July 23, 2026

Hawkins Cookers Limited: Rating reaffirmed and rated amount enhanced for fixed deposit programme

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	#Financial Sector Regulators
Long-term – Fund-based facilities	17.00	17.00	[ICRA]AA- (Stable); reaffirmed	RBI
Long-term – Non-fund based facilities	5.00	5.00	[ICRA]AA- (Stable); reaffirmed	RBI
Fixed deposit	110.08	129.93	[ICRA]AA- (Stable); reaffirmed/ assigned for enhanced amount	MCA
Total	**132.08**	**151.93**		

**Instrument details are provided in Annexure I*

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

Rationale

The rating reaffirmation for Hawkins Cookers Limited (Hawkins) considers its comfortable market position as one of the leading players in the pressure cooker industry, with a significant brand franchise as well as robust cash flows and a net debt-free status which are likely to keep the credit profile healthy. The company's strong pan-India distribution network ensures a wide reach, leading to adequate geographical diversification. The rating also continues to derive comfort from the vast experience of its professional management in the kitchenware industry. The company's revenues increased by 12.3% to Rs. 1,252.9 crore in FY2026, driven by a moderate growth in sales volumes and improved product realisations across both the pressure cooker and cookware segments. The growth was supported by sustained demand across core product categories, strong brand recall, extensive distribution reach, benefits from the Goods and Services Tax (GST) reduction on pressure cookers and market share gains from smaller unorganised players amid elevated raw material prices, which adversely impacted pricing flexibility of smaller players operating in the lower price segment. The company demonstrated its ability to maintain healthy profitability despite cost inflation, as reflected by an operating margin of 14.4% in FY2026 vis-a-vis 13.9% in FY2025, through calibrated pricing actions, operating efficiencies and scale benefits. While operating margins are expected to remain robust, elevated aluminium prices amid the ongoing West Asia conflict could exert some pressure on profitability. Nevertheless, the price hikes undertaken in March-April 2026 are likely to partly mitigate the impact of higher input costs. The company's robust financial risk profile is reflected in its superior return on capital employed (RoCE), which stood at around 43% over the last two fiscals, and strong cash generation ability, leading to its net debt-free status and healthy debt protection metrics.

The rating is, however, constrained by the company's relatively concentrated product profile, with pressure cookers continuing to account for a significant share of revenues, and the limited market size of the kitchenware segment which witnessed stagnancy in demand amid inflationary pressure and intense competition in the recent years. It has been gradually diversifying into cookware, electrical appliances, gas stoves and other kitchen utility products. Nevertheless, the pace of diversification and the ability to scale up these adjacent kitchenware categories and electrical appliances product segments while maintaining healthy profitability remains a key monitorable. Besides, the operating profit margins are 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 Stable outlook factors in ICRA's expectations that Hawkins will maintain a strong financial risk profile, led by healthy cash generation from operations and limited debt-funded capital expenditure (capex) plans, and its significant brand equity and leadership position in the pressure cooker and cookware market would sustainably support the credit profile.

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. It 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, built under the guidance of the late Promoter Brahm Vasudeva till the year 2020. 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 the company for more than three decades.

Strong financial risk profile – The company has a strong financial risk profile, reflected in its RoCE of 42.7% and healthy cash accruals (around Rs. 77 crore in FY2026) despite the sizeable dividend payout, along with a negative net debt position. It has a comfortable capital structure, reflected in its gearing of 0.1 times over the last three fiscals. The coverage indicators remain healthy, with net cash accruals/total debt of 262% (271% in FY2025) and total debt/OPBDITA of 0.2 times (0.1 times in FY2025) in FY2026. Nevertheless, ICRA notes that the expansion in the net worth has been relatively limited because of payout of sizeable 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 FY2026, the domestic market contributed 95% 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 its operating margins in the past. However, operating margins improved to 14.4% in FY2026 over 13.9% in FY2025, supported by price hikes undertaken by the company in April–May 2025. While margins are expected to remain healthy going forward, some pressure may arise from the recent increase in aluminium prices amid the escalating West Asia conflict. However, the company undertook further price hikes during March-April 2026, which are likely to partly offset the impact of higher raw material costs and support profitability.

Exposed to intense competition – The company is exposed to intense competition from both organised branded players as well as unorganised participants, which limits its pricing power to some extent despite the premium commanded by its established brands. Consequently, it incurs considerable expenses on advertising and trade discounts to sustain and build its market share, keeping profitability under check.

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 are still constrained by the limited market size of the pressure cooker segment. The company witnessed modest volume growth in recent years, with sustained high inflation impacting demand and purchasing power of customers. In the near term, growth in the kitchenware segment is expected to remain range-bound, given the inflationary pressure. Further, revenue growth in FY2027 is likely to be supported by the price increases implemented by the company.

Environmental and social risks

Environmental considerations –The cookware and kitchen appliances industry is exposed to environmental risks arising from the consumption of metals and other raw materials, generation of industrial waste and increasing regulatory requirements related to environmental compliance. Industry participants may be required to incur substantial capital and operating expenditure to comply with evolving environmental norms, manage waste responsibly and improve resource efficiency. Any tightening of environmental regulations, non-compliance with prescribed standards or disruption in the availability of sustainable raw materials may result in higher costs and adversely impact profitability.

Social considerations – The industry is exposed to social risks related to labour management, employee health and safety, compliance with labour regulations and the availability of skilled manpower. Manufacturing operations are labour-intensive and require a trained workforce for efficient production and quality control. Consequently, labour shortages, rising wage costs, higher employee attrition, industrial relations issues or workplace safety incidents could affect operational efficiency and increase cost pressures. In addition, changing consumer preferences towards product quality, safety and sustainability continue to influence industry practices and reputation.

Liquidity position: Strong

The company has a Strong liquidity position, backed by healthy cash flow from operations, which stood at around Rs. 87 crore in FY2026, aided by robust profitability and moderate working capital requirements in the business. Unencumbered cash and liquid investments of around Rs. 186 crore as on March 31, 2026, coupled with largely unutilised working capital limits including the fixed deposit scheme with a limit up to 35% of net worth, against which Rs. 26.4 crore (excludes directors) was utilised as on March 31, 2026, provide a strong liquidity cushion. The company's sizeable dividend payout (around Rs. 69 crore in FY2026) is likely to sustain, given adequate surplus available after fulfilment of business requirements. However, absence of any major capex plans and limited debt repayment obligation (around Rs. 8 crore annually in FY2027 and FY2028) vis-à-vis healthy cash flow from operations would continue to keep the liquidity position strong.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if there is any significant improvement in its scale of operations, supported by successful scale-up of its cookware and emerging kitchen appliance segments, leading to lower product concentration while maintaining healthy profitability and strong debt protection metrics.

Negative factors – Pressure on the rating could arise if there is a sustained decline in demand for the company's core pressure cooker and cookware segments, resulting in a material decrease in revenues and profitability. Any significant deterioration in its liquidity position, or any large debt-funded investments/acquisitions that weaken its credit metrics, could also be considered a negative trigger.

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 was then led for over 50 years by the Late Brahm Vasudeva. It is one of the leading manufacturers of pressure cookers and cookware in India, with the domestic market driving around 95% 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, Miss Mary and Quick. Its cookware is sold under the Futura, Hawkins and Quick brands. The company has 39 models of stainless-steel pressure cookers and 103 models of aluminium pressure cookers. It also entered the kitchen electricals segment in FY2025, however, revenue contribution from the segment is low at present.

Hawkins has a factory in Thane (Maharashtra) and Hoshiarpur (Punjab) and two factories in Jaunpur (Uttar Pradesh). While pressure cookers, cookware and electric kettles are all manufactured at the company's plants, the cookware is still mainly traded. It has a strong distribution network with 10,657 dealers as on March 31, 2026.

Key financial indicators (audited)

Hawkins Cookers Limited (standalone)	FY2025	FY2026
Operating income (OI)	1,115.8	1,252.9
PAT	114.7	131.2
OPBDIT/OI	13.9%	14.4%
PAT/OI	10.3%	10.5%
Total outside liabilities/Tangible net worth (times)	0.5	0.5
Total debt/OPBDIT (times)	0.1	0.2
Interest coverage (times)	53.2	51.2

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 (FY2027)	Chronology of rating history for the past 3 years					
				FY2026		FY2025		FY2024	
Instrument	Type	Amount rated (Rs. crore)	Jul 23, 2026	Date	Rating	Date	Rating	Date	Rating
Fund-based facilities	Long-term	17.00	[ICRA]AA- (Stable)	Jul 28, 2025	[ICRA]AA- (Stable)	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)
			-	-	-	-	-	-	-
Non-fund based facilities	Long-term	5.00	[ICRA]AA- (Stable)	Jul 28, 2025	[ICRA]AA- (Stable)	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)
			-	-	-	-	-	-	-
Fixed deposit	Long-term	129.93	[ICRA]AA- (Stable)	Jul 28, 2025	[ICRA]AA- (Stable)	Jul-30-2024	[ICRA]AA- (Stable)	Aug-02-2023	[ICRA]AA- (Stable)
			-	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based facilities	Simple
Long term – Non-fund based facilities	Simple
Fixed deposit	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	#Financial Sector Regulators
NA	**Long term – Fund-based facilities**	NA	NA	NA	17.00	[ICRA]AA- (Stable)	RBI
NA	**Long term – Non-fund based facilities**	NA	NA	NA	5.00	[ICRA]AA- (Stable)	RBI
NA	**Fixed deposit**	NA	NA	NA	129.93	[ICRA]AA- (Stable)	MCA

Source: Company

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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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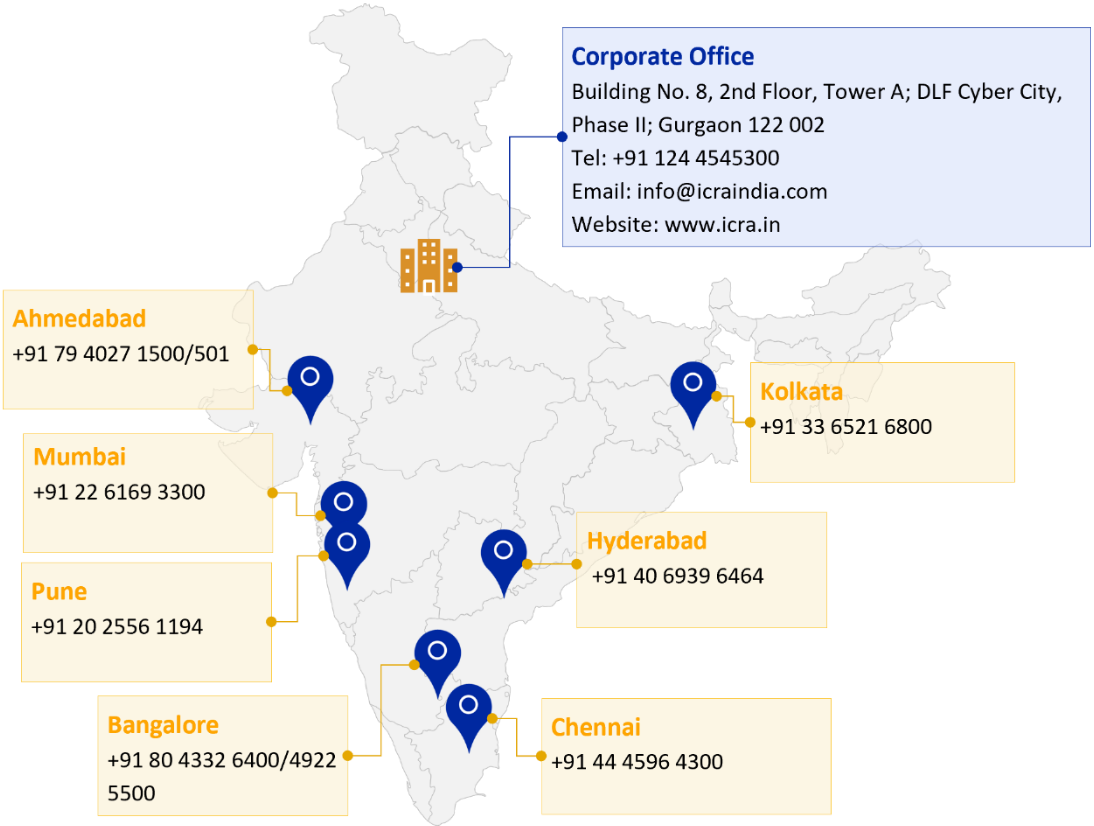

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