Crossed 300 aircraft and expanded via codeshare with Turkish Airlines.

2023 — Placed world's largest aircraft order (500); flew 100M+ passengers in a year.

2024 — **Announced 60 Airbus A350-900 widebodies with business class, marking IndiGo's debut in long-haul travel by 2027.**

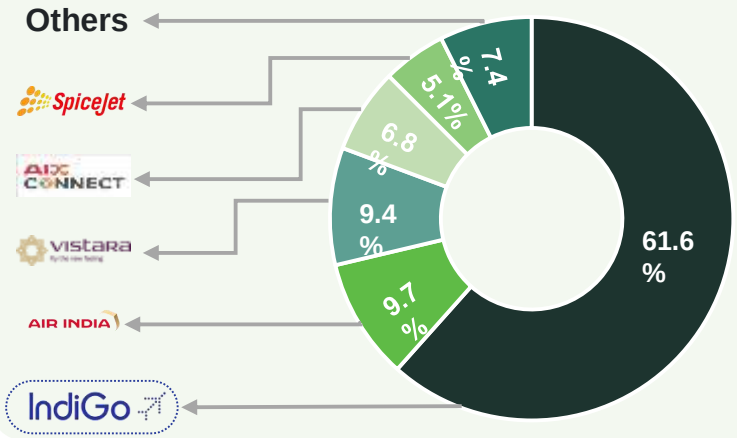
Key Team

Rahul Bhatia
(Co-Founder & MD)
Visionary founder and driving force behind IndiGo's rise as India's largest airline

Pieter Elbers
(CEO)
Driving IndiGo's global expansion and operational excellence since 2022.

Wolfgang Prock-Schauer
(President & COO)
Steering daily operations with scale and precision as IndiGo strengthens its global and domestic footprint.

Rakesh Gangwal
(Co-founder)
Co-founded IndiGo in 2006, building a world-class, low-cost airline; served as Non-Executive Director (retired in 2022).



Market Share of Domestic Passengers carried as of FY-24

Source: ibef, goindigo, iitk.ac, onemileatatime, aviospace, statista

Key Achievements by Indigo

Airline of the Year

IndiGo was named *'2024 Airline of the Year'* by CAPA, one of the aviation industry's most respected global authorities, recognizing its strategic leadership, innovation, and sustainable growth .

3rd Best Low-cost Airlines Globally

IndiGo was ranked the 3rd Best Low-Cost Airline globally by Skytrax in 2025, by the UK-based aviation rating agency known as the "Oscars of Aviation".

Best Low-cost Airline in India & South Asia

In June 2023, IndiGo was honored as the Best Low-Cost Airline in India and South Asia at the 2023 World Airline Awards, presented by Skytrax during the Paris Air Show.

First Indian Airline to Carry 100 Million Passengers

In 2023, IndiGo became the first Indian airline to transport over 100 million passengers in a single calendar year, with a total of 104 million passengers.

Source: centreforaviation, worldairlineawards, goindigo, travelmole

IndiGo Fleet Breakup

As of 31st March 2025, IndiGo operates a fleet of 434 aircraft, comprising different types including Airbus A320neo, A321neo, and ATR 72-600 models, enabling it to efficiently serve both domestic and international routes.

Source: bseindia, sassofia, accaviation

Types of Aircraft Leasing Used by IndiGo

Operating Lease

- Aircraft under **operating lease** are rented for a fixed period without transferring ownership.
- The airline pays lease rentals but is not responsible for long-term maintenance or disposal.
- This allows IndiGo to scale up or down quickly in response to market demand while keeping costs flexible.
- 345 aircraft on operating lease used for day-to-day services.

Owned / Finance Lease

- Aircraft under **owned or finance lease** are either fully owned by the airline or acquired through long-term financing.
- IndiGo bears most of the operational, maintenance, and insurance costs.
- These aircraft are considered part of the airline's assets and provide stability, allowing long-term planning and control over operations.
- A fleet of 195 aircraft, including A320neos, is owned or on finance lease..

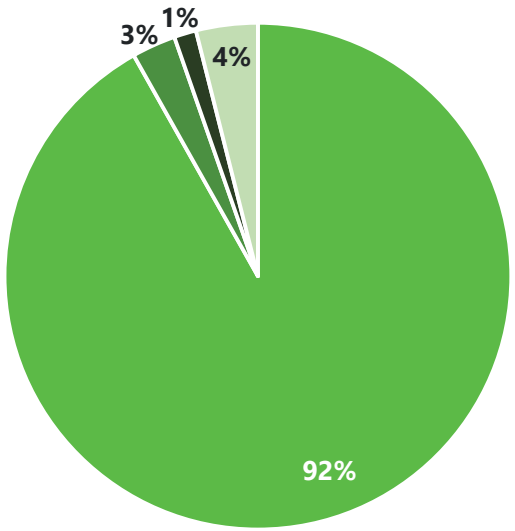
Damp Lease

- A damp lease is a short-term arrangement where the lessor provides the aircraft, cockpit crew, and essential support, while the lessee operates cabin crew, optimizing efficiency
- This lease is used for temporary requirements such as surge demand, technical issues, or standby capacity during emergencies.
- It offers flexibility without long-term commitments.
- 27 aircraft on damp lease, including standby aircraft for urgent operational needs.

Indigo’s Revenue Streams

Revenue from Operation Breakdown for FY-25

Amount in INR Crores



Total Revenue from Operations – INR 80,803 Crs.
Passenger tickets dominate, but IndiGo has also built meaningful streams through cargo, onboard sales, and diversified other income, making its revenue model more balanced and resilient.

Ticket Sales

Passenger ticket sales form the foundation of IndiGo’s revenue, they form over 90% of IndiGo’s revenue, showing its LCC model’s dependence on scale. A vast domestic network and selective international routes keep growth steady despite competition.

Cargo Services

Contributing around 3% of total revenue, IndiGo Cargo provides stability during periods of falling passenger demand. By transporting cargo, it diversifies the airline's income streams and taps into India's rapidly expanding logistics and e-commerce market.

In-Flight Sales / Ancillary Revenue

Onboard sales of meals, beverages, and duty-free items supplement income. While relatively modest, these high-margin revenues enhance the travel experience and strengthen ancillary income streams beyond basic ticketing.

Other Revenue

This category includes subsidies, incentives, loyalty programs, codeshare earnings, and partnerships. Though smaller, it strengthens financial stability, supports customer loyalty, and complements IndiGo’s passenger-focused model, ensuring revenue diversification beyond ticket.

Source: goindigo

Cracking the IndiGo Code: The Business Model

IndiGo adopts the Low-Cost Carrier (LCC) model, focusing on single aircraft type, high utilization, direct sales, and no-frills services to minimize costs, offer affordable fares, and make air travel widely accessible

Single Aircraft Type

Operating only Airbus A320 family aircraft simplifies training, maintenance, and inventory management, reducing costs, boosting efficiency, and enabling smoother operations across IndiGo's large, standardized

No-Frills Service

IndiGo eliminates non-essential amenities, instead offering buy-on-board meals and charging for baggage, allowing it to provide affordable fares while giving customers flexibility in choosing extras.

High Aircraft Utilization:

IndiGo maximizes flying hours through efficient scheduling, minimal ground time, and quick turnarounds, ensuring higher revenue generation per aircraft while keeping operational costs significantly lower.

Direct Sales:

By selling tickets directly through its website and mobile app, IndiGo avoids agent commissions, saves costs, and builds direct customer relationships through convenient digital platforms.

Source: trendvisionz

Indigo’s Operational Excellence

IndiGo's Fleet Standardization Strategy

"Indian airlines face high operating costs from expensive aircraft maintenance, rising Aviation Turbine Fuel (ATF) prices, and increasing pilot training expenses, making it difficult to maintain profitability while ensuring safety and operational efficiency."

IndiGo primarily operates Airbus A320 and A321 aircraft, using fleet standardization to simplify maintenance, spare parts management, and pilot training. This streamlined, modern fleet enhances fuel efficiency, operational performance, reduces costs, and minimizes emissions, reflecting IndiGo's commitment to sustainable, highly efficient aviation.

Fuel Efficiency: IndiGo's homogeneous fleet, are highly fuel-efficient, reducing fuel consumption, lowering operating costs, and promoting sustainable operations on domestic, regional, and short-haul international routes.

Maintenance Cost Efficiency: A uniform fleet allows streamlined maintenance, fewer spare parts, and specialized engineering expertise, resulting in faster repairs, reduced aircraft downtime, and higher operational efficiency.

Training Cost Savings: Standardized aircraft reduce pilot and crew training requirements, allow flexible staff deployment, and ensure smooth operations, as any trained pilot can operate any aircraft within the fleet.

Fleet Expansion: In June 2023, IndiGo placed a landmark order for 500 Airbus A320neo-family aircraft, the largest single purchase by any airline with Airbus. These fuel-efficient aircraft, delivering in 2030–2035. This will enhance efficiency, reduce emissions, and support sustainability goals

Source: blogs.jobsreach, wrightresearch, insightflyer, schoolofhedge, moneycontrol, cnbctv18, The Economic Times

IndiGo’s Sales and Lease Back Strategy

“Nearly 80% of India's commercial fleet is leased, and airlines pay annual lease rents of about INR 10,000 crore, accounting for around 15% of their revenue. These high lease costs significantly impact the financial health of airlines.”

IndiGo’s Sale and Lease Back Model (SLB)

IndiGo uses a sale-and-leaseback strategy to finance its aircraft efficiently, combining operational and financial benefits. Instead of owning its fleet outright, the airline:

Indigo purchases aircraft at bulk discounted rates from Airbus and sells them to lessors at slightly higher prices, then leases the same aircraft back for operational use, typically 5–6 years.

How it works

- If an Aircraft cost: INR 1,00,000
- Indigo Purchases with bulk discount from Airbus: INR 85,000 per Aircraft
- Then they Sell to lessor INR 95,000 → profit upfront: INR 10,000 per plane
- Leaseback: IndiGo operates these aircrafts while paying predictable lease costs.

This allows IndiGo to use modern, fuel-efficient aircraft without tying up large capital.

Benefits of Sales and Lease Back Model

Lower Capital Investment: By selling aircraft to lessors and leasing them back, IndiGo significantly lowers upfront capital costs, freeing cash flow for investments in network expansion, and other strategic business areas.

Profit Generation: IndiGo earns significant upfront profit per aircraft through the sale to lessors, typically between INR 25–42 crore/per plane, contributing directly to its revenue and strengthening its financial position.

Modern, Efficient Fleet: Short lease cycles of 5–6 years allow IndiGo to continuously upgrade its fleet, avoiding high maintenance costs for older aircraft while operating fuel-efficient planes that improve operational performance.

Resilience During Crises: The model provides access to cash without heavy debt, helping IndiGo withstand challenges like the 2019 fuel surge and COVID-19 while sustaining operations and protecting liquidity.

Source: wrightresearch, cnbctv18, schoolofhedge, livemint, financeoutlookindia

IndiGo's Weight & Fuel Optimization Strategy

"Indian airlines are struggling to earn profits due to high fuel costs, intense competition, rising operating expenses, and low-ticket pricing, limiting overall financial sustainability in the sector."

IndiGo's Weight and Fuel Reduction Strategy

Eliminating Unnecessary Equipment: The airline removed hot meals from its menu, eliminating the need for ovens. With each oven weighing about 20 kg and 2–4 used per aircraft, this reduces weight by 60 kg per flight.

Using Lighter Cabin Crew: IndiGo employs only female cabin crew, who are on average 15–20 kg lighter than male crew members. With 5 - 6 crew members per flight, this reduces the total onboard weight by 60 - 80 kg.

Introducing Electronic Flight Bags: In 2015, IndiGo became the first regional airline to adopt the Electronic Flight Bag system, replacing paper charts and manuals with iPads, reducing aircraft weight by 25 kilograms.

Removed Paper Manuals: In 2023, IndiGo received Directorate General of Civil Aviation's permission to remove technical paper manuals weighing 40 kg each from cockpits, further reducing aircraft weight and improving efficiency.

Reducing Weight Saving Billions

Parameter	Value (Amount in INR)
Cost Per Available Seat Kilometre (CASK)	**4.38**
Average Distance Per Flight (Kilometre)	**908**
Average Cost Per Seat- [CASK x Avg. Flight Distance]	**3,977.04**
Daily No. of Flights [NOF]	**2,016**
Cost Saved Daily [Avg. Cost Per Seat x NOF]	**INR 80.18 Lakhs**
Yearly Cost Saved	**INR 293 Crores**

IndiGo reduces fuel costs by minimizing aircraft weight. Removing ovens saves around 60 kg per flight, and employing lighter female cabin crew cuts another 60–80 kg. With 2,200+ daily flights, this results in INR 8 Million daily and **INR 293 crores annual** fuel savings, boosting profitability and efficiency.

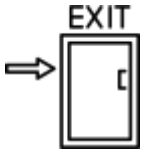
Source: livemint, way2world, tejimandi, en.rattibha

IndiGo's Operational Efficiency Approach

"India's aviation sector struggles with persistent flight delays, extended turnaround times, and scheduling inefficiencies, posing a critical challenge to timely operations and industry growth despite rising passenger demand."

IndiGo's Operational Efficiency Strategy

Optimizing Ground Handling Operations: IndiGo streamlined baggage handling, refueling, and cleaning, reducing turnaround times to 20–25 minutes, making its operations among the fastest and most efficient in aviation



Adding Extra Deboarding Ramp: Adding a third deboarding ramp for planes parked away from the terminal helps passengers exit faster, reducing turnaround time by 3–5 minutes and enabling IndiGo to service aircraft more efficiently.

Using Data-Driven Route Optimization: IndiGo collaborates with air traffic control to optimize routes, reduce holding patterns, and minimize taxi times, resulting in significant time savings and improved schedule reliability.

Implementing a 4-Zone Boarding System: By introducing a 4-zone boarding system, IndiGo reduced boarding time by 7 minutes, ensuring smoother passenger flow and faster departures across its network.

How the Strategy has Impacted

Metric	Pre-Strategy (FY18-FY19)	Current (FY23-FY24)
Average Turnaround Time	38 Minutes	26 Minutes
Aircraft Utilization	11.1 Hours/Day	12.7 Hours/Day
On-Time Performance	78%	92.3%

200 Flights

With faster operations, IndiGo adds nearly 200 more flights annually.

26 Minutes

IndiGo maintained an average Turnaround Time of 25–30 minutes for Airbus A320s in 2023.

12–13 Hours

IndiGo's optimization allows for 12–13 hours of usage per aircraft, leading to more flights.

15-20 Minutes

Indigo's quick de-boarding process saves an additional 15-20 minutes per flight.

Source: outlookbusiness, electroyuva, uxness, inspirepreneurmagazine, way2world

Further Aviation Challenges Addressed by IndiGo

Industry Challenge	Indigo's Solution
Winter Fog Disruptions Winter fog in North India frequently disrupts airline operations, causing delays, diversions, and logistical challenges, significantly affecting flight schedules and passenger experience across carriers.	**IndiGo's Fog Mitigation** IndiGo mitigates fog disruptions by training 80% of pilots in CAT III, equipping aircraft with precision systems, using real-time weather tracking, extra fuel, and proactive scheduling.
Pilot Shortage The global pilot shortage strains airline operations, limiting flight capacity, delaying expansions, and challenging service quality, pressuring carriers to maintain schedules and meet rising passenger demand efficiently.	**Workforce Expansion** IndiGo expanded its cockpit workforce, recruiting over 1,000 pilots in two years, surpassing competitors, ensuring operational capacity, and addressing rising passenger demand amid a global pilot shortage.

Source: aviationworld, loyaldigitalhub, financialexpress, mgavia, airguide.info

Financial Performance

IndiGo Financial Performance

	Actuals			Common Size %			Variance %	
Particulars (In INR Crores)	**FY25 (A)**	**FY24 (A)**	**FY23 (A)**	**FY25 (A)**	**FY24 (A)**	**FY23 (A)**	**FY25 (A)**	**FY24 (A)**
Revenue from Operations	80,803	68,904	54,446	100%	100%	100%	17%	27%
Revenue from Operations	**80,803**	**68,904**	**54,446**	**100%**	**100%**	**100%**	**17%**	**27%**
Expenses								
Operating Expenses	46,562	39,878	35,950	58%	58%	66%	17%	11%
Employee Benefit Expenses	7,473	6,462	4,795	9%	9%	9%	16%	35%
Other Expenses	8,710	6,247	7,207	11%	9%	13%	39%	-13%
Total Expenses	**62,745**	**52,587**	**47,951**	**78%**	**76%**	**88%**	**19%**	**10%**
EBITDA	**18,058**	**16,318**	**6,495**	**22%**	**24%**	**12%**	**11%**	**151%**
Depreciation & Amortization	8,680	6,426	5,103	11%	9%	9%	35%	26%
EBIT	**9,378**	**9,892**	**1,392**	**12%**	**14%**	**3%**	**-5%**	**610%**
Finance Cost	5,080	4,169	3,132	6%	6%	6%	22%	33%
Other Income	3,295	2,327	1,435	4%	3%	3%	42%	62%
EBT	**7,593**	**8,049**	**(304)**	**9%**	**12%**	**-1%**	**-6%**	**-2744%**
Total Tax	335	(123)	1	0%	0%	0%	-372%	-8897%
PAT	**7,258**	**8,172**	**(306)**	**9%**	**12%**	**-1%**	**-11%**	**-2773%**

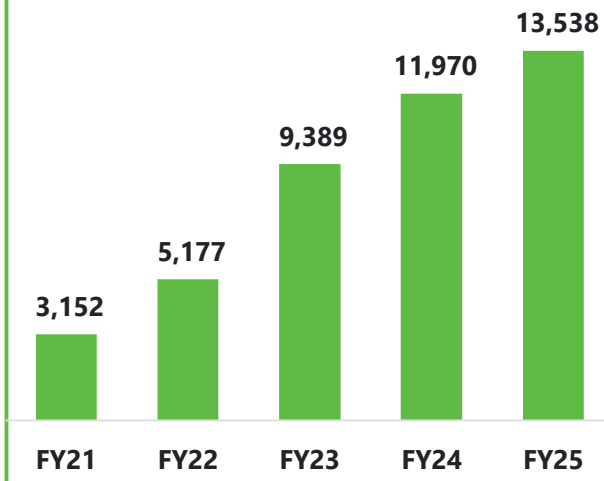
- Total revenue from operations stood at INR 80,803 crore in FY25, reflecting a year-on-year growth of 27% in FY24 and 17% in FY25. Nearly 92% of this revenue was derived from ticket sales.
- Operating expenses were the largest cost component, amounting to INR 46,562 crore in FY25. As a share of total revenue, it declined from 66% in FY23 to 58% in FY25 as a % to revenue. More than 75% of these costs were attributable to 'aircraft fuel' and 'supplementary rentals and aircraft repair & maintenance'.
- Employee benefit expenses remained steady at 9% over the years. However, other expenses rose from 9% in FY24 to 11% in FY25, leading to a reduced EBITDA margin to 22% in FY25 compared with 24% in FY24.

- PAT margin improved from a loss of 1% in FY23 to 12% in FY24, before reducing to 9% in FY25, primarily due to a decline in EBITDA margin and higher depreciation costs in FY25.

Source: goindigo, goindigo

IndiGo's KPI: Key Aviation Metrics

Revenue Passenger Kilometer-(RPK)- in Millions



IndiGo's Revenue Passenger Kilometers (RPK) grew from 3,152 crores in FY21 to 13,538 crores in FY25, reflecting strong passenger demand and efficient utilization of its expanded capacity. Over FY21–FY24, IndiGo's total RPK of 29,688 crore surpassed its biggest competitor, Air India, which recorded 15,670 crore, highlighting IndiGo's larger market presence and revenue potential

13,928 Cr
Available Seat Kilometer(ASK)

IndiGo's ASK of 13,928 crores in FY24 highlights strong capacity growth and expanded operations, compared to SpiceJet's 1,021 crore and Air India's 7,410 crore, underscoring IndiGo's larger market presence

99.9%
Technical Dispatch Reliability

IndiGo maintained a technical dispatch reliability of 99.9% in FY25, ensuring exceptional operational standards, on-time performance, and minimal flight disruptions for passengers.

3.6 Years
Average age of Fleets

IndiGo operates one of the world's youngest airline fleets, its aircraft have an average age of just ~3.6 years, compared to ~10.3 years for Air India, underscoring its edge in operational efficiency, reliability, and sustainability.

24.3 Cr
Passengers Carried

IndiGo carried around 24.3 crores passengers between FY22–FY24, more than the combined total of its top competitors, Air India (5.4 crores) and SpiceJet (3.2 crores).

25–30
Minutes- Turnaround time

IndiGo achieves an average turnaround time of 25–30 minutes for its A320 fleet in 2023, significantly faster than the global narrow-body benchmark of 35–50 minutes; ranks among the top 5 globally.

86%
Load Factor

IndiGo's load factor of 86% underscores the airline's operational efficiency and robust passenger demand, highlighting effective capacity utilization and strong revenue-generating performance across its network.

Source: goindigo, iata, moneycontrol, electroyuva

KPI Comparison

KPI Comparison for FY24	IndiGo	AIR INDIA	SpiceJet
Passenger Revenue (In INR Crores)	64,609	36,403	6,436
Available Seat Kilometer (ASKM) (In Crores)	13,928	7,409	1,363
Passengers Carried (In Crores)	10.7	2.3	0.6
Cargo Revenue (In INR Crores)	1,794	2,037	324
Freight Carried (In Tonnes)	3,01,890	2,13,696	NA
Total Aircrafts	367	138	65
EBITDA Margin (%)	23.68%	(0.21%)	10.81%
Profit After Tax (%)	11.68%	(13.02%)	(5.97%)

Source: goindigo, regnskaber, spicejet

Glossary

- **ACMI Lease**: A leasing model where an airline rents an aircraft along with crew, maintenance, and insurance from another carrier, often used for short-term capacity requirements.
- **ASK (Available Seat Kilometer)**: A metric that reflects an airline's passenger capacity by combining available seats with the distance flown.
- **MTPA:** Million Tonnes Per Annum, measuring annual cargo or production volume.
- **ATF (Aviation Turbine Fuel)**: The jet fuel used to operate aircraft, representing a significant portion of airline expenses.
- **CASK (Cost Per ASK)**: A measure of how cost-efficient an airline is, calculated by dividing total operating costs by available seat kilometers.
- **CAT III**: An advanced landing system that enables aircraft to land in very low visibility conditions such as dense fog.
- **Damp Lease**: A leasing arrangement that provides an aircraft and essential crew, typically cockpit staff, for temporary operational needs.
- **Digi Yatra**: A digital initiative enabling seamless, biometric airport check-ins for faster and hassle-free passenger processing.
- **EBITDA**: A financial measure showing earnings from core operations before accounting for interest, taxes, depreciation, and amortization.
- **FDI (Foreign Direct Investment)**: Investments from foreign entities aimed at expanding infrastructure and services in the aviation sector.
- **LCC (Low-Cost Carrier)**: An airline model focused on minimizing operational expenses to offer more affordable fares.
- **Load Factor**: The ratio of seats filled with passengers, indicating demand and efficient use of capacity.
- **Operating Lease**: A leasing option that allows airlines to rent aircraft without ownership responsibilities, offering fleet flexibility.
- **RPK (Revenue Passenger Kilometer)**: A performance metric that multiplies the number of paying passengers by the distance they fly.
- **Sale and Leaseback (SLB)**: A financing method where an airline sells its aircraft and leases it back to unlock capital while maintaining operations.
- **Turnaround Time**: The interval between an aircraft's arrival and its next departure, reflecting operational efficiency.
- **UDAN**: A government initiative aimed at improving regional air connectivity and making air travel more accessible.
- **Freight Carried** — The total weight of goods transported by an airline, measured in tonnes.

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