

May 12, 2026

Nosch Labs Private Limited: Update on Material Event

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating Outstanding
Long Term - Fund based/CC	8.00	8.00	[ICRA]A (Stable)
Short Term – Non-fund based	92.00	92.00	[ICRA]A2+
Total	100.00	100.00	

*Instrument details are provided in Annexure II

Rationale

Material Event

On May 1, 2026, a reactor at one of the four Nosch Labs Private Limited’s manufacturing plant in Veliminedu (Nalgonda district, Telangana) exploded, which resulted in one fatality and multiple injuries. ICRA understands that operations at the affected facility halted temporarily following the incident, and the district administration has initiated a formal investigation into the cause of the accident, including scrutiny of process safety systems and operating protocols. As per the company, operations at the said facility is planned to commence fully shortly as the investigations are currently ongoing. Production operations at the other three facilities (two in Telangana and one in Hyderabad) continue unhindered.

This was reportedly the second such incident at the said facility within a short span because of which the accident has evinced heightened scrutiny from state authorities and labour groups, with labour unions alleging lapses in safety practices and staging protests, seeking accountability and enhanced safeguards. The response has underscored the potential for regulatory and labour-related intervention beyond near-term remediation.

Impact of Material Event

The impact on the overall production is expected to be limited, as production continues unhindered at other locations and the affected plant is also expected to be operational shortly. ICRA will continue to monitor (i) the severity of any resultant production and revenue loss, (ii) the outcome of investigations by state and district authorities and any consequential regulatory, legal or compliance actions, and (iii) the evolving stance of labour unions and broader workforce relations, which could influence operational continuity.

From a credit standpoint, the company's business profile, balance sheet, and liquidity are sufficiently strong at present, however, sustainability of these strengths will be influenced by the company’s financial resilience, contingency arrangements, and the effectiveness of corrective measures implemented to mitigate recurrence risk. ICRA will monitor the developments related to the above factors and take a rating action, if warranted.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities and Key financial indicators. [Click here](#)

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Pharmaceutical
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Nosch Labs Private Limited, incorporated in 2001, manufactures APIs and semi-formulations. The company operates four manufacturing facilities in Telangana. These facilities have approvals and certifications from multiple international regulatory authorities, including United States Food and Drug Administration (USFDA), European Union – Good Manufacturing Practices (EU-GMP), Russia Good Manufacturing Practices (Russia-GMP), Korea Food and Drug Administration (KFDA), Brazilian Health Regulatory Agency (ANVISA -Agência Nacional de Vigilância Sanitária) and Mexico’s Federal Commission for Protection against Sanitary Risks (COFEPRIS-Comisión Federal para la Protección contra Riesgos Sanitarios) with certifications varying across plants and product categories. It manufactures APIs and intermediates across various segments such as anti-bacterial, anti-ulcer, anti-depressant and anti-psychotic, among others. Chemo Espania SL, which is a part of the renowned Insud Pharma (a Spanish multinational company involved in manufacturing and marketing of APIs and formulations), has invested in Nosch through Alkmaar Export BV, its 100% subsidiary. Alkmaar Export BV increased its holding in Nosch to 49% as on March 31, 2026 from 40% in FY2025. It has been a strategic partner since 2006, primarily for the South American market.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current ratings (FY2027)						Chronology of rating history for the past 3 years					
				FY2027		FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	May 12, 2026	Date	Rating	Date	Rating	Date	Rating	Date	Rating
Fund based/Cash Credit	Long Term	8.00	[ICRA]A (Stable)	Apr 30, 2026	[ICRA]A (Stable)	-	-	Jan 24, 2025	[ICRA]A (Stable)	Nov 30, 2023	[ICRA]A- (Stable)
Non-Fund based	Short Term	92.00	[ICRA]A2+	Apr 30, 2026	[ICRA]A2+	-	-	Jan 24, 2025	[ICRA]A2+	Nov 30, 2023	[ICRA]A2+

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI

6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long Term - Fund based/Cash credit	Simple
Short Term – Non-Fund based	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or

complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Long Term - Fund based – Cash Credit	NA	NA	NA	8.00	[ICRA]A (Stable)
NA	Short Term – Non-Fund based	NA	NA	NA	92.00	[ICRA]A2+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis – Not Applicable

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