

Vikram-1 & India's Private Sector Space Odyssey

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Vikram-1: A Milestone for India's Private Space Industry

On 18 July, India marked a significant milestone in its space program when Skyroot Aerospace—the Hyderabad-based company recognized as the country's first space unicorn—successfully completed its maiden orbital launch. Mission Aagaman (Sanskrit for "Arrival") saw the Vikram-I, a small-satellite launcher rocket, lift off from the Satish Dhawan Space Centre in Sriharikota into Lower Earth Orbit (LEO) at 450km altitude.

The achievement builds on the company's earlier success with Mission Prarambh in 2022, during which Skyroot launched Vikram-S—India's first privately built suborbital rocket, becoming the country's first private company to reach space. Looking ahead, Skyroot plans to launch [Vikram-II](#) next year, featuring a greater payload and multi-orbit capacity.

Vikram-I's inaugural flight has been widely hailed as a landmark for India's private space sector. Many [analysts](#) also view the mission as an early validation of the space sector

reforms introduced in 2020, that now needs to be carried forward competitively to be a commercial success.

By becoming only the third country, after the US and China, to achieve private orbital launch (into LEO) capability, India can be considered an emerging competitor in the global commercial launch market. Vikram-1 specifically aims to address the [need](#) of sending smaller satellites into specific orbits without waiting for space on larger launch vehicles or compromising on preferred launch schedules.

Vikram-1's debut marks a paradigm shift. India's private space sector has now demonstrated capabilities of fully designing, manufacturing, and placing a satellite into orbit. It is a significant step towards meeting PM Modi's [target](#) of achieving 50 annual rocket launches by 2030.

Orbital positions in LEO are effectively allocated on a [first-come, first-served basis](#), with new entrants required only to avoid interference with existing satellites. LEO is getting [congested](#), as evidenced by an increasing number of collision-avoidance maneuvers. Hence, Skyroot's achievement is significant as access to Low Earth Orbit (LEO) turns increasingly competitive.

Strategic and Defence Implications of Commercial Space

Vikram-1's success is symptomatic of India's growing space economy. Valued at approximately USD 8.4 billion in 2022, the sector is projected to grow to between USD 40-45 billion by 2030; with longer-term estimates placing its value at around [USD 100 billion by 2040](#). Investor confidence has remained strong despite a broader slowdown in global venture funding, with the Indian space sector attracting approximately USD 157 million in investment during 2025—an [increase of 94%](#) over the previous year.

Successful privatization of the space sector, that used to be solely ISRO's domain, naturally affects the space agency

itself. Skyroot was founded by former ISRO engineers, while several other prominent startups like [Digintara](#), [Pixxel](#), similarly employ ex-ISRO personnel. This indicates that India's growing commercial ecosystem is able to retain aerospace talent within the country. At the same time, concerns over the loss of experienced personnel prompted ISRO to revise its resignation and voluntary retirement rules on 14 July, subjecting departures from flagship missions such as Gaganyaan to additional [scrutiny and approval](#). ISRO Chairman V Narayanan [clarified](#) that the objective was not simply to retain personnel, but to ensure that important projects did not suffer from sudden attrition.

In 2025, the global space economy was valued at approximately USD 630 billion, with 70% of its economic value derived from [satellite-enabled services](#) such as communications, navigation, and Earth observation. Satellite communications remained the largest revenue-generating segment, driven by broadband, mobility, and enterprise services.

At the same time, recent conflicts have highlighted the military importance of commercial satellite infrastructure. On military application of satellites that Vikram-1 can place into LEO, the militarization of Starlink gives an insight. In the Russia-Ukraine war, [Starlink](#) is the backbone of communications while enabling long-range drone operations. Likewise, during Operation Sindoor, India relied on commercial providers such as Maxar, Kepler, and Suhora for imagery assessment and post-strike analysis, alongside [ISRO](#) assets including the RISAT-2B series for surveillance and Cartosat-2 series for high-resolution optical imaging.

Reflecting this convergence of civilian and military applications, [RAND](#) has argued that space systems should be treated as dual-use. In 2025, the Chief of Defence Staff General [Anil Chauhan](#) noted that "space is emerging as a new domain of warfare, and it is going to dominate warfare...All the

three primary elements of warfare (land, sea, air) will depend on space.”

In today’s context, it has been [suggested](#) that the Ministry of Defence should collaborate with Skyroot Aerospace to strengthen India’s military presence in LEO. An indigenous private launch capability would allow the armed forces to deploy its own satellite constellations for all-round Intelligence, Surveillance and Reconnaissance (ISR), and maintaining a robust Command and Control (C2) architecture.

Building a Globally Competitive Space Ecosystem

Several emerging [trends](#) are likely to shape the trajectory of India’s private space sector over the coming decade:

- Commercial satellites will look to provide direct-to-device (D2D) services. Satellite internet will become a norm. Reliance Jio is also currently [considering](#) a 1600 LEO satellite constellation.
- Reusable launch vehicles are likely to become the industry standard to reduce costs and increase launch frequency. China, with its [Long March-10B](#) rocket, just joined the reusable rocket club. India must follow suit.
- The space industry will [shift](#) towards smaller and more cost-effective satellites.
- Because of rising congestion, space traffic management will become a crucial issue and may give rise to spaceports for small satellites.

Last year, 85% of all American orbital launches were [SpaceX missions](#). Whereas China conducted 50 commercial space launches and [half](#) of them were carried out by private entities. Vikram-1 has given India the opportunity to cultivate a similarly competitive private launch ecosystem. The extent to which Indian firms can replicate the scale and commercial success of their American and Chinese counterparts will depend

on continued regulatory reform, sustained private investment, and the successful demonstration of reliable launch capabilities over the coming years.