

January 22, 2026

## Goa Glass Fibre Limited: Ratings downgraded

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term fund based – Cash credit	25.00	25.00	[ICRA]BBB (Stable); rating downgraded from [ICRA]BBB+ (Stable)
Long term fund based – Term loan	25.00	6.94	[ICRA]BBB (Stable); rating downgraded from [ICRA]BBB+ (Stable)
Short term non-fund based – Others	6.00	6.00	[ICRA]A3+; rating downgraded from [ICRA]A2
<b>Total</b>	<b>56.00</b>	<b>37.94</b>	

\*Instrument details are provided in Annexure I

### Rationale

The ratings downgrade reflects the weakening financial performance of 3B Luxembourg S.a.r.l [3B Lux, parent company of Goa Glass Fibre Limited (GGFL)] due to pressure in the global market due to excessive dumping from China, subdued realisations in the European market owing to a weak demand environment and the shutdown of the Norway plant for rebuild.. ICRA also takes note of the delay in the commissioning of the project of 3B Advanced Composites Private Limited (3B ACPL), which along with the rebuild of the Goa Glass furnace for nine months, is likely to create additional pressure on the financial performance in the current fiscal.

3B Lux's profitability remains under pressure with the OBITDA margin dropping to 8.6% in FY2025 from 21.8% in FY2023. Further, the repayments of the term debt availed to fund the 3B ACPL project have commenced from June 2025, as per schedule. However, due to delay in the commencement of operations, the company needs to rely on promoter entities to service its debt obligations until the project starts generating positive cash flows.

The ratings are constrained by the moderate scale of operations and the vulnerability of profitability to raw material price fluctuations and foreign exchange movements. Further, the 3B ACPL project entails a large capex of ~Rs. 1,450 crore and is exposed to significant execution risks. Moreover, there are marketing risks as the new project will result in the addition of sizeable capacities. ICRA notes that of the two furnaces of 60KT, one has started its operations and another is expected to be commissioned by March 2026. As a part of the capex will be funded through GGFL's existing operations, it is likely to exert some pressure on its standalone cash flows and moderate GGFL's financial risk profile to some extent.

In addition, GGFL's nine-month shutdown for furnace rebuild will also impact the cash flow generation during the current fiscal. While the capex outlay is large, a part of it is in the form of precious metals – platinum and rhodium -which can be easily liquidated in case of distress. Further, ICRA believes that cash flow mismatches, if any, are likely to be funded by the promoter group.

ICRA notes that there has been a sharp moderation in GGFL's revenue and profit generation in FY2024 owing to the significant increase in imports from overseas manufacturers at low prices which exerted pressure on the realisations and profitability. However, the scenario improved in FY2025 with better realisation, resulting in higher profitability. ICRA notes that the Directorate General of Trade Remedies (DGTR) has recommended the imposition of an anti-dumping duty (ADD) of Rs. 20–25 per kilogram on glass fibre imports from countries such as China, Thailand, and Bahrain, for a period of five years. While the ADD, once in effect, is likely to further improve the realisations in the domestic market, a persistent pressure on profitability will remain a key credit negative. Also, the subsidiary (3B ACPL), which is taking up the capex, is eligible to avail the benefit of the production-linked incentive (PLI) scheme for textiles. If it is able to meet the criteria, it can support the cash flows.

The ratings factor in the parentage of GGFL and the demonstrated business and financial support from the parent, 3B Lux, which is an established player in the glass fibre business in Europe. The assigned ratings also factor in GGFL's experienced management, its long track record of operations, its established relations with a diversified and reputed customer base and the favourable demand prospects for glass fibre in India.

ICRA notes that India imports a sizeable quantum of glass fibre and the new capacities that GGFL and its subsidiary are putting up will substitute the imports to some extent. ICRA also notes that a major proportion of the debt on the books of 3B Lux is in the form of promoter companies' debt where the company has flexibility in the repayment terms for the principal and the interest, which provides cash flow comfort.

The Stable outlook reflects ICRA's expectations that the company, on a consolidated basis, will be able to generate comfortable cash flows, once the 3B APCL project is operational.

## Key rating drivers and their description

### Credit strengths

**Experienced management and long track record of operations** – GGFL has been operating in the glass fibre business since 1995 and has a long track record of operations. It initially started as a division of Binani Industries Limited (BIL) and then from 2012, it became a wholly-owned subsidiary of 3B Binani Fibre Glass with BIL being the ultimate holding company. Then, the ownership moved to Grasim Industries Limited. In 2021, the current promoter, Mr. Vishal Goenka, acquired this glass fibre business from Grasim and housed it under Quartz Fiber Private Limited.

**Parentage of 3B Fibre Glass Group** – GGFL's standalone capacity is around 25KT per annum at present, while that of the other two plants in Belgium and Norway is 175 KT per annum. GGFL benefits from being part of a larger Group and receives technical support from the Group.

**Established relationship with diversified and reputed clientele** – GGFL has a long-standing and established relationship with reputed and diversified customers, who have given repeat orders to GGFL. GGFL's customer base comprises a mix of distributors and direct customers.

**New capex eligible for PLI benefits** – The new capex under the 100% subsidiary will be entitled to PLI benefits, though the company may not be able to avail the entire spectrum of benefits available under the scheme. However, even if some benefits are accrued, it would provide cash flow support to the consolidated financials.

### Credit challenges

**Moderate scale of operations** – The company reported sales of around Rs. 181.1 crore in FY2025. It has a capacity of 25KT per annum, while the Indian demand is at around 320 KT, making GGFL a relatively small player in the industry. However, the company, under its 100% subsidiary, is setting up a greenfield project for an additional 120-KT capacity.

**Exposure to foreign exchange risk and raw material price volatility** – GGFL's margins remain vulnerable to the volatility in raw material prices. It depends on imports for some key raw materials, prices of which have been volatile over the last few quarters. GGFL is also exposed to the adverse movement in foreign currency rates.

**Large capital expenditure exposes company to project execution, funding and marketing risks** – GGFL is undertaking a large capital expenditure plan under its 100% subsidiary to expand its capacities. The new capex is likely to add around 120-KT capacity and is expected to entail a total outlay of around Rs. 1,450 crore. The capex is proposed to be funded by debt of ~Rs. 900 crore (of which Rs. 750 crore has been drawn down till date) and the rest by funding from promoter group entities. This capex will add sizeable capacities which will expose the company to marketing risks. However, comfort can be drawn from the long-standing presence of the Group in the market and its healthy relationships with the end customers. The company has commenced operation of one furnace having 60-KT capacity in January 2026 and the second furnace is expected to commence its operations in March 2026.

**Moderation in financial metrics likely in the near term** – This capex will result in the addition of sizeable debt at a consolidated level. Moreover, GGFL has undertaken a nine-month shutdown to replace a furnace in the current fiscal. FY2027 will be the first full year of operations of the new project. Thus, the debt metrics will moderate at a consolidated level in the medium term. Moreover, this has coincided with the pressure on the profitability owing to the dumping of finished products from overseas manufacturers.

### Liquidity position: Stretched

The company’s liquidity position remains stretched due to delays in project commencement, which has postponed the operations. Meanwhile, repayment obligations have begun, and the company is reliant on support from promoter entities to meet these commitments. The liquidity is further constrained by the nine-month shutdown of the GGFL plant for the furnace rebuild, which is likely to exert additional pressure on cash flows.

### Rating sensitivities

**Positive factors** – The ratings could be upgraded post the successful commissioning and ramping up of the new capacities that would significantly increase the scale of operations and improve the profit generation on a consolidated basis.

**Negative factors** – The ratings could be revised downwards in case of material cost and time overruns in the project that would worsen the debt protection metrics and liquidity position. A deterioration in the credit profile of the 3B Group or any weakening of the linkage between GGFL and the 3B Group could also trigger a downgrade.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a>
Parent/Group support	Parent Company: 3B Lux S.a.r.l ICRA has considered the benefits that Goa Glass Fibre Limited derives from the parentage of 3B Lux S.a.r.l and its willingness to support GGFL, if any need arises
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of Goa Glass Fibre Limited, along with its wholly-owned subsidiary, 3B Advanced Composites Private Limited

### About the company

Goa Glass Fibre Limited manufactures glass fibre, which finds application in the automotive segment, wind energy, marine operations, etc. GGFL is ultimately held by Quartz Fibre Private Limited, which holds the entire glass fibre business of the Group. The main entity of this Group is 3B Lux S.a.r.l, an entity domiciled in Luxembourg. Within 3B Lux S.a.r.l, there are three subsidiary units: One in Belgium, named 3B Fibreglass SL, with a production capacity of 115 KT; a second 60-KT facility headquartered in Norway, named 3B Fibreglass; and the third is Goa Glass Fibre Limited with its 25KT plant at Colvale, Goa. The production capacity of 3B Lux S.a.r.l, comprising all the three plants, is 215 KT. GGFL is in the process of setting up a sizeable glass fibre capacity of 120 KT under its 100% subsidiary – 3B Advanced Composites Private Limited.

### Key financial indicators

Goa Glass Fibre Limited (Consolidated)	FY2024	FY2025
Operating income	160.0	183.8
PAT	-17.6	-56.3
OPBDIT/OI	-4.5%	5.1%
PAT/OI	-11.0%	-30.6%
Total outside liabilities/Tangible net worth (times)	2.2	6.0

<b>Total debt/OPBDIT (times)</b>	-39.2	69.8
<b>Interest coverage (times)</b>	-0.7	0.9

Source: Company, ICRA Research;; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Jan 22, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
<b>Fund based - Cash credit</b>	Long term	25.00	[ICRA]BBB (Stable)	Apr 05, 2024	[ICRA]BBB+ (Stable)	Nov 10, 2023	[ICRA]BBB+ (Stable)	-	-
				Oct 22, 2024	[ICRA]BBB+ (Stable)	Nov 17, 2023	[ICRA]BBB+ (Stable)		
<b>Fund based - Term loan</b>	Long term	6.94	[ICRA]BBB (Stable)	Apr 05, 2024	[ICRA]BBB+ (Stable)	Nov 10, 2023	[ICRA]BBB+ (Stable)	-	-
				Oct 22, 2024	[ICRA]BBB+ (Stable)	Nov 17, 2023	[ICRA]BBB+ (Stable)		
<b>Non-fund based - Others</b>	Short term	6.00	[ICRA]A3+	Apr 05, 2024	[ICRA]A2	Nov 10, 2023	[ICRA]A2	-	-
				Oct 22, 2024	[ICRA]A2	Nov 17, 2023	[ICRA]A2		

### Complexity level of the rated instruments

Instrument	Complexity indicator
Long term fund based – Cash credit	Simple
Long term fund based – Term loan	Simple
Short term non-fund based - Others	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 I: 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	25.00	[ICRA]BBB (Stable)
NA	Long term fund based – Term loan	October 2022	8.65%	October 2027	6.94	[ICRA]BBB (Stable)
NA	Short term non-fund based - Others	NA	NA	NA	6.00	[ICRA]A3+

Source: Company

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

**Annexure II: List of entities considered for consolidated analysis**

Company name	Ownership	Consolidation approach
3B Advanced Composites Private Limited	100.00%	Full consolidation

Source: Company

## ANALYST CONTACTS

**Girishkumar Kadam**

+91 22 6114 3441

[girishkumar@icraindia.com](mailto:girishkumar@icraindia.com)

**Prashant Vasisht**

+91 12 4454 5322

[prashant.vasisht@icraindia.com](mailto:prashant.vasisht@icraindia.com)

**Anubha Rustagi**

+91 22 6169 3345

[anubha.rustagi2@icraindia.com](mailto:anubha.rustagi2@icraindia.com)

**Saurabh Parikh**

+91 22 6169 33000

[saurabh.parikh@icraindia.com](mailto:saurabh.parikh@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2026 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.