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Qatar Airways seeks stake in IndiGo

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Doha : Qatar Airways expressed its interest in purchasing a stake in India's low-cost carrier IndiGo. The Doha-based airline at present has a codeshare agreement with IndiGo to connect more destinations. Despite the challenges of last year, Qatar sees IndiGo as a valuable asset considering its efficiency and market position.
According to reports, Akbar Al Baker, CEO of Qatar Airways said that he is very keen on buying a stake in the low-cost carrier IndiGo. For Qatar Airways, the decision to partner with IndiGo would likely be profitable. Explaining the interest in buying a stake of IndiGo, Al Baker said, "Profitability, and efficiency are main criteria of our investment. IndiGo is the largest and most efficient Indian airline, which is why we are interested in them. And India remains strategically an important market for Qatar Airways."
It is clear that Qatar sees a dual benefit from buying a stake in IndiGo. One would be access to IndiGo's expansive route map of 67 domestic routes. While Qatar already flies to 13 destinations across the country, it has long been trying to increase services in India. A deal with IndiGo would open the door to carrying hundreds of

thousands of more passengers every year through the largest route network.
The second benefit would be through IndiGo's value itself. The low-cost giant operates a fleet of over 250 planes and dominates the Indian market. While the carrier has been struggling with losses for the last year, it has a long run of turning a profit in the past. Unlike other foreign airline investments, IndiGo is a strong bet to prove lucrative in the long run as well.