

## Airfares surge 20-25 pc amid Vistara woes

- A Monitor Desk Report

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Mumbai: Ahead of the summer travel season and amid Vistara flight disruptions, travellers might have to spend more on key routes as airfares are expected to surge 20-25 per cent.

At a time when peak summer travel period is round the corner, the airline industry is grappling with challenges in scaling up capacity to match demand and are even using larger aircraft for domestic travel.

Some of the key routes that are expected to see higher fares are Delhi-Goa, Delhi-Kochi, Delhi-Jammu and Delhi-Srinagar. Tata-owned Vistara Airlines on Sunday said that they are scaling back their operations by about 25 to 30 flights every day, which makes up to about 10 per cent of their current capacity.

The airlines said that the flight cancellations and delays, which have been occurring for the past few days causing significant disturbance to

numerous passengers, were being done to minimise the inconvenience to their customers.

In a statement, a Vistara spokesperson said, "We are carefully scaling back our operations by around 25-30 flights per day, i.e. roughly 10% of the capacity we were operating. This will take us back to the same level of flight operations as at the end of February 2024, and provide the much-needed resilience and buffer in the rosters. These cancellations are done mostly in our domestic network and much ahead of time to minimise inconvenience to the customers."

The Indian aviation industry has been seeing disruptions since many months due to reduced number of aircraft owing to the bankruptcy of Go First and grounding of over 70 planes by IndiGo over engine issues.

An analysis by travel portal ixigo showed that spot fares on certain routes jumped up to 39 per cent during the April 1-7 period compared to March 1-7 period.

During the given period, the one way spot fares for Delhi-Bengaluru flights climbed 39 per cent, while it rose 30 per cent for Delhi-Srinagar flights.

The rise was 12 per cent for Delhi-Mumbai services and 8 per cent in case of Mumbai-Delhi services, as per the analysis.

Bharatt Malik, Senior VP - Air and Hotel Business at travel portal Yatra Online, said the anticipated average airfare surge in the current summer schedule, encompassing both domestic and international routes, is projected to range between 20-25 per cent.

"Vistara's decision to reduce flights by 10 per cent has affected ticket prices on major domestic routes. We've observed a significant surge in fares, with prices skyrocketing by approximately 20-25 per cent across key routes such as Delhi-Goa, Delhi-Kochi, Delhi-Jammu, and Delhi-Srinagar," Malik said.

Jagannarayan Padmanabhan, Senior Director and Global Head, Transport, Mobility, and Logistics Consulting at CRISIL Market Intelligence and Analytics, said the impact of higher airfares on travellers is expected to be substantial.

"As we enter the busy season, we anticipate a 5-7 per cent increase in

airfare, with pricing pressure particularly notable on trunk routes like Delhi-Mumbai and Mumbai-Bengaluru. Given that much of the upcoming travel will be for personal reasons and with family, the impact is expected to be substantial.

"Consequently, a considerable number of travellers might choose rail travel for shorter distances instead," he noted.

During this year's summer timetable, from March 31 to October 26, Vistara has seen a significant rise in weekly domestic departures with a count of 2,324. This is indicative of an impressive increase of 25.2% compared to the previous summer and an uptick of 22.2% relative to the recently concluded winter schedule that ended in March.

However, taking into account all Indian carriers combined for the present summer demonstration, there is an overall growth rate observed at 6% more domestic departures year-on-year; sequentially it amounts to an enhanced performance by an added margin of precisely estimated at about 2.3%.

arriers combined) has 6 per cent more domestic departures year-on-year and 2.3 per cent more sequentially.

IndiGo, Air India and Vistara will operate more flights while SpiceJet will reduce departures during the 2024 summer schedule that spans from March 31 to October 26.

Vistara has a fleet of 70 planes comprising 63 aircraft from A320 family and 7 wide-body Boeing 787s.

Further, the carrier has deployed larger aircraft like B787-9 Dreamliner and A321 neo on select domestic routes to combine flights or accommodate more customers.

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