



# INDIGO SEEKS \$500 MILLION FROM IPO

News / Airlines, Finance



Indian low-cost carrier (LCC) **IndiGo** is looking to raise up to **\$500 million** in its upcoming **IPO** to cut its debt and fund its [recent \\$26 billion aircraft order](#).

Slated for end October, the IPO will place some 12% of the company's shares into the market. IndiGo president Aditya Ghosh said the offering would help the airline capitalize on its previous successes in the competitive domestic market.

Indigo carried 32% of Indian domestic traffic in 2014, with 21.4 million passengers boarded. It is estimated to have grown its share to around 35% so far this year. As one of the fastest growing LCCs in India, IndiGo has built a strong reputation from its low fares and strong punctuality.

"There is huge opportunity in India due to limited supply and rising demand," Ghosh said, adding that the airline would expand its existing schedules, but not move to introduce new services outside its existing low-cost offering.

"We have a simple model and we intend to keep it. There is no need to complicate things with

frequent flyer program or lounges,” he said.

Earlier this year [Qatar Airways expressed an interest](#) in buying into IndiGo, but it is not clear if the Middle East carrier will be taking a substantial portion of the shares currently on offer.

IndiGo, which started flying in 2006 and currently has a fleet of more than 90 Airbus A320 aircraft, [confirmed a \\$26 billion order for 250 Airbus A320neos](#) in October 2015 on top of a previous order for 180 Airbus aircraft placed in 2011.

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**SOURCE:** ATW

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