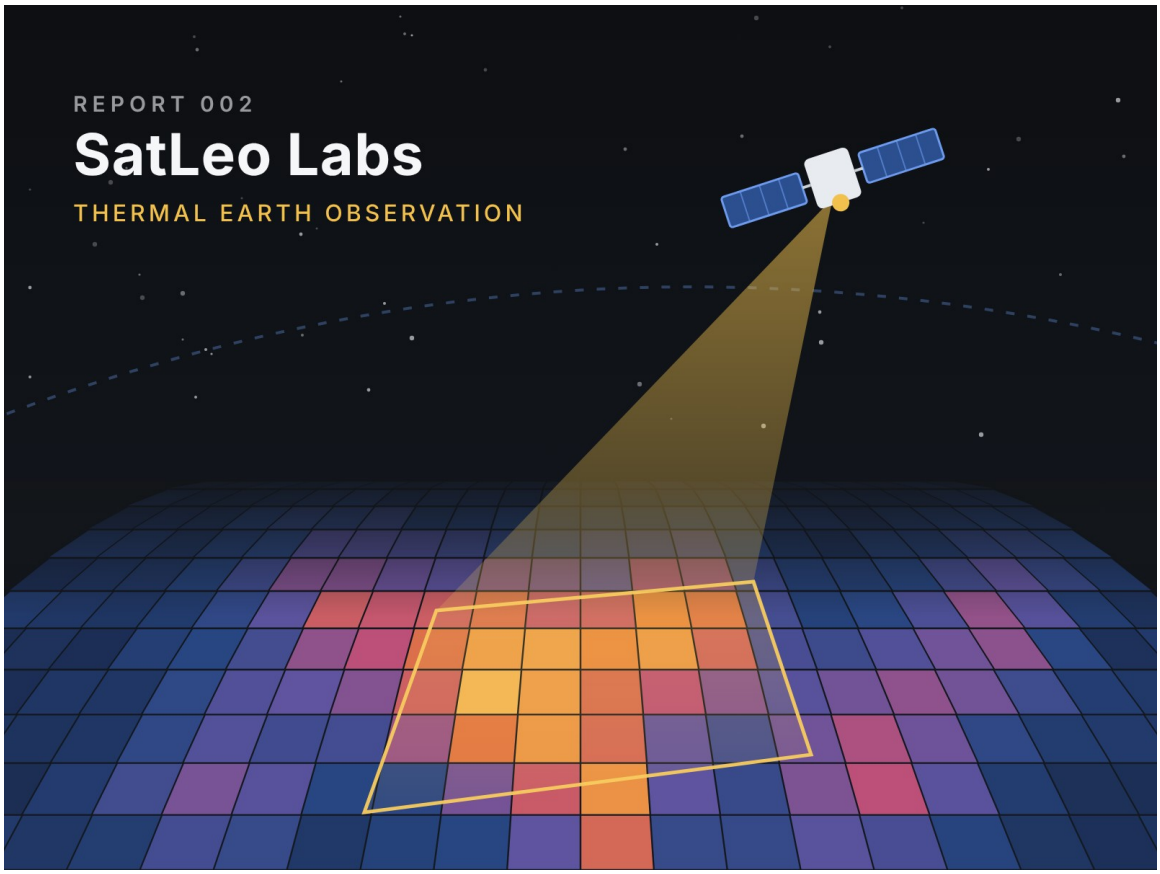


INDEPENDENT RESEARCH | INVESTMENT MEMO

SatLeo Labs and India's thermal earth observation opportunity

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Published 12 October 2026 | Updated 22 October 2026 (version 1.3) | Data as of 22 October 2026

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> **THE KEY QUESTION**
>
> **Can the evidence catch up with the May 2026 price of Rs 150 crore? Neutral case: about 1.2 to 2 times an investor's money. Bull case: about 6 to 12 times, if four things go right. Both after dilution.**

Rs 150 cr	Rs 3.4 lakh	Rs 45.9 cr	1
Post-money valuation, May 2026	Revenue, FY2025 (latest public accounts)	Equity raised, per filings	Test payload in orbit (TAPAS-1, Oct 2026)

Independent work. Not paid, sponsored or commissioned by anyone. The author is a Private Equity Fellow at IVCA, of which several SatLeo investors are members; see the disclosure at the end. This is not investment advice.

Summary

In one line: SatLeo Labs, an Ahmedabad startup, is building thermal-imaging satellites to sell heat data and analytics to Indian governments, defence and foreign buyers.

The key question: whether the evidence can catch up with the May 2026 price of Rs 150 crore post-money. The company has real customer interest and its first thermal payload is in orbit. Three things that would support this price are not public yet: working data from orbit, repeat paid demand, and a funded path to its main satellite.

- **Price vs evidence.** Tracxn's valuation series runs from Rs 38.3 crore (December 2024) to Rs 150 crore (May 2026). The basis of the earlier figure is unconfirmed, so the roughly 3.9 times rise is indicative. The latest public accounts, for FY2025 (to March 2025), show revenue of Rs 3.4 lakh, down from Rs 27.86 lakh in FY2024. Revenue, cash and burn since then are not public.
- **The main satellite is still ahead.** TAPAS-1 is a test payload expected to give about 60 m data. PYRO, targeting about 10 m, is aimed to be launch-ready by the end of 2027. In mid-2025 the company had targeted Q4 2026.
- **Public-sector demand looks modest.** In the scenario modelled here, Indian city and state spending on thermal services comes to about Rs 31 to 105 crore a year.
- **Two illustrative outcomes.** In a neutral case (PYRO works but sales grow slowly, about Rs 100 crore of revenue by 2031), an investor at Rs 150 crore would get back about 1.2 to 2 times their money after later dilution. In a bull case (about Rs 300 crore of revenue), about 6 to 12 times, but only if four uncertain things go right together. Both use a simple revenue multiple, not a cash-flow (DCF) model.
- **The capital need is large but not yet measurable.** At list prices, launching 12 to 15 PYRO satellites of 130 to 150 kg would cost about $10.9 to 15.75 million, about 2 to 3 times all equity raised. Build cost, cash in hand and burn are not public.
- **What to watch:** calibrated data from TAPAS-1, repeat paid contracts, a disclosed PYRO unit cost, and a funded plan to the first PYRO satellites.

Snapshot

SatLeo is a three-year-old Ahmedabad company building thermal infrared satellites. It has one small test payload in orbit, reported Rs 3.4 lakh of revenue in its latest public accounts, and was valued at Rs 150 crore in May 2026.

Item	Detail	Source
Legal entity	Satleo Labs Private Limited, CIN U62099GJ2023PTC141610, incorporated 29 May 2023, RoC Ahmedabad	InstaFinancials
Founders	Shravan Bhati (CEO), Dr Ranendu Ghosh (CTO, retired ISRO scientist), Urmil Bakhai (CSO)	YourStory, LinkedIn
Team	24 people (August 2026 count); LinkedIn shows the 11-50 band	MCA filings and company data compiled by Tracxn; LinkedIn
In orbit	TAPAS-1, a thermal payload hosted on Dhruva Space's LEAP-2 satellite. Launched on SpaceX Transporter-18 at 00:02 IST on 2 Oct 2026 (1 Oct, US time); LEAP-2 deployed at 01:00 IST	Dhruva Space, ETV Bharat

Item	Detail	Source
Data from orbit	Not announced as of 22 Oct 2026 on SatLeo's LinkedIn page (latest post: IN-SPACe authorisation for TAPAS-1) or Dhruva Space's mission page. On 6 Oct the CSO said the team was "waiting for the initial data"	Same; SatLeo Labs on LinkedIn
Equity raised	Rs 45.9 crore in filings (Tracxn shows $5.5 million); the company says $6.7 million	MCA filings via Tracxn; DQ India
Latest valuation	Rs 150 crore post-money (29 May 2026)	MCA filings via Tracxn
Revenue	FY2025 (to Mar 2025): Rs 3.4 lakh. FY2024 (29 May 2023 to Mar 2024): Rs 27.86 lakh	MCA filings via Tracxn; TheCompanyCheck
Net result	FY2025: loss of Rs 36.8 lakh. FY2024: profit of Rs 54,428	Same
Lead investors	Merak Ventures (first round), Unicorn India Ventures (April 2026 seed)	Entrackr

Problem

Indian heat planning lacks fine-grained, frequent temperature data. The need is documented. Whether the people who have it will pay for satellite data is not yet shown.

What SatLeo says is missing. Thermal infrared satellites measure the temperature of the ground surface. That is not the same as air temperature or the heat a person feels, so turning it into a heat warning, a crop decision or an intelligence report needs extra modelling and checking against ground readings. The free sources today are coarse or irregular:

- **Landsat 8 and 9** (NASA/USGS): thermal data at 100 m, once every 8 days with both satellites. (NASA)
- **ECOSTRESS** (NASA, on the space station): about 70 m, at irregular times of day. (NASA Earthdata)
- **No Indian private thermal payload** was in orbit before TAPAS-1, according to SatLeo.

At 100 m, one pixel covers about a hectare. That shows hot neighbourhoods well, but blurs narrow streets and small, fragmented farm plots.

Who has the problem in India

- **Cities and districts.** Ahmedabad wrote India's first heat action plan in 2013, after the 2010 heatwave killed over 1,300 people. (Metropolis) The government counts over 250 heat action plans across cities and districts. Down To Earth reports that more than 130 cities have plans, many still largely on paper. A 2023 Centre for Policy Research review of 37 plans (city, district and state) found only 10 set a local heat threshold. (Down To Earth, Climate Fact Checks)
- **Farms.** Under PMFBY's YES-TECH, technology-based estimates carry at least 30% weight in calculating crop yields, which then drive claims. It began with paddy and wheat in Kharif 2023 and was extended to soybean in Kharif 2024; as of January 2025, the government said nine states had adopted it. (PIB) I found no public evidence that thermal data is used in it today.
- **Defence and security.** Thermal sensors can detect vehicles, ships and industrial activity at night. SatVu and constellr have both moved towards defence customers and investors (see Competition).

The catch. A heat plan is a policy document, not a budget. Most are advisory and run by stretched municipal teams. None of the schemes above requires thermal satellite data. So the need is documented, but a paying buyer is not yet proven.

Product: what is in orbit vs what is promised

What flew in October is a small test payload expected to give about 60 m data. The product the company markets, PYRO, targets about 10 m and is aimed to be launch-ready by the end of 2027. A working TAPAS-1 would be useful evidence, but it would not prove that PYRO works.

	TAPAS-1 (in orbit)	PYRO (planned)
What it is	Thermal camera hosted on Dhruva Space's LEAP-2 satellite	SatLeo's own satellite, about 130 to 150 kg
Mass	About 1.5 kg (CSO) or 3 kg (press release)	130 to 150 kg
Bands	Long-wave infrared	Mid-wave and long-wave infrared, plus optical
Ground resolution	About 60 m expected	About 10 m targeted; about 5 m claimed with software sharpening
Temperature accuracy	Company target of about 1 Kelvin. Not stated whether this is sensor or land-surface temperature, or how it will be tested	Same target
Timing	Launched 2 Oct 2026 (IST)	Launch-ready by end-2027; launch date depends on finding a launch vehicle
Purpose	Test the camera and data chain	Paid data at scale

Sources: ETV Bharat, 6 Oct 2026, DQ India, YourStory, July 2025, IndiaWest. Mass figures differ between the CSO's interview and the press release; both are shown.

The timeline has moved. In July 2025 the company targeted an experimental satellite in Q1 2026 and the main satellite in Q4 2026. TAPAS-1 flew in October 2026. TAPAS-2 is now aimed at mid-2027 and PYRO at launch-readiness by end-2027. A pre-launch BW Businessworld, via TradingView article gives TAPAS-2 in Q2 2027, the first PYRO satellite in Q1 2028 and a constellation of about 12 to 15 satellites by 2029. Public statements on how many satellites follow have also varied. The reasons for the shifts are not public and are worth asking about.

What TAPAS-1 can and cannot prove. It can show that the team's thermal camera and data processing work in space. It cannot prove PYRO's larger optics, cooling, pointing, power and data download, which are a much harder engineering step. Because TAPAS-1 rides on another company's satellite, its results also depend on the host: who controls pointing and data download, and what happens if the host has problems. Native 10 m sensing and a 5 m sharpened product are different things, and a sharpened product needs its own validation.

The detector is a known gap. In June 2025 the CSO said the experimental payload would use an uncooled detector, "so the accuracy won't be optimal", and the operational satellite a cooled one. The CTO then targeted 10 to 12 m resolution. (Aviation & Defence Universe, 26 Jun 2025) This is a dated company plan, not confirmation of TAPAS-1's flight hardware. But it means TAPAS-1's accuracy will not show what PYRO's cooled detector can do.

What the pilots show (company claims). The CSO says the Ahmedabad Municipal Corporation pilot (ward heat maps and a 3-day forecast) used open-source satellite data, drones and IoT sensors, sharpened to 30 m, with a forecast error of 2 to 3 deg C against ground readings. The error measure,

sample and test period were not given, and no independent check is public. Other reported work includes a year-long project with Tumakuru City Corporation, an MoU with the Rajasthan government, and talks in the Middle East. These suggest customer interest. They do not yet show payment terms, renewals or results from SatLeo's own hardware.

Physics the investor must accept. Thermal infrared cannot see through cloud. Over India that matters most in the monsoon months. Water vapour and surface type also affect accuracy, which is why the 1 Kelvin figure is a target until calibrated data is shown. (IASPoint)

Team

The founders bring space science, geospatial work and IT services experience, and the team has delivered a payload to orbit. What is not visible from outside is sales leadership, especially for defence, and engineering depth below the founders.

Founder	Role	Background	Stake after May 2026 round
Shravan Bhati	Co-founder and CEO	Geospatial; ex-Amazon Web Services and Amnex Infotechnologies; master's from CEPT University	33.66%
Dr Ranendu Ghosh	Co-founder and CTO	Retired ISRO scientist; also worked with DA-IICT and the Ministry of Rural Development; PhD	4.27%
Urmil Bakhai	Co-founder and Chief Strategy Officer	IT services; ex-Zindra Technologies, Amnex, Wipro Infotech, Tulip Telecom	9.48%

Sources: founder backgrounds from LinkedIn and YourStory; stakes from MCA filings as compiled by Tracxn (accessed 8 Oct 2026). Together the founders hold 47.41%.

What is strong

- **Space credibility.** The CTO is a retired ISRO scientist. TAPAS-1 was designed, built and tested at IN-SPACe's Ahmedabad facility, per the co-founder's LinkedIn post.
- **Delivery.** The team got a payload to orbit about 21 months after its first institutional cheque (December 2024). The total cost of doing so is not public. The only spending figure available is FY2025's Rs 40 lakh of expenses, which ended 18 months before launch.
- **An investor on the board.** Bhaskar Majumdar of Unicorn India Ventures is listed as a director (TheCompanyCheck). What governance rights come with the seat is not public.

What to ask about

- **Sales.** No head of sales or defence business development is named publicly. The company advertised for a business and market development hire in August-September 2026.
- **Engineering depth and retention.** It is not public who leads payload engineering day to day, how know-how is shared, or what vesting and IP terms apply to the founders, including the CTO.
- **Team size.** Counts differ by source and date: 24 (August 2026, filings-based data), "more than 40" (company statements), and the 11-50 band on LinkedIn. They may count founders, interns or contractors differently.

Market (bottom-up)

This is a spending scenario, not proven demand. On the assumptions below, Indian city and state bodies could spend about Rs 31 to 105 crore a year on thermal services, and exports could add Rs 18 to 90 crore. Private Indian buyers, district administrations and defence are not sized, so this is not a ceiling on SatLeo's market. A neutral case and a bull case that include them are tested below.

The counts are sourced; whether each body has an active, funded plan to buy is an assumption. The spend per buyer is also an assumption: none of the thermal suppliers I checked (SatVu, constellr, OroraTech, Hydrosat) publishes prices (ObservationData, accessed 11 Oct 2026).

Segment	Buyer unit	Count	Spend per buyer per year (assumption)	Annual pool (Rs crore)	Notes
Indian cities (urban heat)	A city body buying for its own heat plan	130	Rs 10 to 25 lakh	13 to 33	Down To Earth: more than 130 cities have plans, many largely on paper. Treating all 130 as buyers is generous
Indian states and UTs (other uses)	One budget per state or UT for forest fire, crop, water and disaster uses, excluding city heat	36	Rs 0.5 to 2 crore	18 to 72	If a state also buys city heat data centrally, that spend replaces the city row rather than adding to it
District administrations	Districts with heat plans	Not separately reported	Not counted	Not sized	The government's 250+ figure combines city and district plans
Crop insurance	Agencies under PMFBY's YES-TECH	Not counted	Not counted	0	Conservative: no public evidence that thermal is used today
Private Indian buyers	Agriculture, irrigation, utilities, energy, industry, insurers	Not counted	Not counted	Not sized	Tested in the neutral and bull cases
Indian defence	Defence Space Agency and others	Not counted	Not counted	Not sized	Tested in the neutral and bull cases
Exports	Foreign data resellers and agencies (about 60% of SatLeo's letters of intent)	Not counted	$2 to 10 million in total, at Rs 90 per $	18 to 90	Reference point: SatVu reported about GBP 6 million of pre-orders ahead of HotSat-2 (EU-Startups)
Modelled total				**49 to 195**	Indian public sector alone: 31 to 105

Defence cuts both ways. India's SBS-III programme is reported at Rs 26,968 crore for 52 surveillance satellites, 31 of them to be built by private firms (Vajiram and Ravi). That could reduce the need to buy commercial data, or create supplier and partner roles for companies like SatLeo. No public information shows a thermal requirement or SatLeo's access to it.

How the outcomes are valued (method). This memo does not use a discounted cash flow (DCF) or free cash flow model. SatLeo has almost no revenue, its costs are not public, and a five-year cash flow forecast would be guesswork. Instead it uses a simple revenue-multiple test in three steps:

1. **Revenue in about 2031.** Assumed by segment, in the table below.
2. **Company value at exit = revenue x an EV/revenue multiple.** EV is enterprise value. Net debt is assumed to be zero, so company value and equity value are the same. The multiples are

assumptions, not taken from a set of comparable deals: 5x to 10x in the bull case, and 3x to 5x in the neutral case, because slower growth usually earns a lower multiple.

3. **Investor return = company value at exit / Rs 150 crore entry value.** If later rounds dilute existing holders by about 40%, the investor keeps 60% of their stake, so the return is multiplied by 0.6.

What a 10x return would need (illustrative). For an investor entering at Rs 150 crore post-money, 10x needs the company to be worth about Rs 1,500 crore at exit with no further dilution, or about Rs 2,500 crore if later rounds dilute holders by about 40%.

Exit value (equity = EV)	At 5x EV/revenue	At 10x EV/revenue
Rs 1,500 crore	Rs 300 crore revenue	Rs 150 crore revenue
Rs 2,500 crore	Rs 500 crore revenue	Rs 250 crore revenue

Real proceeds also depend on preference terms and exit timing, and this tests one investment, not a whole fund. Winning all of the Indian public-sector spending in the high case (about Rs 105 crore a year) would fall short of every revenue figure above.

Two illustrative outcomes by about 2031

Item	Neutral case	Bull case	What it assumes
Indian public sector (Rs crore a year)	25	50	Neutral: a share of the low case (Rs 31 crore). Bull: about half of the high case (Rs 105 crore)
Private Indian buyers (Rs crore a year)	15	50	Neutral: 50 enterprise customers at Rs 30 lakh each. Bull: 100 at Rs 50 lakh each
Indian defence and security (Rs crore a year)	30	100	Neutral: one or two data contracts. Bull: a few multi-year data or payload contracts
Exports (Rs crore a year)	30	100	Neutral: about $3.3 million a year. Bull: about $11 million a year. Both at Rs 90 per $
Total revenue (Rs crore a year)	**100**	**300**	
EV/revenue multiple	3x to 5x	5x to 10x	Assumed
Company value at exit (Rs crore)	**300 to 500**	**1,500 to 3,000**	Revenue x multiple
Return on Rs 150 crore, no dilution	2x to 3.3x	10x to 20x	Company value / 150
Return after 40% dilution	1.2x to 2x	6x to 12x	x 0.6
Yearly return over about 5 years, after dilution	About 4% to 15%	About 43% to 64%	May 2026 to about 2031

Neutral case. PYRO works, but SatLeo flies fewer satellites and sells more slowly than planned: government buyers take time, defence brings one or two contracts, and only a small part of the letters of intent turns into paid exports. An investor at Rs 150 crore roughly gets their money back with a modest gain: about 1.2 to 2 times after dilution, or about 4% to 15% a year. If slower growth means more rounds at flat prices, dilution would be higher and the return lower.

Bull case. Several PYRO satellites work and SatLeo sells across all segments. The price can work, but only if four things go right together: PYRO performs, enough money is raised to build the fleet, defence and export interest turns into contracts, and all of it happens in about five years. There is

early progress on each (money raised, a payload in orbit, pilots, letters of intent), but none has yet been shown at the scale this case needs.

Competition

SatLeo sits between free government data at 57 to 100 m and better-funded foreign rivals. Per Tracxn's cumulative equity totals, SatVu ($122 million), constellr ($89.1 million) and OroraTech ($63.2 million) have raised 11 to 22 times SatLeo's $5.5 million, or 9 to 18 times the company's own $6.7 million figure. Tracxn's SatVu figure is higher than SatVu's own statement of GBP 60 million (about $80 million) of equity in February 2026, and the reason for the discrepancy is unconfirmed; on SatVu's own figure the gap is about 15 times, not 22. Funds raised are not the same as cash available today. SatLeo's argument is that, as an Indian supplier, it can win Indian buyers and may have lower costs; its cost per usable image is not public.

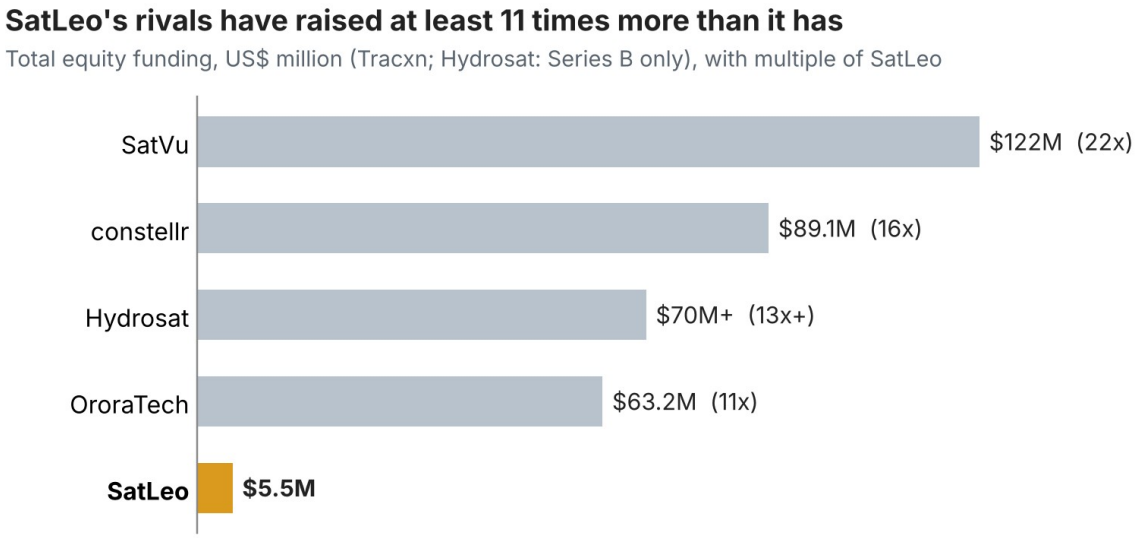


Figure 1. Source: Tracxn competitor data, accessed 8 Oct 2026. Tracxn's totals can differ from company figures; SatVu itself reports GBP 60 million of equity. Hydrosat is not in the Tracxn data; its figure is its Series B only ($60 million in January 2026 plus a $10 million extension in September 2026), per Hydrosat and EU-Startups, so its true total is higher.

Commercial thermal companies

Company	Country	In orbit (Oct 2026)	Thermal resolution	Main buyers
SatVu	UK	HotSat-2 in commercial use since 29 Jun 2026; HotSat-3 launched 1 Oct 2026. HotSat-1 failed in 2023	3.5 m	Defence, intelligence, energy; NATO Innovation Fund is an investor
constellr	Germany	2 satellites (2025)	30 m native, sharpened to 10 m; under 5 m planned for 2028	Moved from farming towards defence-grade work
OroraTech	Germany	20 satellites after FOREST-20 on 1 Oct 2026	Coarser (about 200 m), but many satellites for frequent revisits	Wildfire agencies and governments
Hydrosat	Luxembourg/ US	2 satellites	About 70 m thermal; 30 m is its optical band	Farming, insurance, government; more than 90 IrriWatch customers in over 70 countries; raised a further $10 million on 21 Sep 2026

Company	Country	In orbit (Oct 2026)	Thermal resolution	Main buyers
SatLeo	**India**	**1 hosted test payload**	**About 60 m expected now; about 10 m targeted**	**Government pilots; defence in discussion**

Sources: SatNews, EU-Startups, ObservationData, GlobeNewswire, European Spaceflight, Hydrosat. OroraTech's resolution is per its published satellite specifications.

Free and government thermal data

Source	Resolution	Revisit	Status
Landsat 8 and 9 (NASA/USGS)	100 m	8 days combined	Operating, free
ECOSTRESS (NASA)	About 70 m	Irregular	Operating, free
TRISHNA (ISRO and CNES)	57 m	2 to 3 days	Planned for 2027; data access terms not yet published

Sources: NASA, NASA Earthdata, CEOS EO Handbook.

What this means. Selling raw 60 m images in India will be hard if TRISHNA's data is made freely available, as Landsat's is. SatLeo could still charge for services such as tasking, faster delivery, chosen times of day and ready-made heat alerts, if its satellites and hosting terms allow them. Its collection and delivery specifications are not public. If PYRO launched at the end of 2027 and began selling by mid-2028 (an assumption, not a company date), SatVu would by then have sold 3.5 m data commercially for about two years, and constellr plans under-5 m satellites. SatLeo's case is that Indian buyers, especially government and defence, will prefer an Indian supplier with local data storage and possibly lower prices. That is plausible, but no paid contract proves it yet.

Business model and traction

SatLeo plans to sell thermal data and analytics, mostly to governments, with defence and foreign buyers as the bigger opportunity. Revenue in the latest public accounts is small, and the large demand figures are letters of intent, not contracts.

How it plans to earn (company claims)

- **Data and analytics.** Heat maps, temperature forecasts and alerts for city governments, state departments and businesses, through an AI platform. (Entrackr)
- **Defence and security.** The CSO calls defence "a key area", with discussions ongoing. (DQ India)
- **Exports.** About 60% of the claimed letters of intent are from outside India, including ArthiSpace (Australia) and a Middle East intelligence firm. (Social News XYZ) Earlier reporting mentioned a Rajasthan government MoU, an agritech customer and talks with Dubai Municipality. (YourStory)
- **Timing.** The company expects TAPAS-2 (mid-2027) to contribute more revenue than TAPAS-1.

How it sells (go-to-market). All three sales routes are early. First, city and state pilots (Ahmedabad, Tumakuru) and a state MoU (Rajasthan), where a working pilot becomes the reference for the next buyer. Second, foreign resellers and agencies, which make up about 60% of the claimed letters of intent. Third, defence, where the CSO says discussions are ongoing. No head of sales or defence business development is named publicly; the company advertised for a business and market development hire in August-September 2026. Government buyers move through slow procurement, so the time from pilot to paid contract is the number to watch.

Revenue in public accounts

Rs lakh	FY2024 (29 May 2023 to Mar 2024)	FY2025 (Apr 2024 to Mar 2025)
Revenue	27.86	3.4
Total expenses	27.11	40.17
of which staff costs	8.0	23.01
Net profit or loss	0.54	(36.77)

Source: MCA filings as compiled by Tracxn (accessed 8 Oct 2026). FY2024 matches TheCompanyCheck.

Revenue fell 88% in FY2025. The filings do not say why, which customers paid, or whether any revenue repeats. The FY2026 accounts (to March 2026) are not yet public, so current revenue, cash and burn are unknown.

Letters of intent. Press reports put them at $42 million in April 2026 (Entrackr), "over $50 million" in early October (DQ India) and "more than $52 million" a few days later (StartupNxt, LinkedIn). These are press mentions, not dated pipeline snapshots. A pre-launch BW Businessworld, via TradingView article says the about $52 million comes from seven to eight prospective customers, with individual commitments of $5 million to $10 million, and names Space42, Eartheye Space, BayWa and Cropin. The period covered, pricing and conditions are still not public, and letters of intent are not binding. For comparison, SatVu reported about GBP 6 million of pre-orders ahead of HotSat-2; their terms were not disclosed either.

Unit economics: what one satellite must cover. SpaceX's rideshare price is $350,000 for the first 50 kg plus $7,000 per extra kg (Satbase). For a 130 to 150 kg PYRO that is about $0.91 to 1.05 million per launch, a list-price estimate rather than a contracted budget. Over a 3 to 5 year life, each satellite must generate about $182,000 to $350,000 a year of cash after its operating costs just to recover the launch. Build cost, commissioning time, ground stations, insurance and the risk of a failed satellite come on top. SatLeo has not published a build cost per satellite, and that is the key number to ask for.

Next 12 to 18 months and use of funds

The next year and a half decides whether SatLeo can raise a Series A on the strength of evidence rather than promise. These are the company's stated plans; none is a commitment, and the dates have moved before.

Milestone	Company's stated timing	Why it matters
First data from TAPAS-1, then calibration	After launch; the team was "waiting for the initial data" on 6 Oct 2026	First proof that the camera and data chain work in space
Series A	Planned after TAPAS-1	Pays for PYRO; its price tests the Rs 150 crore valuation
Satellite factory near Ahmedabad	Planned	Needed to build a fleet; adds fixed cost
TAPAS-2, with an onboard AI chip	Mid-2027	The company expects it to earn more than TAPAS-1
PYRO launch-ready	End of 2027	The product the business case rests on

Sources: ETV Bharat, 6 Oct 2026, DQ India.

What the next round must pay for. PYRO design, build and testing; launch (about $0.91 to 1.05 million per satellite at list price); the factory; and hires in sales and engineering. SatLeo has not

published a budget or the size of its Series A, so whether the round covers the first PYRO, the first few, or more cannot be checked from outside.

Funding, valuation and cap table

Filings show about Rs 45.9 crore of equity invested across three allotment events, and a valuation series (Tracxn) that runs from Rs 38.3 crore (December 2024) to Rs 150 crore (May 2026). The founders still own 47.41%. Cash in hand and burn today are not public.

SatLeo's valuation series rose about 3.9 times in 17 months

Valuation at each share allotment, Rs crore (Tracxn). Basis of the earlier points unconfirmed



Latest public accounts: revenue Rs 27.86 lakh (FY2024), Rs 3.4 lakh (FY2025, to March 2025).

Figure 2. Source: MCA filings as compiled by Tracxn, accessed 8 Oct 2026. Early 2025 points may be tranches of the first round.

The valuation series is Tracxn's, based on the share price at each allotment. I could not confirm whether each earlier point is pre-money, post-money or fully diluted; the May 2026 figure is post-money.

Rounds

Date	Round	Amount	Investors
Dec 2024 (announced Apr 2025)	First institutional round, called pre-seed in the press	$3.3 million (press)	Merak Ventures (lead), Huddle Ventures, Java Capital, IIMA Ventures, Gujarat Venture Finance, PointOne Capital, SIDBI; angels Manish Gandhi, Dheer Baldua
6 Apr 2026	Seed	$2.2 million (press)	Unicorn India Ventures (lead), Merak Ventures, Java Capital, IIMA Ventures; angel Manish Gandhi
29 May 2026	Top-up	Rs 1.4 crore (filings)	Merak Ventures, at Rs 150 crore post-money

Sources: MCA filings as compiled by Tracxn (accessed 8 Oct 2026); Entrackr; Entrackr. How the press figures reconcile with the filings is set out in the Appendix.

A gap to ask about. The company says it has raised $6.7 million, but share records up to 29 May 2026 show about $5.5 million (see Appendix).

Who owns the company (after the May 2026 round, including the ESOP pool)

Holder	Stake
Founders (Bhati 33.66%, Bakhai 9.48%, Ghosh 4.27%)	47.41%
Merak Ventures	12.50%
Unicorn India Ventures	10.00%
Huddle Ventures	6.57%
Gujarat Venture Finance	4.38%
Other funds (Java Capital 2.63%, PointOne 1.39%, SIDBI 1.09%, IIMA Ventures 0.99%, Infinyte Club 0.17%)	6.27%
Angels (Manish Gandhi 3.12%, Dheer Baldua 1.39%)	4.51%
ESOP pool	8.37%

Source: MCA filings as compiled by Tracxn (accessed 8 Oct 2026). Stakes may not add to exactly 100% because of rounding.

Who could fund the next round. This is capacity, not a commitment to SatLeo.

- **Existing investors.** Unicorn India Ventures raised over Rs 1,000 crore for Fund III and plans to keep most of it for follow-on cheques across its portfolio (Business Standard). Merak says its follow-on cheques go up to $3 million (Merak Ventures).
- **Government money.** The Antariksh fund (target Rs 1,600 crore, first close Rs 1,005 crore in November 2025) writes Rs 10 to 60 crore cheques (Entrackr, Business Standard). Gujarat's space policy offers satellite makers up to 25% of launch cost, capped at Rs 5 crore (Indian Defence News). Whether SatLeo has applied for or received either is not public.
- **Foreign money.** Foreign investors can own up to 74% of an Indian satellite company without government approval (Business Standard). This covers investment only; mission authorisation, data-sharing and export approvals are separate.
- **The pool is small.** Indian spacetech raised $200 million across 53 rounds in all of 2025 (Ascendants). Depending on how large SatLeo's Series A needs to be, foreign or strategic co-investors may be needed.

Risks

The biggest open risk is funding: building the fleet will need much more money than SatLeo has raised, and the figures needed to size that gap are not public. The table is ordered from most to least serious, as assessed in this memo.

#	Risk	What could go wrong	What to check	What would reduce it
1	Funding	Launch alone for 12 to 15 PYRO satellites of 130 to 150 kg costs about $10.9 to 15.75 million at list prices, 2 to 3 times all equity raised, before build costs. Current cash, burn, runway and the factory budget are unknown	Dated cash position; PYRO unit cost; size and lead of the Series A; funding plan for the first satellite, the first few, and the full fleet	A staged plan (fewer satellites first, hosted payloads, customer-funded missions); a Series A lead with follow-on capacity; government support such as the Antariksh fund or Gujarat's launch subsidy

#	Risk	What could go wrong	What to check	What would reduce it
2	Technology	No data from TAPAS-1 has been announced yet (about three weeks after launch; commissioning a new payload can take weeks). The 1 Kelvin target is unproven. PYRO is a much harder step than TAPAS. Cloud blocks thermal sensing in the monsoon	Commissioning timetable; first calibrated data and accuracy against ground readings; PYRO design and test milestones	Calibrated TAPAS-1 data checked against ground stations; independent review of the PYRO design
3	Host dependence	TAPAS-1 rides on Dhruva Space's satellite, so pointing, data download and fault handling depend on the host	Hosting agreement: who controls what, data ownership, remedies	Clear hosting terms on data ownership and control; SatLeo's own satellite (PYRO)
4	Demand	Buyers are mostly governments that pay slowly. No paid contract or binding pre-order is public, and letters of intent are not binding	Customer-level revenue, renewals, contract terms and collections	Paid, renewed contracts; multi-year government or defence orders
5	Valuation	The next round could be flat or lower than Rs 150 crore. A lower price on similar terms can make hiring and later fundraising harder	Series A price and terms compared with May 2026	Data and revenue milestones reached before the next round
6	Free data	If TRISHNA (57 m, every 2 to 3 days, planned 2027) is free, raw 60 m data will be hard to sell in India	TRISHNA launch date and data policy	Paid services free data cannot offer: tasking, chosen times of day, fast delivery, ready-made alerts
7	Competition	If PYRO sells from mid-2028 (an assumption), SatVu will have sold 3.5 m data for about two years, and constellr plans under 5 m	Rival launches and prices in India	A clear price or local-supplier advantage with Indian buyers
8	Defence route	India's own SBS-III fleet could reduce demand for bought data, though it could also create supplier roles. Foreign defence sales face export rules	Any defence order, iDEX award or export licence	A supplier role in Indian programmes; early export approvals
9	Disclosure gaps	Funding ($6.7 million claimed vs Rs 45.9 crore in filings) and headline letters of intent are not reconciled	Whether FY2026 filings and the Series A announcement reconcile them	FY2026 filings and a clear funding announcement
10	Key people	Payload know-how may sit with a few people. Vesting and IP terms are not public	Engineering leadership, succession, vesting and IP assignment	Founder vesting, IP assigned to the company, and a second layer of engineering leads

Assessment at the May 2026 price

This section sets out what would need to be true for a new investment at the May 2026 valuation of Rs 150 crore post-money to work. It assumes plain equity with standard minority rights; the actual terms of the May round are not public. It is an analysis of the public evidence, not a recommendation to buy or sell. A lower price, or terms that better protect the investor, would change the numbers.

What the price assumes that is not yet proven

1. **The price is ahead of the public evidence.** Tracxn's valuation series rose about 3.9 times between December 2024 and May 2026, though the basis of the earlier figure is unconfirmed. The latest public accounts (FY2025) show revenue of Rs 3.4 lakh, and nothing later is public. PYRO, the satellite that would carry the business, is at least a year from launch-readiness.
2. **Indian public-sector demand alone is not enough.** Winning all of Indian city and state spending in the high case gives about Rs 105 crore a year, below the Rs 150 to 500 crore of revenue a 10x outcome would need under these assumptions.
3. **The larger markets are the least proven.** Private Indian buyers, defence and exports must carry the case. None has a public contract yet, and the export evidence is non-binding letters of intent. If they grow slowly (the neutral case), the return is about 1.2 to 2 times after dilution. The bull case needs PYRO to perform, the fleet to be funded, and defence and export interest to turn into contracts, all within about five years.
4. **The capital need cannot be sized from outside.** Launch alone for the planned fleet is 2 to 3 times the equity raised, and build cost, cash and burn are not public.

Strengths

- **Early position in India.** SatLeo says TAPAS-1 is India's first private commercial thermal payload. Government buyers may prefer a local supplier.
- **Delivery.** The team got a payload to orbit about 21 months after its first institutional cheque.
- **Investors with follow-on capacity.** Unicorn India and Merak both reserve money for follow-on cheques, though nothing is committed to SatLeo publicly. Policy support (the Antariksh fund, Gujarat's launch subsidy) exists if SatLeo qualifies.
- **Customer interest.** Pilots with Ahmedabad and Tumakuru, and a Rajasthan MoU, show that city and state bodies are willing to engage.

Milestones to watch

- ☐ Calibrated TAPAS-1 data with temperature accuracy close to the 1 Kelvin target.
- ☐ Paid contracts that show real budgets, for example one above Rs 1 crore or several that renew, with cash collected.
- ☐ A disclosed PYRO unit cost and a funded plan for the first 2 to 3 satellites.
- ☐ A Series A lead with defence or strategic links, and how its price compares with Rs 150 crore.

How an investor could exit (possibilities, not forecasts). None of these routes is likely before PYRO satellites are working and selling.

- **In the bull case:** a sale of the company to a larger space, defence or earth-observation business that wants thermal capability, or, much later, a public listing. This assumes revenue of about Rs 300 crore and a company value of Rs 1,500 to 3,000 crore.
- **In the neutral case:** smaller routes are more likely. An investor could sell early shares to a new investor in a later round (a secondary sale, often at a discount to the round price), the company or its team and technology could be bought by a larger Indian space or defence firm, or the company or founders could buy back shares. At a company value of Rs 300 to 500 crore, this returns about 1.2 to 2 times after dilution.

- **Downside protection:** a liquidation preference, a common venture term that pays investors back before founders in a sale, would protect the amount invested in a modest sale. SatLeo's actual terms are not public.

Questions for the founders

1. What does one PYRO cost to build, and how many must fly before the business breaks even?
2. What is the current cash position, monthly burn and runway?
3. Which of the $52 million in letters of intent have a price, a volume and a date? Which have paid anything?
4. Where does the $1.2 million pre-Series A sit, given it is not in the share records up to May 2026?
5. What caused the move from a Q4 2026 PYRO target to end-2027?
6. Who controls TAPAS-1's pointing and data download on Dhruva's satellite, and when is commissioning expected to finish?
7. What share of revenue do you expect from Indian government, private buyers, defence and exports in 2028?

What to verify with experts

- A thermal remote-sensing scientist: is about 1 Kelvin accuracy realistic for this class of payload, and how should it be tested?
- A satellite engineer: a realistic build cost and schedule for a 130 to 150 kg thermal satellite.
- A city or state official who buys data: how heat data is budgeted and bought.
- A lawyer who handles export controls: what approvals foreign defence sales of thermal data need.

This is independent analysis, not investment advice.

Method, sources and disclosure

Method. Desk research between 4 and 11 October 2026, with a check for new information on 22 October 2026. Company figures (revenue, valuation, shareholding) are from MCA filings (AOC-4 accounts and PAS-3 share allotments) as compiled by Tracxn, accessed 8 October 2026, and cross-checked against free company-data sites where possible. Every other figure is linked to the page it came from. Where sources disagree, both figures are shown. Market prices and scenario figures are assumptions and are labelled as such. Outcomes are valued with a revenue multiple, not a discounted cash flow (DCF) or free cash flow model, because SatLeo has almost no revenue and its costs are not public (see Market). Current revenue, cash, burn and PYRO costs are not public and are treated as unknown, not estimated. There were no interviews.

Version. Version 1.3, 22 October 2026. Added details from a pre-launch BW Businessworld article (letter-of-intent counterparties, a $6.1 million funding figure and later satellite dates) and updated the data-from-orbit check to 22 October. No earlier figures changed. Version 1.2, 14 October 2026. Rewrote the conclusion as a neutral assessment instead of a personal view, added a neutral case and neutral exit routes, and explained how outcomes are valued. No sourced figures changed. Version 1.1, 12 October 2026, added a one-line summary, go-to-market, the next 12 to 18 months and use of

funds, exit paths, what would reduce each risk, and expert checks, and moved the funding reconciliation to the Appendix.

Contact with the company. SatLeo was emailed on 5 October 2026 and invited to correct any facts. No reply had been received by 22 October 2026.

Disclosure. I am a Private Equity Fellow at the Indian Venture and Alternate Capital Association (IVCA). Six of SatLeo's institutional investors are IVCA members: Unicorn India Ventures, Merak Ventures, Java Capital, Huddle, GVFL and IIMA Ventures. SIDBI Venture Capital, part of the SIDBI group that holds 1.1%, is also a member. This memo is my independent work. No one at IVCA, SatLeo or its investors reviewed it, and it does not represent their views. I hold no position in SatLeo or any company named here. This is not investment advice.

Main sources

- Company and press: DQ India, Entrackr (seed), Entrackr (first round), YourStory, Startuppedia, IndiaWest, Social News XYZ
- Company records: InstaFinancials, TheCompanyCheck; MCA filings as compiled by Tracxn (8 Oct 2026)
- Launch and rivals: Space.com, Satbase, SatNews, EU-Startups (SatVu), European Spaceflight, GlobeNewswire, EU-Startups (Hydrosat), ObservationData
- Free data: NASA, NASA Earthdata, CEOS EO Handbook, IASPoint
- Demand: Metropolis, Down To Earth, Climate Fact Checks, RIS, Vajiram and Ravi (SBS-III)
- Capital: Business Standard (Unicorn India Fund III), Entrackr (Antariksh), Business Standard (Antariksh terms), Business Standard (FDI), Ascendants

- Launch status and plans: Dhruva Space (LEAP-2 mission), BW Businessworld, via TradingView, ETV Bharat, 6 Oct 2026; rivals and investors: Hydrosat, 21 Sep 2026, Merak Ventures, Indian Defence News (Gujarat policy). All pages accessed between 4 and 22 Oct 2026.

Appendix: how the funding figures reconcile

- **Press vs filings.** The press figures for the first two rounds ($3.3 million and $2.2 million) already add up to $5.5 million before the May 2026 top-up. It is not clear whether the Rs 1.4 crore May top-up is extra money, part of an announced round, or a later allotment of money committed earlier. I use the rupee total from the filings (Rs 45.9 crore) and leave the reconciliation open.
- **The $1.2 million gap.** SatLeo says it has raised $6.7 million, including a $1.2 million pre-Series A (DQ India). That money is not in the share records up to 29 May 2026. It may have come later, or may not be equity. A pre-launch BW Businessworld, via TradingView article gives a different total, $6.1 million.