Samtel Avionics raises fresh capital, expands into space and indigenous drones with $107 million order book in sight



GURUGRAM. Samtel Avionics Ltd., a leading Indian defence electronics and avionics firm, has announced a major expansion into space technologies and indigenous drone systems, backed by fresh funding and an ambitious growth roadmap that targets a ₹1,000 crore ($107 million) order book across domestic and international markets.

The company has secured ₹75 crore in growth funding along with a green shoe option of ₹140 crore from True North Private Credit, the credit arm of True North. This follows Samtel's recent capital raise of around ₹215 crore, taking the total planned investment for expansion and innovation to well over ₹200 crore in the coming years. The green shoe option provides additional headroom for phased capital infusion, reflecting investor confidence in the company's long-term trajectory.

Over the past five years, Samtel has diversified beyond its core expertise in high-end cockpit displays and human-machine interface (HMI) systems into sensors, electronic warfare components and advanced defence electronics. Its systems are now deployed across multiple branches of the Indian armed forces, including the Air Force and Army, with engagements expanding toward naval platforms as well.

A key driver of its next phase of growth is a newly launched indigenous drone division focused on developing fully in-house platforms with proprietary intellectual property. The company plans to build long-endurance unmanned systems equipped with advanced payloads and anti-drone capabilities, targeting a domestic drone market estimated at nearly ₹5,000 crore annually. It also plans to establish long-term maintenance, repair and overhaul (MRO) capabilities for unmanned systems.

In a parallel strategic move, Samtel is entering the space sector with plans to develop low-earth orbit (LEO) and miniature satellites featuring communication and IoT capabilities. The first space project is expected to begin within the next few months, with prototypes and commercial deployment planned over the next couple of years. The company is also exploring technologies related to space debris mitigation.

With nearly 60 percent of its workforce dedicated to research and development, Samtel continues to prioritise indigenous innovation under the 'Make in India for the World' vision. Its products have recently gained international visibility after being deployed on operational aircraft and helicopters, helping expand exports to markets such as Malaysia, South Africa and the US. Exports currently account for 25-30 percent of revenues and are projected to rise to nearly 50 percent in the coming years.

"We are looking to expand in space tech, particularly in LEO and space debris clearing mechanisms, and there cannot be a better time for companies in this sector than today," said Puneet Kaura, Managing Director and CEO of Samtel Avionics. He added that the company expects revenues to grow from about ₹200 crore this year to ₹400 crore next year, supported by a robust and growing order pipeline.

Kapil Singhal, Managing Partner, Private Credit at True North, said the green shoe option underscores strong belief in Samtel's long-term potential and provides flexible capital aligned with its growth ambitions.

As India pushes for greater self-reliance in advanced defence electronics and space technologies, Samtel Avionics is positioning itself as a global high-technology player capable of supporting the country's evolving defence and space ecosystem while reducing dependence on imported systems. ■

With nearly 60 percent of its workforce dedicated to research and development, Samtel continues to prioritise indigenous innovation under the 'Make in India for the World' vision. Its products have recently gained international visibility after being deployed on operational aircraft and helicopters, helping expand exports to markets such as Malaysia, South Africa and the US.