



Space Technology (NewSpace)

Working Capital & Project Financing Guide

Space Tech - Overview (2026)

~\$8.4 Bn

Space Economy

400+

Active Startups

100%

FDI Limit (Sat)

10%

Global Share Target

\$600M+

Private Inv (5Y)

The "IN-SPACE" Catalyst

Single-window regulator has streamlined access to ISRO facilities, drastically reducing R&D cycles for private players.

Downstream Data Boom

70% of the space economy is driven by SaaS—using satellite imagery for Agri-tech, Insurance, and Climate monitoring.

Launch Vehicle Diversity

Transition from ISRO dependence to private rockets (e.g., Skyroot, Agnikul) and SSLV technology transfer.

Manufacturing Hub

India is emerging as the "back-office" for global constellations due to 30-40% lower costs than the West.

Operational Process in Space Tech

1

Design & Simulation

180-360 Days. Mission planning, CAD modeling, and orbital simulations.

2

Manufacturing

90-180 Days. Component sourcing, clean-room assembly, and integration.

3

Testing

30-90 Days. Vibration, thermal vacuum tests, and EMI compliance.

4

Launch & Ops

Mission Life. Launch window securing, TT&C, and data monetization.

Note: Space Tech firms face a massive 180 to 360-day liquidity gap due to the "Deep-Tech" nature—spending heavily on R&D long before the first launch.

Key Resources & Inputs

Human Capital

Rocket scientists, propulsion engineers, software developers, and GIS analysts.

Specialized Hardware

Radiation-hardened electronics, carbon-composite structures, and 3D-printed engines.

Testing Infrastructure

Clean rooms (Class 10k/100k), thermovac chambers, and rocket engine test stands.

Intellectual Property

Proprietary algorithms for In-Orbit Servicing and autonomous station-keeping.

Service Deliverables & Revenue Streams

Launch Services

Revenue per kg of payload for small and micro-satellites.

Satellite Mfg

Turnkey bus and payload development for telecom/defense clients.

GSaaS

Ground Segment-as-a-Service access for satellite telemetry.

DaaS

High-res Earth observation data for agriculture and urban planning.

Working Capital Cycle in Space Tech

$$\text{Net Cash Gap} = (\text{Inv Days} + \text{AR Days}) - \text{AP Days}$$

Inventory
120-270 Days

+

Receivables
60-180 Days

-

Payables
30-60 Days

Total Liquidity Gap: 180 to 360 Days

Current Asset Composition

Work-in-Progress (60–70%)

High concentration of value in hardware currently undergoing testing and qualification.

Prepaid Expenses

Launch booking deposits (high value) and upfront insurance premiums for risk mitigation.

Trade Receivables

Amounts due from global satellite operators, defense agencies, and research grants.

Cash for Prototypes

Essential liquidity required for iterative testing of propulsion and avionics systems.

Common Mistakes to Avoid

- ✓ **Underestimating Testing:** Assuming design will pass on first try; failure delays revenue by 6–12 months.
- ✓ **Ignoring Insurance:** Failing to budget for high launch-risk premiums (10-15% of project cost).
- ✓ **Single-Client Dependency:** Relying solely on ISRO or a single defense contract.
- ✓ **Compliance Lags:** Delaying spectrum/frequency filings (WPC), grounding ready hardware.

Best Practice:

Utilize **Milestone-Based Financing** to unlock debt as hardware moves from "Design" to "Qualified" status, ensuring cash flow aligns with technical progress.

Standard Operating Metrics (2026)

Metric	Industry Standard
Gross Margin (SaaS/Data)	60% - 80%
Gross Margin (Hardware)	15% - 25%
Revenue per Launch	₹20 Cr - ₹150 Cr (LSSV to SSLV)
Capex Intensity	Very High (30% - 50% of revenue)
Success Ratio (Launch)	> 90% (Industry Target)

Revenue Realization Periods

Commercial Launch

30% Advance / 40% Integration / 30% Launch.

Govt/ISRO Contracts

90–180 Days (Post-milestone certification).

Downstream Data (B2B)

30–60 Days (Subscription-based recurring revenue).

Export Sales

60–90 Days (Subject to export/dual-use clearances).

Industry Threats & Challenges

High Failure Risk

A single launch failure can wipe out 100% of a startup's operational capital and reputation.

Geopolitics

Changes in ITAR or dual-use tech export bans can halt international trade overnight.

Capital Scarcity

The "Valley of Death" between prototype stage and full-scale commercialization.

Space Debris

Regulatory pressure requiring expensive end-of-life de-orbiting mechanisms.

How Terkar Capital Can Help

Manufacturing Debt

Funding for clean rooms, 3D printing, and testing labs.

Venture Debt

Extending runway between Series A/B equity rounds.

Invoice Discounting

Liquidity against global launch/supply contracts.

Machinery Finance

Loans for CNC machines and vibration test stands.

WC Limits

Up to ₹5 Cr for space-grade component procurement.

Fast Execution

Disbursement in 7-10 Days. Rates from 9% PA.



Partner with Terkar Capital

Financing the Ambition of a Billion Dreams—From Earth to the Stars.



Head Office, Pune and PCMC

101, 102, 103, Castle Eleganza, Dr. Ketkar Road, Erandavane, Pune. Maharashtra 411004.



Corporate Office, Mumbai

The Capital, Level 3, B-Wing, Plot C – 70, G Block, BKC, Bandra (E), Mumbai-400051, India.