

March 18, 2026

24/7 Customer Private Limited: Ratings reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long-term – Non-fund based	60.00	60.00	[ICRA]BBB (Stable); reaffirmed
Short-term – Fund-based	75.00	75.00	[ICRA]A3+; reaffirmed
Long-term/ Short-term – Unallocated	32.00	32.00	[ICRA]BBB (Stable)/ [ICRA]A3+; reaffirmed
Total	167.00	167.00	

*Instrument details are provided in Annexure I

Rationale

The reaffirmation of ratings of 24/7 Customer Private Limited (24/7 India) factors in the established track record of the company and its parent, [24]7.ai.inc (24/7 USA), in the business process outsourcing (BPO) industry and the latter's long association along with a diverse and reputed client base that ensures repeat business. Moreover, the fixed cost-plus margin model under which 24/7 India operates provides inherent stability to its margins, mitigating input cost pressures to an extent. The company reported a modest 4% year-on-year (YoY) decline in revenues to Rs. 591.9 crore in FY2025, primarily reflecting revenue moderation at the parent level amid persistent macro-economic headwinds. Revenue growth in the current fiscal is expected to remain modest, supported by favourable currency movements and the entity's continued strategic importance to the Group. Nevertheless, margins are expected to remain stable, with the cost-plus structure supporting 24/7 India coverage indicators and liquidity profile.

The ratings remain constrained by the company's high revenue dependence on the US market and its complete workflow linkage with the parent, exposing operations to cyclicity and macro-economic risks in that region. The proposed Halting International Relocation of Employment (HIRE) Act also poses regulatory uncertainties for the Indian IT services sector, though its eventual impact remains unclear as the legislation is still under review. The ratings further factor in intense competition from domestic and global players, wage inflation, and employee attrition. While the company is exposed to forex risks given export driven revenue, the company undertakes hedging which mitigates this risk to some extent. 24/7 India in recent years has made significant dividend payouts which have moderated its net worth, and any future payouts impacting liquidity will remain monitorable. Moreover, ICRA remains cognisant of the evolving risks and opportunities from increased Artificial Intelligence (AI)/Generative (Gen) AI adoption, which could alter delivery, pricing and talent structures. These shifts may pose execution challenges even as they create new revenue opportunities. The impact of these developments on the company will be monitored.

The Stable outlook on the long-term rating reflects ICRA's opinion that 24/7 India will continue to benefit from its strategic position as one of the key offshore centres for the Group, which provides revenue visibility and supports the company's credit profile.

Key rating drivers and their description

Credit strengths

Established track record of 24/7 Group in BPO industry; long association with diversified and reputed client base – Established in 2000, 24/7 USA is a privately-held company, employing over 10,000+ people worldwide, providing customer service solutions. The 24/7 Group has a well-established and reputed clientele across industries, primarily in telecom, retail

banking and financial services that are supported by traditional voice services and innovative web chat, mobile and self-service solutions. Also, over the years, the company has been able to add as well as retain customers across industries, thereby ensuring repeat business. The company operates six offshore centres around the world and has grown via organic as well as inorganic routes.

Fixed cost-plus margin model ensures stable operating margins for 24/7 India – The company provides BPO services through various interactive platforms such as interactive voice response (IVR), chat and email as well as call support to the customers of the parent entity. Thus, 24/7 India derives its entire revenue from 24/7 USA. The services are charged at ‘cost plus 17% margin’ as per the latest transfer pricing agreement (between the company and Income Tax Authorities of India) with validity until FY2029. The cost includes foreign exchange loss, except income tax, depreciation routed through other comprehensive income for BPO services, software development and support services. This in turn ensures relatively stable operating margins, insulating the company from any volatility arising from cost pressure.

Credit challenges

Dependence on parent resulting in high geographical concentration and adverse regulatory changes in key markets – 24/7 India is involved in the business of providing IT-enabled services, primarily customer relationship management services and customer analytics, and is entirely dependent on the workflow outsourced by its parent entity. While the company caters to several reputed multi-national companies (MNCs) across diverse sectors, about 85% of its revenue comes from the US market. Thus, the high geographical concentration of end-customers in the US market exposes the operations of the 24/7 Group and the workflow of 24/7 India to cyclical, adverse regulatory changes. This has been evident with the company witnessing revenue growth moderation over the past 2 years due to persistent macro-economic headwinds exacerbated further by US tariff imposition. Any major loss of market share or key customers at the parent level may have a direct impact on the performance of 24/7 India. In FY2025, 24/7 witnessed YoY revenue decline of 4% to Rs. 591.9 crore in line with revenue moderation at the parental level, while FY2026 is expected to record modest growth primarily supported by favourable currency movements. However, margins are expected to remain stable given the cost-plus model.

Exposure to employee attrition, forex risk and intense competition in the industry – The BPO industry faces high employee attrition due to limited career growth opportunity. The company’s entire revenues are derived in foreign currency. Hence, it is exposed to forex risk, nonetheless, the same is mitigated to an extent by the hedging practices followed by the company. The 24/7 Group faces intense competition from other domestic and international BPOs, Indian IT services companies and their BPO arms with strong technical and financial capabilities and players from other low-cost countries as outsourcing is driven by cost savings which exerts pressure on pricing.

Liquidity position: Adequate

The company’s liquidity position is adequate, supported by cash/bank balance of around Rs. 126 crore (\$14 million) and buffer in the form of undrawn bank lines of Rs. 75 crore as of January 2026. However, the bank lines can be utilised in the future in case of a further increase in receivables from the parent entity. Further, the company is debt free (excluding lease liabilities) and does not have any major capex plan, with liquidity expected to remain adequate.

Rating sensitivities

Positive factors – ICRA could upgrade the rating if the company demonstrates strong growth in revenue and earnings, while maintaining healthy credit metrics and adequate liquidity position.

Negative factors – ICRA could downgrade the ratings if considerable decline in scale of operations and accruals, stretch in working capital intensity and/or any sizeable upstreaming of funds to the parent entity, result in weakening of the liquidity position and credit metrics on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology IT - Software & Services
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the standalone financials of 24/7 India.

About the company

Incorporated in March 2000, 24/7 India is a wholly owned subsidiary of [24]7.ai. USA, promoted by Mr. PV Kannan and Mr. Shanmugam Nagarajan in 2000.

24/7 USA, headquartered in Campbell, California, and provides cloud-based customer engagement solutions from its six back-office units (BPO/KPO), three of which are in India (Bengaluru, Hyderabad and Shillong), two in the Philippines, and one Latin America. The company caters to several reputed MNCs in the telecom, financial services, retail, technology, and travel industries.

24/7 India provides services through various interactive platforms such as IVR, chat and email as well as call support to the customers of 24/7 USA. The company provides its entire services to 24/7 USA from Bengaluru, Hyderabad and Shillong with an aggregate employee strength of around 5000+ personnel.

Key financial indicators (audited)

24/7 India – Standalone	FY2024	FY2025
Operating income	616.7	591.9
PAT	183.8	162.7
OPBDIT/OI	22.0%	20.0%
PAT/OI	29.8%	27.5%
Total outside liabilities/Tangible net worth (times)	0.4	1.6
Total debt/OPBDIT (times)	1.2	2.1
Interest coverage (times)	8.8	6.9

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amounts in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Mar 18, 2026	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
Non fund based	Long term	60.00	[ICRA]BBB (Stable)	Apr 04, 2025	[ICRA]BBB (Stable)	-	-	Feb 26, 2024	[ICRA]BBB (Stable)	Nov 23, 2022	[ICRA]BBB (Stable)
			-	-	-	-	-	-	-	Nov 17, 2022	[ICRA]BBB (Stable)

Instrument	Current rating (FY2026)					Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Mar 18, 2026	Date	Rating	FY2025		FY2024		FY2023	
						Date	Rating	Date	Rating	Date	Rating
Fund based	Short term	75.00	[ICRA]A3+	Apr 04, 2025	[ICRA]A3+	-	-	Feb 26, 2024	[ICRA]A3+	Nov 23, 2022	[ICRA]A3+
			-	-	-	-	-	-	-	Nov 17, 2022	[ICRA]A3+
Unallocated	Long term/ Short term	32.00	[ICRA]BBB (Stable)/ [ICRA]A3+	Apr 04, 2025	[ICRA]BBB (Stable)/ [ICRA]A3+	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term – Non fund-based	Simple
Short -term – Fund-based	Simple
Long-term/ Short -term – Unallocated	Not Applicable

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	Non-fund based	NA	NA	NA	60.00	[ICRA]BBB (Stable)
NA	Fund-based	NA	NA	NA	75.00	[ICRA]A3+
NA	Unallocated	NA	NA	NA	32.00	[ICRA]BBB (Stable)/ [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: Not Applicable

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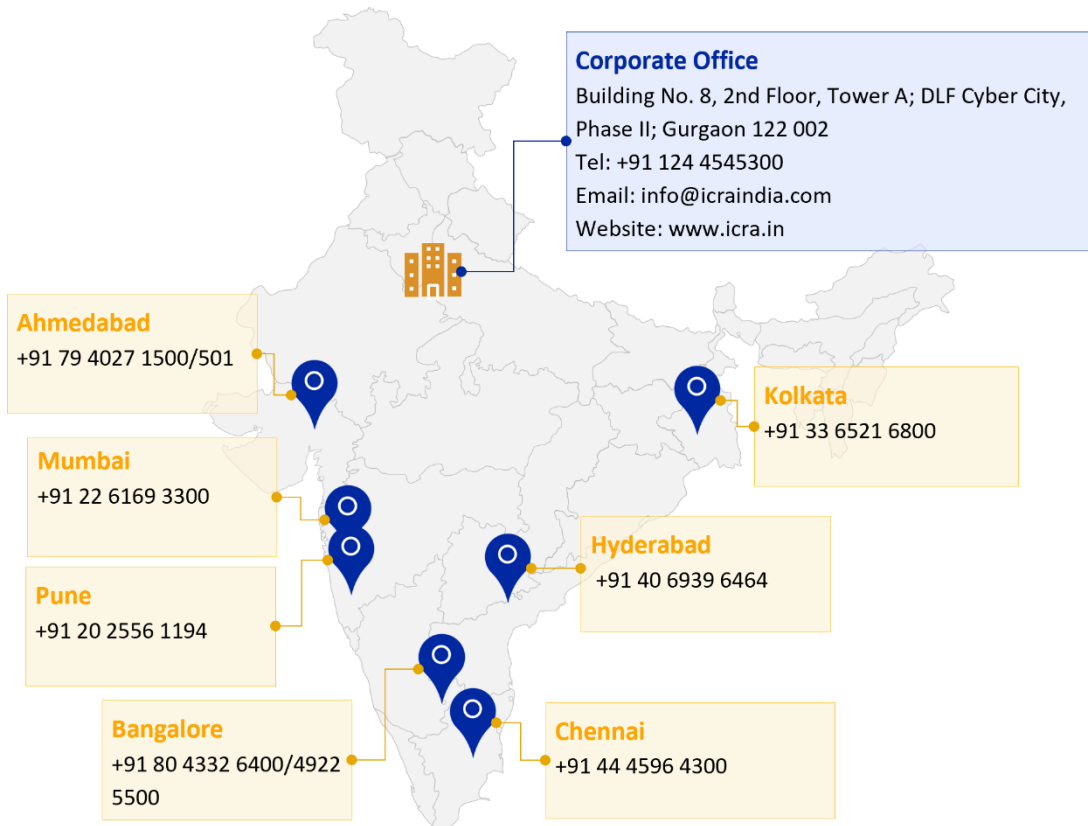


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