

India's first private rocket company looks to bring down satellite costs

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● Thousands of small satellite launches are planned in coming years

● Skyroot expects to cut the cost of a launch by 50% compared with current pricing

Reuters | Bengaluru



Pawan Chandana and Bharath Daka, founders of Skyroot Aerospace, an Indian Space-Tech startup, pose for a photograph with a mockup of Vikram-S rocket, India's first private rocket developed by the Skyroot, in Hyderabad, India

The startup behind India's first private space launch plans to put a satellite into orbit in 2023 and expects to be able to do so at half of the cost of established launch companies, the founders of Skyroot Aerospace told Reuters in an interview.

The Hyderabad-based company, backed by Singapore's sovereign wealth fund, GIC, says the \$68 million it has raised will

fund its next two launches. Skyroot has been in contact with more than 400 potential customers, it says.

Thousands of small satellite launches are planned in coming years as companies build out networks to deliver broadband services like SpaceX's Starlink and to power applications like tracking supply chains or monitoring offshore oil rigs.

Skyroot faces both established

and up-and-coming rocket launch rivals that also promise to bring down costs. In China, startup Galactic Energy put five satellites into orbit last week in its fourth successful launch.

In Japan, Space One, backed by Canon Electronics (7739.T) and IHI Corp (7013.T), plans to launch 20 small rockets per year by the middle of the decade.

But Skyroot, which launched a test rocket last week, expects to

cut the cost of a launch by 50% compared with current pricing for established competitors like Richard Branson's Virgin Orbit and California-based Rocket Lab USA Inc (RKLBO).

Pawan Chandana, one of Skyroot's two co-founders, told Reuters he expected a surge in demand for the company's launch services if it proves itself with launches set for next year.

"Most of these customers have been building constellations and will be launching them in the next five years," he said.

The Modi government's push to increase India's share of the global space launch market from just 1% has given investors confidence that Skyroot and other startups have government backing for their efforts, Skyroot says.

"Three or four months back when we were talking to investors, one of the biggest questions they asked was if the government was supporting us," Skyroot co-founder Bharath Daka told Reuters.

India opened the door to private space companies in 2020 with a regulatory overhaul and a new agency to boost private-sec-

tor launches.

Before that, companies could only act as contractors to the Indian Space Research Organisation (ISRO), a government space agency with a reputation of its own for frugal engineering. The country's Mars mission in 2014 cost only \$74 million, less than the budget of the Hollywood space movie "Gravity".

Building on India's record for cost efficiency will be key, said Chandana. Skyroot, founded in 2018 when Chandana and Daka

quit jobs at ISRO, has set a target to develop rockets for one-fifth of the current industry costs.

The Skyroot rocket that reached 89.5 kilometres altitude in last week's test launch used carbon-fibre components and 3D-printed parts, including the thrusters. That boosted efficiency by 30%, the company says, cutting weight and procurement costs, although it meant Skyroot engineers had to write the machine code for vendors who fabricated the rocket because few had experience working with carbon fibre.

Chandana and Daka believe the per-kilogram launch cost for a satellite can be brought down to nearly \$10, from thousands of dollars currently, a stretch target that could upend the economics of space commerce and one that draws inspiration from their idol: Elon Musk.

"SpaceX is a symbol of great innovation and great market validation," said Chandana, who added they have not had the chance to speak to Musk.

"Right now, we think he's probably busy running Twitter."



With 3D printing, Skyroot believes it can build a new rocket in just two days as it works towards reusable rockets, a technology pioneered by SpaceX.

India's Oyo Hotels reports smaller loss in July-Sept vs prior qtr

Reuters | Mumbai

Softbank-backed Indian hotel aggregator Oyo Hotels and Homes Pvt Ltd reported a smaller loss for the July-September period compared with the previous quarter, in an update to its initial public offering prospectus released yesterday.

The company reported a net loss of 3.33 billion rupees (\$40.77 million) in the second quarter of the financial year compared with a loss of 4.14 bn rupees in the first quarter. The company's financial year runs from April 1 to

March 31.

Adjusted earnings before interest, taxes, depreciation and amortisation (EBITDA) for the second quarter rose to 560 m rupees from 70 m rupees in the first quarter. Adjusted EBITDA refers to earnings adjusted for asset depreciation and hotel transformations, among other factors, according to the company's prospectus.

The company reported a 24% increase in revenue during the first half of the year, to 29.05 bn rupees. It did not disclose a quarterly revenue figure.

Adani to raise \$2.45 billion in India's biggest follow-on share sale

Reuters | Bengaluru

Adani Enterprises (ADEL.NS), the flagship company of ports-to-energy conglomerate Adani Group, said it would raise 200 billion Indian rupees (\$2.45 bn) in India's largest follow-on public offering of new shares.

The proposed fundraise comes as the group led by Gautam Adani, the world's third richest person, aggressively expands into sectors such as cement and healthcare, amid some concerns about its elevated debt levels and large promoter shareholding.

The share offering would increase the company's pub-

lic float from the current 27.4% level. Rival Reliance Industries' (RELI.NS) public float stands at around 49%.

"Adani needs capital at the holding company level. It is the flagship company. They need money for a lot of the new initiatives they are seeding, acquisitions and for new projects," said a source with direct knowledge of the transaction.

The group has made acquisitions worth \$13.8 bn so far this year, as per Dealogic data, its highest ever in a year and more than double the previous year.

Adani's acquisitions this year include Ambuja Cements (ABUJ.



Gautam Shantilal Adani is the chairman and founder of Adani Group

NS) and ACC (ACC.NS) for \$10.5 bn. It has also launched a takeover of the Indian news channel NDTV (NDTV.NS).

Adani, whose empire spans gas and power projects as well as a ports and logistics business, said in September his company would invest more than \$100 billion over the next decade, with 70% earmarked for the energy transition space.

The company plans to file a draft prospectus before Dec. 31 and raise the funds before March 31, but it will depend on market conditions, the person added.

Thin Black Friday crowds mark US holiday shopping kickoff

Reuters

Thin crowds of inflation-weary consumers hunted for Black Friday deals at stores in big cities including New York, Los Angeles, Chicago and other locales, marking the start of a US holiday shopping season crucial to retailers in an uncertain economy. Many shoppers who opened their wallets said their purchases were strategic, not impulsive or splurges.

"We've been waiting" for discounts, said Tulio Rose, 28, who picked up a big-screen TV at a Best Buy store in Los Angeles, while shopping with Barnisha Nill, 35. They saved about \$500 on the 85-inch (2.16-meter) Samsung TV for their new apartment.

About 166 million people were planning to shop from Thursday's Thanksgiving holiday through this coming "Cyber Monday," according to the Na-



A woman passes by signs advertising sales of Black Friday in the Manhattan borough of New York City, New York

tional Retail Federation, almost 8 million more than last year. But

with sporadic rain in some parts of the country, stores were less busy than usual on Black Friday. "Usually at this time of the

year you struggle to find parking. This year, I haven't had an issue getting a parking spot," said Marshal Cohen, chief industry adviser of the NPD Group Inc.

"It's a lot of social shopping, everybody is only looking to get what they need. There is no sense of urgency," Cohen added, based on his store checks in New York, New Jersey, Maryland and Virginia.

At the American Dream mall in East Rutherford, New Jersey, there were no lines outside stores. A Toys 'R Us employee was handing out flyers with a list of the Black Friday "door buster" promotions.

Those who made it to the mall were surprised at the deals.

"There's a lot of deals that weren't advertised. Some of the stores I got 50% off everything I bought," said Christine Chavez, 45. She added that she is primarily gift shopping and picked up items from Victoria Secret and Torrid. "I was hesitant to come

to the mall, and I have to say I'm pleasantly surprised," Chavez added.

Many shoppers looking for Apple's (AAPL.O) latest high-end phones returned empty handed from its stores as the technology company struggles with production snafus in China.

ONLINE PREFERENCE

At a Dollar Tree (DLTR.O) store in Rockville, Maryland, shoppers said they were looking for specific items or picking up household items like sodas and dish sponges.

J.R. Moran, 49, gripped strands of red and green tinsel and felt antlers, which he planned to use for an "ugly sweater." But he said he would make other holiday purchases online.

"Online shopping is more convenient nowadays," Moran said. Online sales will reach between \$9 billion and \$9.2 billion this Black Friday, a report from Adobe Analytics showed.