

'Air cargo seeing phenomenal growth amid Red Sea crisis'

Bangalore International Airport Ltd (BIAL), which operates Bengaluru airport, expects 13-15 per cent growth in passenger footfall in 2024-25, its Chief Operating Officer (COO) **SATYAKI RAGHUNATH** tells Deepak Patel in an interview in New Delhi. Besides strong cargo performance, he speaks about the rising adoption of Digi Yatra by domestic travellers and the airport awaiting regulatory guidance to deploy full-body scanners. Edited excerpts:

You previously said the airport is expecting 10-15 per cent growth in passenger numbers in 2024-25. Are you in line with that?

Yes, the first half has been very good. Last year, we had the collapse of Go First airline. This year, it's been much more stable, even though there has not been much capacity growth in the market in terms of seats

available and aircraft fleet. The fact that there's been no disruption has been a huge plus. IndiGo has also started getting aircraft back in its fleet. Air India and Tata Group are

getting new aircraft. In the first half of 2023-24 (FY24), we handled more than 20 million passengers for the first time in our history. Therefore, when we take seasonality into account, we expect to handle somewhere between 41 and 42 million

passengers during this financial year, which is quite a substantial growth from the 37.5 million that we handled in the previous year. In 2024-25 (FY25), we are expecting between 13-15 per cent year-on-year growth. It depends on what happens in the second half of the year. The international growth has been good but slightly slower. However, I expect the

winter growth to be a lot stronger (on the international side), simply because many foreign carriers are upgrading their frequencies and services.

What kind of cargo growth are you observing?

The cargo performance also has been very strong this year. In the first six months of 2024-25, we handled more than 250,000 metric tonnes. Broadly, we've had

a phenomenal first half of the year. The political events in West Asia, the Red Sea crisis, and other things have changed the dynamics of cargo, globally. Cargo (growth) will probably be significantly higher in 2024-25 than what we had originally budgeted.

Last year, we handled about 440,000 metric tonnes of cargo. This year, we thought we would be in the 465,000-470,000 metric tonnes range. If things continue this way, we'll be closer to 500,000 metric tonnes.

Are you talking about the Red Sea crisis shifting the other cargo to air cargo?

Lots of sea routes are blocked. Historically, only high-value and just-in-time items go via air cargo. Otherwise, everybody ships items via sea or road. Anytime, sea lanes are disrupted, and there is uncertainty, it leads to a big plus in air cargo. We saw



this during the Covid-19 pandemic as well, when the need for air cargo suddenly went up as people needed items immediately from a humanitarian perspective. Now, people have realised that air cargo is a very quick way of transporting things. There has also been some shift from rail cargo to air cargo, especially in electronics, and perishables.

How many passengers are currently using Digi Yatra at

Bengaluru airport, have you done any analysis?

Digi Yatra facility at our airport began about two years ago. At an airport level, about 42-43 per cent of our domestic passengers are using Digi Yatra. At Terminal 2, the share of domestic passengers using Digi Yatra is over 50 per cent. (Digi Yatra is currently not available for international passengers). Once people realise the convenience of flying using Digi Yatra, the number will go up. Eventually, I

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suspect that in a city like Bangalore, we will be north of 50 per cent in a year or two.

There was a government project that major airports should have full-body scanners. Can you give me an idea about its status?

Between BCAS (Bureau of Civil Aviation Security) and CISF (Central Industrial Security Force), they have to come up with a process and protocol that works and make sure that all security concerns and privacy concerns

are addressed. So, we have conducted trials at Bengaluru airport. It works. Now, the security agencies and the ministry have to decide what the protocol will be, how they will do it, and how they want to move forward.

Have you already procured full-body scanners?

No. We can't. The trials are being done. Once they (BCAS) approve, airports will procure. Typically, the way most of these trials work is that you get one or two of these devices and you trial it, and then BCAS has to come back and issue a directive and say, 'this is fine, this is certified, and we would like everybody to use this particular thing'. They will then tell the configuration and standard operating procedure (SOP) to be followed. There has to be a directive on if you are using these many full-body scanners, how many DFMDs (door frame metal detector) will be used, how will the ATRS (automated tray return system) be used, what is the correct FBS throughput rate, the ATRS throughput rate.