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## Indigo under the radar with CCI prob

### Introduction

The Competition Commission of India (CCI) has launched a prob to check whether Indigo, owned by InterGlobe Aviation Ltd has abused its dominant position in the market. This probe is being undertaken in light of the widespread flight disruptions, mass cancellation and fare spike during late 2024.<sup>1</sup> Indigo has roughly 65% of the market share in Indian aviation and the movement is followed by Air India having roughly 27%. This has led to a situation for a weak duopoly. Further, across several domestic routes, Indigo has a complete monopoly. Indigo also enjoys the position of being the single largest airline in terms of international traffic to & from India. This level of market dominance allows Indigo to make decision for itself without being affected by the actions of competitors.

### Legal framework and launch of probe

Section 4 of the Competition Act, defines ‘abuse of dominance’ as an act that can be exploitative or exclusionary. Furthermore, subsection (2) of section 4, list practices that are considered as abuse of dominant position. The forms of abuse can be broadly categorized as exploitative abuses and exclusionary abuses.

After receiving a report and undertaking prima facie investigation, the Competition Commission of India (CCI) has taken cognizance of Information filed against IndiGo in the context of the recent flight disruptions witnessed in the aviation sector, across various routes"<sup>2</sup>. In furtherance of the same, it has been decided by the CCI that is going to go forward with a formal investigation from 18.12.2025.<sup>3</sup>

### Indigo’s failure to comply with new regulation and consumer impact

The Director General of Civil Aviation (DCGA) said that the scheduling crisis was caused due to Indigo’s failure in accommodating the mandates under the new Flight Duty Time Limitations (FDTL) scheme in making arrangements for staffing, duty-time and rostering. The new

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<sup>1</sup> Saurabh Sinha, ‘IndiGo under CCI scanner after mass cancellations of flights’ (Times of India, 19 December 2025) [https://timesofindia.indiatimes.com/business/india-business/indigo-under-cci-scanner-after-mass-cancellations-of-flights/amp\\_articleshow/126058834.cms](https://timesofindia.indiatimes.com/business/india-business/indigo-under-cci-scanner-after-mass-cancellations-of-flights/amp_articleshow/126058834.cms) accessed 7 January 2026.

<sup>2</sup> The Week News Desk, ‘IndiGo faces regulatory heat, flight chaos prompts CCI probe into aviation market dominance’ (The Week, 18 December 2025) <https://www.theweek.in/news/india/2025/12/18/indi-go-faces-regulatory-heat-flight-chaos-prompts-cci-probe-into-aviation-market-dominance.html> accessed 8 January 2026

<sup>3</sup> Competition Commission of India, ‘Press Release No. 94/2025-26: CCI takes cognizance of information filed against IndiGo’ (18 December 2025) <https://www.cci.gov.in/public/images/pressrelease/en/press-release1766052277.pdf> accessed 7 January 2026

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guidelines were introduced early in 2024, with phased implementation partly in July 2025 and the rest on November 1, 2025. This form of phased implementation was done after push back from airlines with an aim to give the airlines enough time to accommodate the changes. But in case of Indigo, the airline had cancelled roughly 5000 flight in early December leaving lakhs of passenger stranded. Complains made by passenger to the CCI, included contentions that the airline cancelled flights which thereby forced customer to book flights for the same route at a hiked price of roughly two-and-a-half times the original fare. <sup>4</sup>

### **Government intervention**

The issue became such crisis that it tarnished the image of Indian aviation sector and went on to be discussed in the winter session of the parliament. <sup>5</sup>

To reduce the adverse impact on customers and resume operations at normalcy, the DCGA had made a one-time exception on 5<sup>th</sup> December and relaxed the FTDL rules till operations resume to their normal level. Further, to address complains against fare hicks, The government had set a cap of ₹18,000 for air fare (excluding taxes and airport charges) till the situation stabilizes. The impact of Indigo's failure and requirement for such extraordinary intervention from the side of the government raises question of whether Indigo's conduct crossed the threshold for operational failure and was result of abuse of dominance as under Section 4 of the Competition Act.

### **Abuse of dominant position and its Consequences**

Ashok Chawla, former aviation and financial secretary said, that Indigo had a dominant position in Indian airspace and the chaos seen earlier in the month could be an abuse of its dominant power in the market. He further added that if such allegation are proved, the consequences of such as abuse would be some fine and other remedies by the anti-trust agencies. Although, yet to be taken as a step, theoretically, the airline could be forced to share a some of its routes with other airlines to dissolve its monopoly power and status. Further, the

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<sup>4</sup> Aparna Deb, 'Indigo faces CCI scrutiny over alleged exploitative pricing after mass flight cancellations' (News18, 23 December 2025) <https://www.news18.com/business/economy/indigo-faces-cci-scrutiny-over-alleged-exploitative-pricing-after-mass-flight-cancellations-9786784.html> accessed 8 January 2026.

<sup>5</sup> Online Bureau PTI, 'Decision to look into IndiGo issue taken after initial assessment: CCI chief Ravneet Kaur' (ETLegalWorld, 19 December 2025) <https://legal.economicstimes.indiatimes.com/news/regulators/decision-to-look-into-indigo-issue-taken-after-initial-assessment-cci-chief-ravneet-kaur/126082149> accessed 8 January 2026.

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Airline Pilots' Association of India (ALPA) also accused the airlines of using "arm-twisting" strategy to pressure the regulator into relaxing FDTL rules.<sup>6</sup>

### **Indigo's response**

The CEO of Indigo Pieter Elbers, assured stakeholders that the worst is behind them and that now they will focus on 3 things: "resilience, root cause analysis and rebuilding."<sup>7</sup>

He further denied any attempt of abuse of power from the airlines side. As added that the scheduling collapse was caused due to a compounding effect of several factors" and that "similar disruptions (had) occurred in other parts of the world with large airlines,".

The CEO said the recent difficulties should not define the airline's 19-year history, noting that IndiGo has grown from a single aircraft in 2006 to a workforce of about 65,000 employees, carrying more than 850 million passengers with an unblemished safety record.<sup>8</sup>

### **Conclusion**

The last time the CCI undertook a probe on the aviation industry was 5 years ago when roughly 5 competitors existed in the market, namely Jet airways, Go air, Spice jet, Air India and Indigo for cartelization of ticket fee. But after much investigations these allegations where disproved. The recent incident with Indigo underscores the importance of competition and adverse impact of having a monopoly in a sector. Furthermore, B. Shrivanth Shanker, Advocate-on-Record, Supreme Court of India, said "the CCI has functioned more as a reactive tribunal than as the proactive market regulator."<sup>9</sup> The CCI needs to proactively regulate the market to ensure efficiency and make sure such situations do not arise again in the future.

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<sup>6</sup> Arfa Javaid, 'IndiGo 'arm-twisting' regulator on FDTL norms, alleges pilots' association' (The Financial Express 4 December 2025) <https://www.financialexpress.com/business/airlines-aviation/indigo-arm-twisting-regulator-on-fdtl-norms-alleges-pilots-association/4065294/> accessed 8 January 2026.

<sup>7</sup> Ibid 1

<sup>8</sup> Money control News, 'CCI to probe complaints against IndiGo for recent flight disruptions' (Money control, 18 December 2025) <https://www.moneycontrol.com/news/business/cci-to-probe-complaints-against-indigo-for-recent-flight-disruptions-13732401.html> accessed 7 January 2026.

<sup>9</sup> Vikash Tripathi, 'IndiGo Fiasco Flags Risks in India's 'National Champions' Economy' (Outlook Business 18 December 2025) [https://www.outlookbusiness.com/corporate/indigo-meltdown-exposes-indias-duopoly-risks-and-ccis-reactive-oversight?utm\\_source=chatgpt.com](https://www.outlookbusiness.com/corporate/indigo-meltdown-exposes-indias-duopoly-risks-and-ccis-reactive-oversight?utm_source=chatgpt.com) accessed 8 January 2026