

India's air passenger traffic to grow 7pc in 2025

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Dhaka: India's air passenger traffic is projected to grow by 7pc in 2025, driven by a rising middle class and greater affordability in air travel, according to Joshua Ng, Director at Alton Aviation Consultancy, a US-based firm.

Ng expressed optimism about India's aviation prospects, noting that the country, which accounts for around 10pc of Asia Pacific's domestic and international air traffic demand, has already recovered to pre-pandemic levels."

"Such growing demand in turn supports India's massive aviation development programmes including setting up of 150 airports across the country," Ng told agency on Friday (March 21).

Besides, "the recent merger between Air India and Vistara is also expected to bring more stability to the industry, with Air India and

IndiGo emerging as the two primary players in the full-service and low-cost carrier segments respectively," he underlined.

Giving a global perspective, he said as global air traffic has returned to pre-pandemic levels, the aviation industry will continue its long-term growth trend of 4 per cent per annum from 2024 to 2034, supported by a 2.7 per cent annual growth in global GDP.

The Asia-Pacific region is projected to remain the largest market for air travel, with an anticipated growth rate of 5.1 per cent per annum, driven primarily by increasing long-term demand from China and India, added Ng.

Citing data from Alton's "Aviation Outlook 2025 - Supply Chain Challenged", he said, order backlog for A320neo aircraft is 7,216, and the 10-year forecast average annual production rate is 741, which implies 9.7 years of backlog.

Major aircraft deliveries face a backlog of 9.7 years, Ng said, citing data from Centre for Aviation (CAPA) and Alton's own analysis.

However, as the aviation industry rebounds into record passenger and revenue numbers in 2025, industry stakeholders need to watch out for risks such as normalising yields, inflation, and geopolitical pressures.

Prime among these challenges are the supply chain and labour shortage issues that COVID-19 has left as a long-lasting legacy.

For airlines in particular, the focus is also on how to maximize the use of aircraft resources -- reducing turnaround times or optimizing schedules in order to increase daily utilization. Some have even turned to wet-leasing aircraft to supplement their capacity - although doing so will depend heavily on specific route economics, he noted.

"Navigating these hurdles is essential for aviation stakeholders, particularly as these challenges look to persist for the next few years," cautioned Ng.

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