India’s Satellite Supply Chain - Highly Dependent on Imports

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Why in News?

India’s satellite manufacturing supply chain relies heavily on imports for critical components, according to a report by the Indian National Space Promotion and Authorisation Centre (IN-SPACe) released on November 25, 2026.

- The *Supply Chain Landscape of Satellite Manufacturing in India* report highlights several key bottlenecks across India’s space sector as it targets a $40–$45 billion space economy in under a decade–
- **High Import Reliance–** Nearly 60% of satellite costs stem from electronic, electrical, and electromechanical components as well as specialised materials, many of which are imported.
- The report maps 53 Indian suppliers against 162 foreign suppliers (including firms from the US, Germany, Japan, France, and the Netherlands).
- **Limited Private Sector Scope–** Domestic private participation is largely concentrated in structural assemblies and propulsion components, led mainly by established public sector undertakings and older private firms.
- **Procurement Delays–** Sourcing critical components frequently takes 12–16 months, slowing project timelines and reducing market responsiveness.
- **Manufacturing & Testing Gaps–** Reliance on project-based manufacturing limits investment in automation and scale. Shortages in testing and certification facilities also constrain global market acceptance.
- **Talent & R&D Constraints–** India faces a shortage of skilled engineers in systems engineering, quality assurance, and testing, alongside limited private-sector R&D and technology transfer.

Reference

[The Hindu| India’s satellite supply chain]