

## Indian domestic air passenger traffic soars by 13pc

- A Monitor Desk Report

Date: 13 April, 2024



**New Delhi: Domestic air passenger traffic is likely to have witnessed an annual growth of 13 per cent at around 15.4 crore in 2023-24 and the aviation industry's net loss is expected to have declined to Rs 3,000 to 4,000 crore during the same period, says a report.**

Credit rating agency Icria on Friday (April 12) also said the airlines' ability to raise yields proportionate to their input cost increases will be key to expand their profitability margins while supply chain challenges and engine failure issues pose near term headwinds.

For FY24, it said domestic air passenger traffic is estimated at around 154 million, an Year-on-Year (YoY) growth of about 13 per cent.

"The domestic air passenger traffic in FY2024, thus, surpassed the pre-Covid levels of around 142 million in FY2020. For March 2024, domestic

air passenger traffic was estimated at around 135.2 lakh, around 6.9 per cent higher than around 126.4 lakh in February 2024. Further, it grew by around 4.9 per cent on a YoY basis," Icra said in a report.

According to the report, the country's aviation industry is expected to report a significantly lower net loss of Rs 30-40 billion in FY2024 and FY2025 over Rs 170-175 billion in FY2023.

In this context, the industry refers to AIX Connect, Air India, InterGlobe Aviation, Tata SIA Airlines, and SpiceJet.

In March, the airlines' capacity deployment was higher by around 2 per cent compared to the year-ago period and about 9 per cent as against February.

For the 11 months ended February 2024, the international passenger traffic for Indian carriers stood at around 270.1 lakh, a YoY growth of around 25 per cent, and higher than the pre-Covid (AprilFebruary 2020) levels of around 218.1 lakh by 24 per cent. Nepal has invited businesses from India to invest in the South Asian nation, positioning the country as an attractive investment destination, ahead of the third Nepal Investment Summit scheduled to take place on April 28-29 in Kathmandu.

-B