

October 01, 2026

Julius Baer Capital (India) Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator [#]
Commercial paper (CP) programme	5,500.00	5,500.00	[ICRA]A1+; reaffirmed	RBI
Total	5,500.00	5,500.00		

*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 which fall under the regulatory purview of Financial Sector Regulators other than SEBI

Rationale

The rating continues to factor in the strong parentage of Julius Baer Capital (India) Private Limited (JBCIL), as it is a part of Julius Baer Group. Julius Baer Group Limited (JBGL; rated Baa1/Stable by Moody's) is the ultimate holding company of the Group with assets under management (AUM) of CHF¹ 547 billion as on June 30, 2026. JBCIL is a wholly-owned subsidiary of India-focussed Julius Baer Wealth Advisors (India) Private Limited (JBWA), which is fully owned by JBGL.

JBCIL provides loan against securities (LAS) predominantly to JBWA's wealth clients. Given the ownership structure, operational synergies and the shared brand name, ICRA expects the Group to provide timely funding support to JBCIL, if required. The Group has demonstrated its commitment towards JBCIL in the form of capital infusions in the past. Additionally, the company benefits from active board oversight and managerial support from JBGL, supporting its governance framework.

The rating also reflects JBCIL's adequate capitalisation and liquidity along with its effective risk management systems that draw from the Group's global risk management policies. ICRA notes that the scale of operations remains linked to the performance of the Group's broader wealth management operations in India. Additionally, the operations are dependent on capital markets, which inherently carry a higher risk profile due to the nature of the collateral. Despite its exposure to volatile capital markets, JBCIL has continued to report healthy asset quality, with nil gross non-performing assets (GNPAs) since inception. Its adequate capitalisation is characterised by a net worth of Rs. 1,068 crore², capital-to-risk weighted assets ratio (CRAR) of 21.5% and gearing of 4.0 times as on June 30, 2026. ICRA notes the management's stated intent of operating at a maximum leverage of 4.8 times while maintaining a CRAR of at least 17-18% in the medium term.

Considering the short-term nature of the LAS product, the borrowing profile continues to be dominated by commercial paper (CP). Despite this, JBCIL's liquidity position remains adequate with no negative cumulative mismatches across all maturity buckets. The company's profitability profile remains modest, constrained by its presence only in the LAS segment, which is offered selectively to clients against specific eligible securities.

Key rating drivers and their description

Credit strengths

Strong parentage by virtue of being a part of Julius Baer Group – ICRA's rating remains supported by Julius Baer Group's ownership. Given its parentage, JBCIL continues to enjoy operational, managerial and financial support from the Group. Moreover, as a part of Julius Baer Group, it has access to the high and ultra-high-net-worth individuals (HNWIs and UHNWIs),

¹ Swiss franc

² Adjusted for goodwill of Rs. 33 crore

who form a part of its borrower groups. During FY2022-FY2024, JBCIL received periodic capital support from the ultimate parent (Rs. 442 crore) and ICRA expects the same to continue in case of contingencies/growth requirements. The shared brand name, timely capital infusions and managerial oversight from JBGL support ICRA's opinion about JBCIL's importance to the Group.

Bank Julius Baer and Co. Ltd. (BJB) is the main operating entity of Julius Baer Group, which is a Swiss banking group focussed on wealth management and client-related services for HNWIs and UHNWIs, family offices, and external asset managers. The Group operates in around 25 countries across 60 locations. JBWA is the wealth management arm of the Group in India, managing a 5-6% share of the global AUM, while JBCIL extends LAS, predominantly to JBWA's clients.

Adequate capitalisation – JBCIL's capitalisation profile remains adequate despite the debt-funded scaleup in the lending business. Also, to comply with liquidity coverage regulations, the company maintains on-balance sheet liquidity, primarily in cash and liquid investments, to cover debt obligations due over the next 2-3 months. This contributes to the increase in the leverage as well. As on June 30, 2026, its capitalisation profile was characterised by a net worth of Rs. 1,068 crore³, CRAR of 21.5% and gearing of 4.0 times. Following the healthy growth in the loan book, the gearing had inched up to 4.7 times as of December 2025 before easing to 4.4 times as of March 2026 and further to 4.0 times as of June 2026, driven by the contraction in loan book. ICRA notes the management's stated intent of operating at a financial leverage of up to 4.8 times while maintaining a CRAR of 17-18% in the medium term. Notably, JBCIL has not faced any asset quality challenges since inception. This, coupled with the relatively liquid collateral, is likely to keep the loss upon default low, providing comfort regarding the sufficiency of the capitalisation levels.

Track record of healthy asset quality – JBCIL's loan book is backed by equity shares, debt/equity mutual fund units and bonds. In line with domestic regulations, the loan-to-value (LTV) for LAS is capped at 50%⁴ while it is higher for loan against debt instruments and mutual funds. Furthermore, ICRA takes note of the company's effective risk management systems, which involve constant monitoring of the loan portfolio. This is evidenced by the absence of any instance of the company enforcing the sale of securities in the last several years because a borrower failed to respond to a margin call⁵. JBCIL has continued to report healthy asset quality, with nil GNPA's since inception.

Credit challenges

Exposed to volatility in capital markets – Given its LAS-focussed portfolio, JBCIL's loan book remains susceptible to the volatility in capital markets. Further, on the liability side, given the high dependence on money market borrowings, market volatility could constrain funding availability and the rollover of CPs. This could impact the borrowing levels and scale of operations. Nonetheless, the company mitigates the same by keeping liquidity in the form of cash and liquid investments for the upcoming 2-3 months' CP maturities.

As on June 30, 2026, JBCIL had a loan book of Rs. 4,762 crore (Rs. 4,922 crore as on March 31, 2026 and Rs. 4,765 crore as on March 31, 2025). As its focus is on providing LAS to HNWIs and UHNWIs from the pool of JBWA's customers, the scale of operations is expected to be dependent on the performance of the Group's broader wealth management operations in India.

As far as concentration risk is concerned, JBCIL's top 10 and top 20 borrowers accounted for 27% and 42%, respectively, of its total advances as on June 30, 2026.

³ Adjusted for goodwill of Rs. 33 crore

⁴ Average LTV during FY2022 to Q1 FY2027 was 32%

⁵ A margin call is triggered when a decline in the (fair/market) value of a collateral on a particular day results in the LTV ratio breaching the maximum permissible limit; in such a scenario, the borrower is allowed a specific period to top up the deficit in the collateral value (either through cash or in the form of acceptable securities), failing which the company would enforce the security

Between FY2019 and FY2026, JBCIL's average return on assets (RoA) and return on net worth (RoNW) were 1.9% and 7.0%, respectively, reflecting a steady performance trajectory though the same moderated recently with RoA and RoNW of 0.9% and 4.8%, respectively, in Q1 FY2027 and 1.2% and 6.6%, respectively, in FY2026. In Q1 FY2027, the cost of borrowing increased in line with the broader uptick in money market rates resulting in contraction in the lending spreads. The performance in FY2026 was impacted by higher on-balance sheet liquidity⁶. Nevertheless, ICRA notes that revenue remains partly supported by the company's bond warehousing segment, undertaken on behalf of its clients, while profitability continues to benefit from the stable operating cost structure and negligible credit costs.

Liquidity position: Adequate

JBCIL largely offers LAS, a short-term loan product. Hence, despite short-term CP constituting almost the entire share of its borrowings, as on June 30, 2026, the cumulative gaps remained largely positive across most maturity buckets as per the asset-liability maturity (ALM) profile. As on June 30, 2026, the company had a free cash and bank balance of ~Rs. 474 crore and drawable but unutilised lines of Rs. 250 crore against CP outstanding of ~Rs. 4,203 crore (of which Rs. 3,301 crore is due for payment in the next six months). Further, healthy collections from the LAS book and JBCIL's demonstrated ability to raise funds provide comfort.

Rating sensitivities

Positive factors – Not applicable

Negative factors – A material deterioration in the credit profile of the ultimate parent (JBGL) or any weakening in the likelihood of financial support from the ultimate parent will be a credit negative. A significant and sustained increase in JBCIL's leverage will also be a credit negative.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Finance Companies
Parent/Group support	Ultimate parent: JBGL Immediate parent: JBWA JBCIL is a wholly-owned subsidiary of JBWA, which is fully owned by JBGL (rated Baa1/Stable by Moody's).
Consolidation/Standalone	Standalone

About the company

Julius Baer Capital (India) Private Limited (JBCIL), registered as a middle layer, non-deposit taking non-banking financial company (NBFC) with the Reserve Bank of India (RBI), provides finance against capital market securities (equity shares, bonds and mutual funds) and complements the wealth management business of Julius Baer Wealth Advisors (India) Private Limited (JBWA). As on June 30, 2026, JBCIL's loan book stood at Rs. 4,762 crore.

JBCIL is a wholly-owned subsidiary of JBWA, which is ultimately held by Zurich-based Julius Baer Group Limited (JBGL). JBWA provides wealth management/advisory services to HNWIs, UHNWIs and their individual-centric commercial entities. It also has a presence in the equity broking business and received a portfolio management services (PMS) licence from the Securities and Exchange Board of India (SEBI) in July 2020.

⁶ Like the Reserve Bank of India (RBI), the regulator requires NBFCs to maintain a liquidity coverage ratio (LCR) of 100%; JBGL requires JBCIL to maintain an LCR of up to 200%, though this was recently reduced to 150%

JBGL offers various financial services, including structured finance products, investment advisory services, Lombard financing as well as security and foreign exchange trading services. It has a presence in Europe, Asia and South America. JBGL's AUM was CHF 547 billion as on June 30, 2026.

Key financial indicators (audited)

JBCIL	FY2025	FY2026	Q1 FY2027^
Total income	479	470	117
Profit after tax	78	68	13
Net total managed assets*	5,339	5,703	5,339
Return on managed assets*	1.7%	1.2%	0.9%
Gross gearing (times)*	4.2	4.4	4.0
Gross NPA	0.0%	0.0%	0.0%
CRAR	20.5%	20.8%	21.5%

Source: Company, ICRA Research; Amount in Rs. crore; All ratios as per ICRA's calculations; ^Limited review; *Net worth and total assets excluding goodwill

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Oct 01, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
CP programme	Short term	5,500	[ICRA]A1+	Oct 17, 2025	[ICRA]A1+	Jun 27, 2024	[ICRA]A1+	Jun 26, 2023	[ICRA]A1+
						Sep 25, 2024	[ICRA]A1+	Dec 6, 2023	[ICRA]A1+
						Nov 18, 2024	[ICRA]A1+	Feb 22, 2024	[ICRA]A1+

Complexity level of the rated instruments

Instrument	Complexity indicator
CP programme	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/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial sector regulator [#]
INE824H14SY5	Commercial paper	Dec 03, 2025	7.33%	Nov 30, 2026	250	[ICRA]A1+	RBI
INE824H14TG0	Commercial paper	Jan 07, 2026	7.38%	Jan 07, 2027	100	[ICRA]A1+	RBI
INE824H14TH8	Commercial paper	Jan 09, 2026	7.38%	Jan 08, 2027	100	[ICRA]A1+	RBI
INE824H14TJ4	Commercial paper	Jan 20, 2026	7.88%	Jan 19, 2027	350	[ICRA]A1+	RBI
INE824H14TK2	Commercial paper	Jan 27, 2026	7.88%	Jan 27, 2027	200	[ICRA]A1+	RBI
INE824H14TZ0	Commercial paper	Mar 23, 2026	7.67%	Feb 26, 2027	200	[ICRA]A1+	RBI
INE824H14UI4	Commercial paper	May 26, 2026	8.20%	Oct 09, 2026	25	[ICRA]A1+	RBI
INE824H14UQ7	Commercial paper	Jul 06, 2026	6.80%	Sep 25, 2026	200	[ICRA]A1+	RBI
INE824H14UR5	Commercial paper	Jul 13, 2026	7.25%	Nov 25, 2026	10	[ICRA]A1+	RBI
INE824H14US3	Commercial paper	Jul 15, 2026	7.20%	Sep 28, 2026	125	[ICRA]A1+	RBI
INE824H14US3	Commercial paper	Jul 16, 2026	7.25%	Sep 28, 2026	125	[ICRA]A1+	RBI
INE824H14UT1	Commercial paper	Jul 22, 2026	7.79%	Oct 21, 2026	300	[ICRA]A1+	RBI
INE824H14UU9	Commercial paper	Jul 24, 2026	7.76%	Oct 23, 2026	250	[ICRA]A1+	RBI
INE824H14UV7	Commercial paper	Jul 27, 2026	7.65%	Nov 06, 2026	25	[ICRA]A1+	RBI
INE824H14UW5	Commercial paper	Jul 28, 2026	7.70%	Feb 08, 2027	20	[ICRA]A1+	RBI
INE824H14UQ7	Commercial paper	Jul 29, 2026	7.25%	Sep 25, 2026	400	[ICRA]A1+	RBI
INE824H14US3	Commercial paper	Jul 30, 2026	7.25%	Sep 28, 2026	125	[ICRA]A1+	RBI
INE824H14UX3	Commercial paper	Aug 04, 2026	7.82%	Mar 11, 2027	250	[ICRA]A1+	RBI
INE824H14UV7	Commercial paper	Aug 07, 2026	7.29%	Nov 06, 2026	25	[ICRA]A1+	RBI
INE824H14UY1	Commercial paper	Aug 13, 2026	7.09%	Nov 12, 2026	250	[ICRA]A1+	RBI
INE824H14UZ8	Commercial paper	Aug 17, 2026	6.97%	Nov 16, 2026	250	[ICRA]A1+	RBI
INE824H14VA9	Commercial paper	Aug 27, 2026	7.37%	Nov 26, 2026	150	[ICRA]A1+	RBI
INE824H14VA9	Commercial paper	Aug 28, 2026	7.37%	Nov 26, 2026	150	[ICRA]A1+	RBI
INE824H14VB7	Commercial paper	Sep 03, 2026	7.37%	Dec 03, 2026	250	[ICRA]A1+	RBI
INE824H14VC5	Commercial paper	Sep 04, 2026	7.04%	Dec 04, 2026	150	[ICRA]A1+	RBI
Yet to be placed	Commercial paper	-	-	-	1,220	[ICRA]A1+	RBI

Source: Company; As on September 21, 2026

[#] 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

Annexure II: List of entities considered for consolidated analysis

Not applicable

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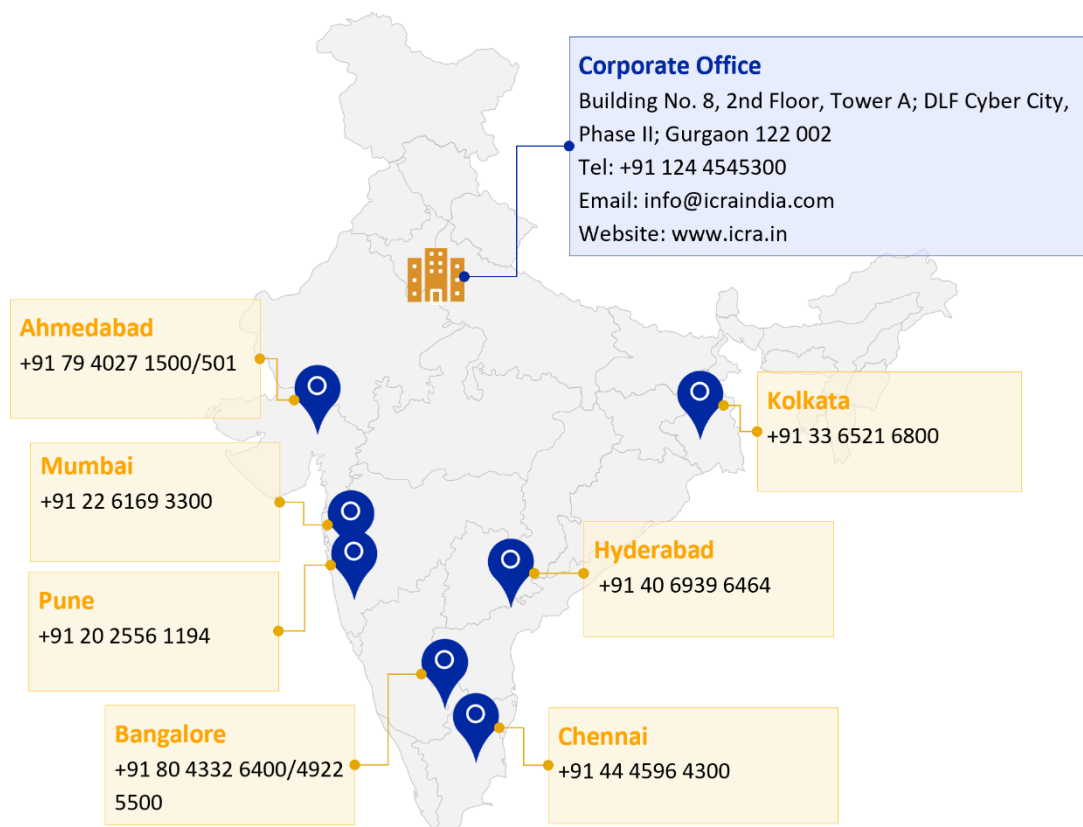


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