

LOW-COST LEADERSHIP

ADITYA GHOSH



IndiGo

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President, IndiGo

Aditya Ghosh has transformed IndiGo into India’s largest airline by market share since taking the helm as president in 2008 – and he’s done such a great job running India’s foremost low-cost carrier that he is the first leader to be recognised twice in the same category with the same airline.

“It’s a pretty compelling number one for me,” said one judge. “Since we recognised IndiGo in 2011, there has been a complete clean-out in the Indian market. He’s survived and he’s won.”

Another described IndiGo as “a great story” in one of the world’s toughest markets to do business. Inducted to IndiGo’s board in May

2007, Ghosh – who holds a bachelor’s degree in history and law – says he was presented with a “once in a lifetime opportunity at one of the best jobs in the world” to lead the carrier.

When discussing critical changes and strategies he has implemented, he explains that the early IndiGo team already “had the skills and energy, and more than anything else – the desire to be the very best”.

Then came the economic downturn of 2008-2009. Apart from economic malaise, Ghosh was forced to contend with “skyrocketing” jet fuel prices and “a regime of high taxes burdening the aviation industry in India”.

“[We had to] focus on getting the basics right, and this was done through step-changes. In life and in business, it is important to know what not to do. That is something we have been very clear about.”

As India’s largest low-cost carrier, Ghosh likens IndiGo’s operations to a marathon – knowing when to “conserve energy... and when to sprint a little”.

“If you are going to get nervous about any new airlines, you will be focusing so much on others that you will lose sight of what you were trying to do,” he adds, alluding to the country’s increasingly competitive airline sector.

As one of the few Indian carriers to fly internationally, Ghosh says it is not only the infamous 5/20 rule (that airlines must be five years old and have 20 aircraft to operate abroad) that is cause for concern. “Rather than talking about one rule or one policy, we believe that

there should be a level field for all players. Therefore, policies and route dispersal guidelines should be interlinked around the ability to fly internationally, which mandates incumbent players to serve remote areas in the country.”

India’s GDP is forecast to grow at over 7% annually until 2019. Ghosh believes “there is a symbiotic relationship between economic growth and passenger growth, so we need a lot more airplanes in the country”.

IndiGo’s passenger numbers rose by almost one-fifth last year to 23 million. Its all-Airbus A320 fleet is edging towards the century – it currently flies 96 with another 180 on order.

With regard to foreign expansion, the airline sees “huge potential” in the Middle East and Southeast Asia, but will continue its primary focus on the domestic market, owing to India’s low air travel penetration rates.

IndiGo’s point-to-point network comprises 38 destinations, including four international points.

Up next is an IPO, having just filed a draft prospectus for a listing through which it reportedly hopes to raise \$400 million.

AARON CHONG



Airbus

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*Until 2008, the Low-cost Leadership and Regional Leadership awards were combined