

INDEPENDENT RESEARCH | TWO-PAGE SUMMARY

SatLeo Labs: investment memo in brief

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

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 **Can the evidence 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, but working data from orbit, repeat paid demand and a funded path to its main satellite are not public yet.**

Rs 150 cr	Rs 3.4 lakh	Rs 45.9 cr	47.41%
Post-money valuation, 29 May 2026	Revenue, FY2025 (latest accounts)	Equity raised, per filings	Founders' stake after May 2026

What exists today

- **In orbit:** TAPAS-1, a small thermal test payload (about 60 m) hosted on Dhruva Space's LEAP-2 satellite, launched 2 Oct 2026. No data announced as of 22 Oct.
- **Promised:** PYRO, SatLeo's own 130 to 150 kg satellite, targeting about 10 m, launch-ready by end-2027 (earlier target: Q4 2026).
- **Customers:** pilots with Ahmedabad and Tumakuru, a Rajasthan MoU, and over $52 million of non-binding letters of intent (about 60% foreign).
- **Money:** revenue fell from Rs 27.86 lakh (FY2024) to Rs 3.4 lakh (FY2025), with a loss of Rs 36.77 lakh. Cash and burn since then are not public.

What the price assumes that is not yet proven

- **Price ahead of evidence.** Tracxn's valuation series rose about 3.9 times in 17 months while public revenue stayed tiny.
- **Public demand is modest.** Indian city and state spending on thermal services comes to about Rs 31 to 105 crore a year in the scenario modelled, below the Rs 150 to 500 crore of revenue a 10x outcome needs.
- **The big markets are unproven.** Private buyers, defence and exports must carry the case; none has a public contract.
- **Capital need is large.** Launch alone for 12 to 15 PYRO satellites is about $10.9 to 15.75 million, 2 to 3 times all equity raised, before build costs.

Strengths

- **Delivery.** A payload in orbit about 21 months after the first institutional cheque.
- **Early position.** SatLeo says TAPAS-1 is India's first private commercial thermal payload; government buyers may prefer a local supplier.
- **Backers.** Unicorn India and Merak both keep money for follow-on cheques, though nothing is committed publicly.

Competition

SatVu (3.5 m, already selling), constellr, OroraTech and Hydrosat have each raised at least 11 times more than SatLeo. Free government data (Landsat at 100 m, and TRISHNA at 57 m planned for 2027) sits below SatLeo's current 60 m payload. SatLeo's case rests on PYRO and on Indian buyers preferring an Indian supplier.

Top risks

- **Funding:** fleet costs far exceed money raised; cash, burn and PYRO unit cost are not public.
- **Technology:** no TAPAS-1 data yet; the 1 Kelvin accuracy target is unproven; PYRO is a much harder step.
- **Demand:** mostly slow government buyers; no paid contract or binding pre-order is public.
- **Free data:** if TRISHNA data is free, raw 60 m data will be hard to sell in India.

Two illustrative outcomes by about 2031

Method: revenue x an assumed EV/revenue multiple gives the company value at exit. That value / Rs 150 crore entry price gives the return, x 0.6 if later rounds dilute holders by about 40%. No DCF or cash-flow model is used, because SatLeo has almost no revenue and its costs are not public.

	Neutral case	Bull case
Revenue (Rs crore a year)	100	300
EV/revenue multiple (assumed)	3x to 5x	5x to 10x
Company value at exit	Rs 300 to 500 crore	Rs 1,500 to 3,000 crore
Return after 40% dilution	1.2x to 2x	6x to 12x

Neutral: PYRO works but sales grow slowly; an investor roughly gets their money back with a modest gain (about 4% to 15% a year over five years). Bull: needs PYRO to perform, the fleet to be funded, and defence and export contracts, all within about five years. Possible exits: a later-round share sale or a sale to a larger space or defence firm (neutral); a strategic sale or, much later, a listing (bull).

Next 12 to 18 months (company plans)

- First TAPAS-1 data and calibration; then a Series A, planned after TAPAS-1.
- A satellite factory near Ahmedabad; TAPAS-2 with an onboard AI chip by mid-2027.
- PYRO launch-ready by end-2027. No budget or Series A size has been published.

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. Who controls TAPAS-1's pointing and data download on Dhruva's satellite?

Milestones to watch

- ☐ Calibrated TAPAS-1 data close to the 1 Kelvin target.
- ☐ Paid contracts with real budgets (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.

Full memo, sources and method: khuswantsharma.com/research/satleo-labs-investment-memo

Disclosure: the author is a Private Equity Fellow at IVCA, of which several SatLeo investors are members. Independent work; no position held. Company figures are from MCA filings as compiled by Tracxn (accessed 8 Oct 2026) and the sources linked in the full memo. Not investment advice.