SPECIALIST PLAYBOOK · NO. 02

Skyroot's $1.1Bn *Mark*, Pre-Orbit.

A banker-level deconstruction of India's first space-tech unicorn — what the $60M Series C actually says about how Indian deeptech is being institutionalised.

AUTHORS

Sriram Chidambaram & SRF Team

SECTOR

SpaceTech · Orbital Launch

READING

18 minutes · 14 sheets

SERIES

Specialist Playbook · 02

CONTENTS · 7 CHAPTERS

Anatomy of a *Round*.

Skyroot's Series C is two stories at once — a deal structure and a category-validation event. This playbook reads both at the same time, chapter by chapter.

CHAPTER 01 · MAY 2026

What the Skyroot Series C *Actually* Is.

A category-validation event, written as a single institutional cheque into a pre-revenue, pre-orbital hardware company.

ROUND SIZE	POST-MONEY
$60 M	$1.1 Bn
CO-LEADS	**STAGE**
GIC · Sherpalo	Pre-revenue, Pre-orbit

In May 2026, Indian deeptech crossed a line it had been approaching for three years.

Skyroot Aerospace closed a **$60 million Series C at a $1.1 billion post-money valuation**, becoming India's first space-tech unicorn. The round was co-led by GIC, Singapore's sovereign wealth fund, and Sherpalo Ventures — the firm of Alphabet board member Ram Shriram — with participation from BlackRock-managed funds, Arkam Ventures, Playbook Partners, the Shanghvi Family Office, and Greenko Group founders.

This is not just a milestone for one company. It is a **category-validation event**. India's deeptech funding had been climbing through 2024 and 2025 on the back of public initiatives like Bharat Innovates 2026, which shortlisted 100 ventures across 13 frontier sectors from over 1,000 applicants. What was missing was a defining institutional cheque written at unicorn scale into a pre-revenue, pre-orbital-launch hardware company. **Skyroot is that cheque.**

This playbook is the second installment in the SRF Capital Studio Specialist Playbook series. The first, *ECLGS 5.0*, decoded the government's preventive credit-guarantee response at the MSME end of the Indian capital stack. This installment turns to the opposite end of the same stack: the institutional equity round that defined India's deeptech category in May 2026.

MAY 2026 — DEAL COHORT · ~$96M AGGREGATE

STAGE	COMPANY	SECTOR	SIZE	LEAD
Pre-Seed	**Apollyon Dynamics**	DefenceTech / Drones	₹4 Cr	Naandi Ventures
Seed	**Blunav**	Aviation Infra SaaS	$1M	Piper Serica
Pre-Series A	**BigEndian Semiconductors**	Vision AI Chips	$6M	IAN Alpha, Vertex
Series A	**CHOSEN**	D2C Beauty	$5M	Fireside, BOLD
Series A	**HealthFab**	FemTech	₹20 Cr	Atomic Capital
Series A	**Kisah**	Fashion Commerce	₹35.9 Cr	Fireside Ventures
Series A	**Tsavorite**	AI Compute Infra	Undisclosed	Pavestone
Series B	**Pronto**	Home Ops	$20M	Lachy Groom
Series B	**The Hosteller**	TravelTech	₹150 Cr	PROMAFT, V3
GROWTH	**★ Skyroot Aerospace**	SpaceTech · Orbital	$60M	GIC, Sherpalo

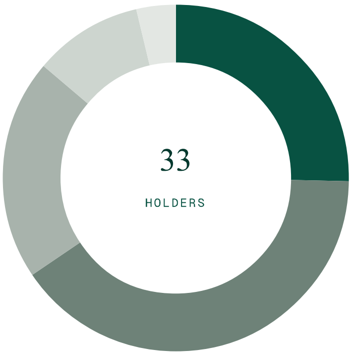
Four signals stand out across the cohort. **Deeptech is institutional now** — semiconductors, spacetech, defence-tech are no longer niche angel bets. **Consumer is selective** but not absent. **Infrastructure software is rising.** And **execution-heavy marketplaces are making a comeback**, with Pronto and The Hosteller pulling institutional cheques on proven operational models.

Skyroot sits at the top of this list as the ecosystem-defining round. Pre-revenue, pre-launch, priced at unicorn, anchored by a sovereign wealth fund, with a banker-run process. **Everything that follows decodes how it got there.**

CHAPTER 02 · INVESTOR MECHANICS

The Cap-Table *is* the Round.

Each name on the Skyroot Series C is doing specific work — composition matters as much as the headline number.



Founders (Chandana, Daka)	25.27%
Institutional funds	40.18%
Enterprise / family offices	20.58%
Angels & early backers	10.16%
ESOP & reserve pool	3.81%

GIC was already the Series B lead in August 2022 and is doubling down here. This is sovereign capital pre-positioning for India's ambition to capture 8% of the global space economy by 2035, up from sub-2% today. The implied hold horizon — 15 years or longer — matches the orbital-economy build cycle.

Sherpalo Ventures is the harder signal. Ram Shriram, an Alphabet board member, is taking a board seat. Indian deeptech rarely attracts that calibre of US private capital at the board level; the reputational cost of failure makes participation itself a diligence signal.

BlackRock-managed funds are interesting because they extended a separate ₹100 Cr (~$10.8M) non-convertible debenture facility to Skyroot in March 2026.

The equity participation in May layered exposure across the capital stack: **senior debt plus equity**. This is rare in pre-revenue Indian deeptech and signals BlackRock's underwriting team is treating Skyroot as a credit-quality issuer, not only as a venture bet.

> *The Indian credit market is institutionalising at both ends of the risk spectrum simultaneously.*
>
> — SRF ANALYSIS · MAY 2026

At the MSME end, NCGTC-backed guarantees under the ECLGS 5.0 framework are extending working capital to stressed but Standard accounts at near-9% rates with zero guarantee fee to the lender. At the deeptech growth-stage end, BlackRock-managed funds are writing privately underwritten NCDs into pre-revenue hardware companies with no government backstop. The actors and instruments differ. **The pattern of credit moving up the Indian risk curve does not.**

Arkam Ventures, Playbook Partners, the Shanghvi Family Office, and Greenko Group founders round out the syndicate. The Indian industrial capital here is **patient by design**. Family offices and industrial founders structurally tolerate longer duration than fund-cycle VCs, and their presence reduces pressure for a forced exit timeline.

One under-discussed feature: this is an **insider-anchored upround**. GIC and Sherpalo both participated in earlier rounds, which adds conviction but reduces independent valuation validation. Given the round was downsized from a target of $150–200M to $60M, the read deserves weight on both sides — proprietary conviction the market has not caught up to, or a syndicate that could not clear a fully external auction at this mark.

> **VERIFICATION NEEDED**
>
> *BlackRock final equity allocation and the GIC/Sherpalo lead-cheque split, via MCA filings post-close.*

CHAPTER 03 · DEAL STRUCTURE

How $60M Was *Built* and Priced.

Structurally two instruments stacked — primary equity and a privately underwritten debt sleeve.

The $60 million Series C is structurally two instruments stacked.

Approximately **$50M as primary equity**, almost certainly issued as CCPS given Indian Series C convention. The remaining **~$10.8M is conventional debt** — 100 non-convertible debentures at ₹1 Cr face value to BlackRock, executed in March 2026. The two tranches are operationally linked but legally distinct.

PRIMARY EQUITY	DEBT SLEEVE
$50M CCPS · Kotak-advised	$10.8M 100 NCDs · BlackRock

DILUTION	SECONDARY
~5% Light by Series C norms	0% Alignment lever

Kotak Mahindra Capital advised on the equity placement, structured as a **primary issuance with no secondary**. In most Series C rounds at unicorn marks, a 10–20% secondary component is standard. Founders kept skin in the game ahead of the binary Vikram-1 launch — investor view that founder alignment matters more than founder liquidity at this stage.

Skyroot pre-marketed a $150–200M target in February 2026 and closed at $60M three months later. **The round was downsized.**

> *When size compresses but valuation holds, the difference usually shows up in structural protections rather than price.*

The first reading is strategic: founders chose to lock the unicorn mark on pre-launch optionality, take less capital, and raise materially more on launch success at a higher mark. Classic deeptech founder behaviour ahead of a binary milestone.

The second is market-clearing: the round could not absorb $150–200M at $1.1Bn pre-money, and the syndicate cleared at the smaller number while preserving the headline valuation. Both readings can be true at the same time.

Expect 1x non-participating liquidation preference, broad-based weighted-average anti-dilution, and a high probability of milestone-linked valuation reset clauses tied to Vikram-1 orbital success. The BlackRock NCD effectively functioned as a **pre-equity bridge**, deployed two months before the equity round closed — a quietly sophisticated structure: **debt-first, equity-second**, with the bridge proving the credit case before equity priced the optionality.

> **VERIFICATION NEEDED**
> *Instrument type (CCPS vs equity), liquidation preference multiple, anti-dilution mechanic, and ratchet provisions, via MCA filings.*

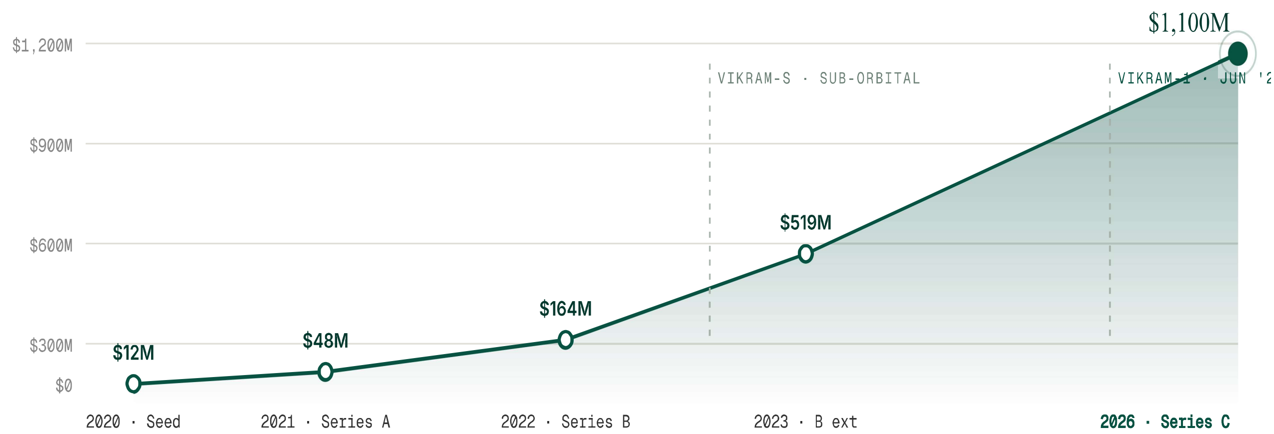
CHAPTER 04 · VALUATION

Valuing a Pre-Revenue *Rocket* Company.

Pre-revenue, FY25 loss ₹99.7 Cr — the $1.1Bn mark is anchored to comparable transactions, optionality, and strategic premium.

Skyroot — post-money valuation trajectory

USD MILLIONS · 2020 – 2026



SOURCE: TRACXN, STARTUPTALKY, PUBLIC ANNOUNCEMENTS (2026).

The Series B-to-C uplift of 2.1x over 30 months is solid but not heroic, particularly given the pre-launch milestone. Investors clearly built in an **execution-risk discount** versus what the trajectory would have priced post a successful Vikram-1 orbital flight.

Three comp sets matter, and the $1.1Bn mark sits inside a defensible band — if you accept three premiums.

Rocket Lab (NASDAQ: RKLB), the closest listed analogue, trades at $8–11Bn market cap on $400–500M revenue — a forward revenue multiple in the 20–25x range. **Firefly Aerospace** at ~$2Bn (2024), Relativity Space, and similar pre-orbital private marks anchor the private comp set. Indian peers — **Agnikul Cosmos** (~$27M raised, sub-orbital) and **Pixxel** (~$300M valuation) — establish the floor.

Reverse-mathing the $1.1Bn: at **4–6 launches per year at $5–7M per launch**, FY28E revenue lands in ₹125–250 Cr (~$15–30M). That implies a **35–75x forward revenue multiple**. Aggressive by Rocket Lab standards but defensible with three premiums: an Indian sovereign-launch premium, ISRO ecosystem proximity, and a first-mover-in-India strategic premium.

> *India is targeting 8% of the global space economy by 2035. Indian private launch capacity is structurally undersupplied. A credible domestic provider with ex-ISRO founder pedigree is a scarce asset — scarcity justifies premium.*

Capital intensity is the other valuation modifier. Aerospace hardware demands long lead times, certification cycles, propulsion R&D, and manufacturing capex. Skyroot's **₹400 Cr Tirupati production complex**, the Infinity Campus build-out, and the Vikram-2 development pipeline imply a capex-heavy next 24 months. The valuation has to absorb that burn before any cash-generative cadence is even technically possible.

CHAPTER 05 · PROCESS

The Process Behind the *Round*.

A three-month soft auction, six parallel diligence streams, and a self-imposed timeline tied to Vikram-1.

Kotak Mahindra Capital ran the placement.

The choice of an Indian domestic investment bank rather than a global house signals where the regulatory complexity actually sits. FEMA compliance, FDI sectoral approvals, IN-SPACe authorisation, and export control review all sit inside the Indian regulatory perimeter, and Kotak's domestic bench is built for exactly that profile.

Pre-marketing started in February 2026; close landed in early May. A three-month window for a unicorn-mark Series C is standard. The structure was a **soft auction with a curated invitee list** — what bankers call a *club process*. Enough competitive tension to validate price; no open bidding war.

Diligence ran in parallel across **six streams**: technical (propulsion test data, qualification campaigns), commercial (launch manifest, customer contracts with Axiom Space and Exolaunch), financial (burn, runway, Tirupati capex), legal (export controls, dual-use classification, IP, IN-SPACe authorisation), regulatory (FDI sectoral policy, FEMA), and ESG (rocket emissions, range safety).

Launch vehicles in India sit under IN-SPACe, with FDI governed by sectoral policy under MEA and DPIIT. FDI in satellite manufacturing was liberalised to 74% under automatic route, but launch vehicles retain higher scrutiny given dual-use considerations. Foreign capital from GIC (Singapore SWF), Sherpalo (US), and BlackRock-managed funds was almost certainly approved under the automatic route.

The timeline pressure was self-imposed. Founders chose to price the round before the June 2026 Vikram-1 orbital debut. Lock the unicorn mark on optionality; raise materially larger on launch success. The risk is equally clean: a launch failure converts the unicorn round into an impaired bridge with structured terms in the next raise.

The cap-table fragmentation is worth flagging. Skyroot now has **33 investors on the cap table**. Founders own 25.27%; funds 40.18%; enterprises 20.58%; angels 10.16%. Future round mechanics, drag rights, and consent mechanics all become more complex at this fragmentation level. Banker work post-close typically includes cap-table clean-up via roll-up vehicles to simplify governance ahead of the next raise.

CHAPTER 06 · RISK ALLOCATION

Who *Wears* What.

Risk	Borne by	Mitigants
Valuation risk	FOUNDERS + LATE	Likely milestone ratchet tied to Vikram-1; anti-dilution; founder stake at ~25% absorbs first loss.
Execution risk	SHARED · FOUNDERS-LED	Staged capital via BlackRock NCD sleeve; ESOP retention; ex-ISRO Chairman S. Somanath as advisor.
Regulatory risk	COMPANY	Domestic Indian holdco; ISRO partnership credibility; ex-ISRO founder pedigree.
Liquidity risk	INVESTORS	Liquidation preference; ROFR / tag-along; SWF and family-office holders absorb liquidity premium by design.
Dilution risk	FOUNDERS	Pro-rata for major investors; ESOP top-up timing; founder lock-up.
Technology risk	INVESTORS	Tech diligence on propulsion data, qualification campaigns; IP assignment; key-man clauses on Chandana and Daka.

The structural read is that **founders absorb the first loss on launch failure**. Liquidity risk is the most interesting allocation — Indian IPO pathways for pre-revenue spacetech do not yet exist with depth, and the US SPAC route is largely closed. **GIC's sovereign hold tolerance, Shanghvi family-office capital, and Greenko founder capital structurally absorb that liquidity premium.** The investor composition was curated specifically to ensure no syndicate member needs liquidity inside a five-year window.

> **VERIFICATION NEEDED**
> *Ratchet trigger specifics, ESOP pool size post-round, and partner-agreement export licensing classification.*

CHAPTER 07 · FORWARD READ

The Honest Read & *What Comes Next*.

A defensible round at a stretched but underwriteable price. The Vikram-1 fork is the binary that will reprice it.

For deeptech founders raising in 2026–27, the playbook lesson is structural. Skyroot priced before the binary milestone, accepted a downsized round to preserve the unicorn mark, kept primary-only issuance to retain skin, and built a syndicate weighted toward patient capital. Each choice traded short-term capital intake for long-term optionality. The opposite playbook — maximise capital, accept secondary, take fund-cycle VC — is faster but harder to control through a binary event. **Size compression at preserved price is the most replicable lesson.**

For investors underwriting pre-revenue Indian deeptech, the cohort signal is meaningful. GIC, Sherpalo, BlackRock, Arkam, Playbook, and the family-office capital cleared at $1.1Bn on a pre-launch, hardware-intensive company. That is a structural rerating of what unicorn pricing can mean in India. Comparable rounds in Pixxel, Agnikul, Bellatrix, Dhruva, and the broader space-tech and semiconductor cohort are likely to re-mark upward.

For LPs allocating to India-focused funds, the signal is that sovereign and global institutional capital is *structurally engaged* with Indian deeptech, not opportunistically allocating. GIC writing a Series C unicorn cheque, Sherpalo taking a board seat, and BlackRock layering equity over debt all signal a multi-year commitment, not a single-deal experiment.

A successful Vikram-1 orbital flight in June 2026 likely supports a follow-on raise at **$1.8 – 2.5Bn within 12 months**, with full-priced terms and reduced structural protections. A failed flight converts the Series C into an impaired bridge candidate, with the next round likely structured at a meaningful down or flat mark.

> *The Vikram-1 fork is the binary that will reprice this round. The next 30 days will tell us whether the mark holds.*

END OF PLAYBOOK · VOL. 02

Strategy, capital, and *execution*.

SRF Capital Studio is a multidisciplinary firm working at the intersection of clarity and capital — helping founders, investors, and operators cut through noise and move with precision.

SAVE AS PDF ↓

BACK TO COVER ↺

SPECIALIST PLAYBOOK · VOL. 02
SKYROOT AEROSPACE · SERIES C · MAY 2026
AUTHORS — SRIRAM CHIDAMBARAM & SRF TEAM
FOR INSTITUTIONAL & ACCREDITED-INVESTOR INFORMATION ONLY