July 28, 2025

Hawkins Cookers Limited: Ratings reaffirmed; rated amount enhanced for fixed-deposit programme

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Fund-based facilities	17.00	17.00	[ICRA]AA-(Stable); reaffirmed
Long-term – Non-fund based facilities	5.00	5.00	[ICRA]AA-(Stable); reaffirmed
Fixed deposit	94.51	110.08	[ICRA]AA-(Stable); reaffirmed/ assigned for enhanced amount
Total	**116.51**	**132.08**	

**Instrument details are provided in Annexure I*

Rationale

The rating reaffirmation of Hawkins Cookers Limited (Hawkins) favourably factors in the expectation that the company's credit profile will remain stable in the near-to-medium term, driven by its position as one of the leading players in the pressure cooker industry with a strong brand franchise, robust cash flows and net debt free status. Further, Hawkins' strong pan-India distribution network ensures a wide reach and mitigates any geographical concentration risk. The ratings continue to derive comfort from the vast experience of its professional management in the kitchenware industry. The company's robust financial risk profile is reflected in its superior return on capital employed (RoCE) and strong cash generation ability, resulting in its net debt-free status and strong debt protection metrics.

The rating is, however, constrained by the company's exposure to relatively concentrated product portfolio and limited market size, with significant dependence on the kitchenware segment. The said segment has been facing stagnancy in volumes in the last three fiscals as sustained inflationary pressure has been impacting demand, amid intense competition. The revenues have also witnessed volatility in the last five fiscals as high inflation impacted the purchasing power of customers, which in turn affected the company's growth. The revenue growth rate continues to remain moderate at 8.9% in FY2025 (1.8% in FY2024) on a YoY basis, driven by increase in sales volume. Hawkins' operating profit margins are also vulnerable to volatility in raw material prices and intense competition from other leading national and regional players as well as from the unorganised sector. The company's operating profit margins declined to 13.9% in FY2025 from 14.7% in FY2024, primarily due to rising raw material costs and absence of price hikes in FY2025. Nevertheless, margins are anticipated to recover in FY2026, backed by the price increase implemented in April- May 2025 and higher sales volume. ICRA also observes that Hawkins has ventured into the electric kettle segment, which is still in its early stage. The company's ability to diversify its products across new categories to reduce its concentration on a single product category remains a key rating monitorable.

ICRA's stable outlook factors in ICRA's expectations that Hawkins will continue to maintain a strong financial risk profile, led by healthy cash generation from operations, supported by company's strong brand equity and leadership position in the pressure cooker and cookware market.

Key rating drivers and their description

Credit strengths

Established brand as a leading player in the pressure cooker segment – Incorporated in 1959, the company is one of the leading players in the pressure cooker and cookware segments with a strong brand equity in the domestic market, built over decades. The company continues to invest in brand building, which is driving increased demand and bodes well for its future growth.

Promoters' experience of three decades along with professional management team – Hawkins is backed by the sound experience of its executive management in the industry for nearly three decades, first under the guidance of Late H.D. Vasudeva, and then Late Brahm Vasudeva. Following the demise of Brahm Vasudeva, the former Chairman, Mr. Subhadip Dutta Choudhury has been appointed as the Chairman of the Board of Directors and the Managing Director, with effect from August 6, 2020. He is also the Chief Executive Officer of Hawkins. He has been associated with Hawkins for more than three decades.

Strong financial risk profile – The company has a strong financial risk profile, reflected in its RoCE of 43.0%, and healthy cash generation from operations in FY2025 with a net debt-free position. The company has a comfortable capital structure, reflected in its gearing of 0.1 times as on March 31, 2025 (against 0.1 times as on March 31, 2024). The coverage indicators remain healthy, with net cash accruals/total debt of 271% (210% in FY2024) and leverage (total debt/OPBDITA) of 0.1 times in FY2025 (0.2 times in FY2024). ICRA notes that the expansion in the net worth has been relatively limited because of stable payout of dividends over the years.

Established distribution network with pan-India presence – Hawkins has built an extensive distribution network across India, enabling it to reach customers in both urban and rural areas. The company's wide presence strengthens its brand and ensures steady product availability, thereby supporting revenue growth. In FY2025, the domestic market contributed 93% to the total sales, with the balance contributed by exports.

Credit challenges

Vulnerability of profit margins to raw material prices – Aluminium and stainless steel are the key raw materials for the pressure cooker and cookware industry. The company's profit margins remain exposed to volatility in raw material prices, mainly aluminium, which have exhibited fluctuations in the past. The same is also reflected in volatility in the company's operating margins, as reflected by a decline in the operating profit margins to 13.9% in FY2025 against 14.7% in FY2024, primarily due to increase in aluminium prices. However, the operating margins are expected to improve in FY2026, supported by price hikes undertaken by the company in April- May 2025.

Exposed to intense competition – The company is exposed to intense competition in the industry from other branded players, resulting in limited pricing power. Further, the company incurs considerable expenses on advertising and trade discounts to sustain and build its market share.

Relatively concentrated product portfolio and limited market size – The company's product portfolio remains relatively concentrated towards the pressure cooker and cookware segments and is vulnerable to any economic downturn. Further, its overall growth prospects remain constrained by the limited market size of the pressure cooker segment. The company has been facing stagnancy in volume growth in the last three fiscals as sustained high inflation has been impacting demand and purchasing power of customers. In the near term, growth in the kitchenware segment is expected to remain range bound, given the high inflation level, though strengthening of the rural economy amid expectations of better monsoon remain sources of comfort. Further, the revenue growth in FY2026 is anticipated to benefit from the price increases implemented by the company in April- May 2025.

Environmental and social risks

Environmental considerations: Environmental risks for the industry players include handling hazardous waste materials and waste disposal practices. The company is exposed to high cost involved for maintaining the standards needed to be environmentally compliant. However, the company ensures that e-waste and hazardous waste are disposed through authorised agencies and aluminium scrap is recycled as well. While these risks have not resulted in any material implication yet, any breach in waste management or higher-than-permissible emission norms could have cost implications for the company.

Social considerations – Hawkins is exposed to social risks, including implementation of labour rights. Entities in this sector are also exposed to the risk of disruption due to inability to properly manage human capital in terms of their safety and overall well-being. Further, any significant increase in wage rates can adversely impact the cost structure, impacting their margins. Hawkins is also exposed to the shortage of skilled labourers, which can impact operations.

Liquidity position: Strong

The company has a strong liquidity position, backed by healthy cash generation from its operations and limited working capital requirements in the business. Unencumbered cash and liquid investments of Rs. 184.1 crore as on March 31, 2025, coupled with largely unutilised working capital limits including under fixed deposit scheme (up to 35% of net worth, against which Rs. 20.7 crore was utilised as on March 31, 2025) and expected fund flow from operations in FY2026 are estimated to remain adequate for Hawkins' funding requirements. This provides a strong liquidity cushion. ICRA expects Hawkins to maintain a comfortable liquidity position, commensurate with its business requirements and financial obligations.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if there is any significant improvement in its scale of operations with product diversification in new categories, while maintaining its strong financial profile.

Negative factors – Pressure on the rating could arise in case of a materially weak operating performance on account of any sharp demand contraction. Any significant pressure on liquidity could be considered a negative trigger as well.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology
Parent/Group support	Not Applicable
Consolidation/Standalone	The rating is based on the standalone financial statements of the issuer.

About the company

Hawkins Cookers Limited was incorporated in 1959 as Pressure Cookers and Appliances Pvt. Ltd. under the guidance of the Late H.D. Vasudeva and then, led for over 50 years by the Late Brahm Vasudeva. Hawkins is one of the leading manufacturers of pressure cookers and cookware in India, with the domestic market driving around 94% of its overall sales, and the overseas markets accounting for the rest. The company's pressure cookers and cookware are marketed under its flagship brand, Hawkins, as well as Futura and Miss Mary. The company's cookware is sold under the Futura and Hawkins brands. The company has 26 models of stainless-steel pressure cookers and 92 models of aluminium pressure cookers. Hawkins Classic is the largest selling and most popular range of pressure cooker for the company. Hawkins has various kinds of shape, size and material in its kitchenware segment useful for households, hotels and canteens. Futura cookware offers various hard anodised and non-stick cookware in different sizes to meet consumer requirements. The company has added Hawkins Tri-Ply stainless steel frying pans, deep fry and flat pans in its range of stainless-steel cookware. It has also successfully diversified into pressure die cast aluminium and cast-iron cookware. The company has entered the kitchen electricals in FY2025 with the Futura Kettle.

The company has two offices in Mumbai and a factory each in Thane (Maharashtra) and Hoshiarpur (Punjab) and two factories in Jaunpur (Uttar Pradesh). While its pressure cookers, cookware and electric kettle are all manufactured at the company's plants, the cookware is still mainly traded. The company has a strong distribution network of 9,588 dealers as on March 31, 2025.

Key financial indicators (audited)

	FY2024	FY2025
Operating income	1,024.1	1,115.8
PAT	109.8	114.7
OPBDIT/OI	14.7%	13.9%
PAT/OI	10.7%	10.3%
Total outside liabilities/Tangible net worth (times)	0.6	0.5
Total debt/OPBDIT (times)	0.2	0.1
Interest coverage (times)	33.0	53.2

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

Current rating (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	**Type**	**Amount rated (Rs. crore)**	**Jul 28, 2025**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Fund-based facilities	Long-Term	17.00	**[ICRA]AA- (Stable)**	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)	Jun-28-2022	[ICRA]AA- (Stable)
			-	-	-	-	-	Aug-01-2022	[ICRA]AA- (Stable)
Non-fund-based facilities	Long-Term	5.00	**[ICRA]AA- (Stable)**	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)	Jun-28-2022	[ICRA]AA- (Stable)
			-	-	-	-	-	Aug-01-2022	[ICRA]AA- (Stable)
Fixed Deposit	Long-Term	110.08	**[ICRA]AA- (Stable)**	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)	Jun-28-2022	[ICRA]AA- (Stable)
			-	-	-	-	-	Aug-01-2022	[ICRA]AA- (Stable)

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term fund-based facilities	Simple
Long term non-fund-based facilities	Very Simple
Fixed Deposit	Very 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 facilities**	NA	NA	NA	17.00	[ICRA]AA- (Stable)
NA	**Long term non-fund-based facilities**	NA	NA	NA	5.00	[ICRA]AA- (Stable)
NA	**Fixed Deposit**	NA	NA	NA	110.08	[ICRA]AA- (Stable)

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

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

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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.

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