



INDIA MAJOR BOOM IN AVIATION

News / Maintenance / Trainings



India is experiencing a major boom in aviation, recently becoming the 3rd largest domestic airline market in the world (after U.S. and China). While demand for airline transport in India is expected to continue growing at a potentially unprecedented rate is at the center of the effort to create the next generation of aviators in India to supply the market. Marijus Ravoitis, Chief Executive Officer of BAA Training, explains the surge in demand for pilots in India and what the European flight training center is doing in India to train up to 18,000 pilots globally, allowing Indian businesses and the country to fully realize its future potential as a crown jewel of air transport.

Global economic shift toward India.

Marijus Ravoitis, Chief Executive Officer of BAA Training commented: “India has just overtaken Brazil in size of its domestic market for air travel, with capacity growing by 11.2% this past June,” Ravoitis said. While there are several key elements to this increase in demand, the most significant is the sheer volume of passenger traffic. It's not just a population boom, as we have this large and young population with so much more opportunity than the generations before them interims of individual income, more people want to do business and at long last have money to

spend to travel for both work and leisure. This combination allows the untapped market in India to become the next hub for aviation growth, resulting in dramatic upscale in revenue for airlines that are able to meet demand.

Thanks to increases in passenger load factor, and correlating revenue per kilometer, there is ample opportunity for return on investment for businesses and individuals who become a part of the capacity solution. Either as passengers or pilots, BAA Training has found that people in India want to fly, and we are excited to provide that opportunity. This is important, because when flying of an airline, pilots require specific training for each aircraft type, this training is known as a type-rating. We have put careful consideration into what aircraft types will be needed in the future, so we provide our student pilots with specific training for the most popular aircraft types."

The reported passenger traffic number in the fiscal year 2023 amounted to 327.28 million as opposed to 188.89 million in fiscal year 2022, constituting a 73% increase. The staggering increase in passenger volume can be attributed to several geopolitical factors, including the recovery from COVID-19 as well as India's growth in population and GDP, and development of the Indian economy.

According to United Nations Population Fund (UNFPA) research, India has surpassed China is total population size, with more than 1.4286 billion people living and working within the country. This booming population is centered around young people, resulting in an average age in India of 28 years old. In addition, India's economy has matured, assuming the rank of 5th largest GDP in the world with 3,73 (USD billion) and an annual growth rate of 5.9% in 2023, while the USA and China are topping the list, their GDP growth is less drastic: 1.6% and 5.2% respectively.

Converting passengers into profit

Another helpful metric is the Revenue Passenger Kilometers (RPK), which measures the total passenger traffic flown by an airline (or all country's airlines) during a specific period, usually expressed in kilometers. Compared to March 2022, international RPKs for the Asian Pacific region were up 283% in March 2023. Besides PRK, the Passenger Load Factor (PLF), the rate of utilization of all country's airline's passenger-carrying capacity, plays a role in the recovery of the domestic aviation market. India was the top domestic market with PLFs of 81.6% in Feb 2023 and 85.2% in Jan 2023.

Turning profit into opportunity

With increased revenues and profit potential, airlines in India have begun purchasing more aircraft to grow their capacity. Infact, in 2023, Air India set industry records for the largest order of aircraft in aviation history, adding more than 470 aircraft to both Boeing and Airbus orderbooks. This growth has included demand for a variety of aircraft types.

Budget carrier Akasa Air has pursued fleet and network expansion, ordering 76 jets, including the 737-800 and 737 MAX 8. BAA Training specializes in providing type-rating for aircraft used by Akasa Air, Air India, and Air India Express, with curriculum and agreements from airlines.

"As airlines in India turn for pilots to provide capacity, we have developed our capacity for opportunity for students in India," Ravoitis said. "Flight training is already underway in Delhi and after we opened the Gurugram consultancy center in Oct 2023, we have made plans to add similar centers in Bengaluru and Mumbai to open in September 2024. We are developing plans and preparing for growth on the continent, training 500 pilots a year for carriers in India."

With population and economic growth in India oriented toward long-term prosperity for the countries aviation sector, companies trying to compete during industry shortages of workers increasingly turn to commitments to provide more opportunities for flight training.

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