

July 25, 2025

UBS Finance India Private Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Commercial paper programme	1,200.00	1,200.00	[ICRA]A1+; reaffirmed
Total	1,200.00	1,200.00	

*Instrument details are provided in Annexure I

Rationale

The rating for UBS Finance India Private Limited (UBSFI) factors in its parentage in the form of UBS AG (rated Aa2 by Moody's with a Stable outlook). The rebranding of both group companies in Indian operations was completed in December 2024. Notably, Credit Suisse's Indian bank branch has been operating as UBS AG, India's bank branch from June 1, 2024.

In May 2025, UBS Group had announced a strategic collaboration deal with the 360 ONE WAM Group, whereby it would transfer all its wealth management operations in India to 360 ONE while it would acquire 360 ONE's offshore wealth management business. The deal envisages to synergise the bespoke requirements to the clients, which the 360 ONE WAM Group have in their Indian operations, while UBS across the globe. As a part of the transaction, UBSFI will also assign its loan book to the 360 ONE WAM Group, which is expected to be completed in the near term. Subsequently, UBSFI is likely to discontinue its lending business activities.

ICRA has also taken into consideration UBSFI's strong capitalisation and high on-balance sheet liquidity, with nil borrowings, and the likely rundown of the existing loan book. The existing loan book consists of loan against securities, exposing the company to the risks of the underlying security pledged against the loans given by it, though this is partially mitigated by its strong risk management and monitoring processes.

Key rating drivers and their description

Credit strengths

Strong parentage by virtue of being part of UBS Group – UBS Group, a Switzerland-based global wealth management and banking solutions provider, is the ultimate parent of UBSFI. UBS AG, which houses the banking operation of UBS Group, is the intermediate parent of UBSFI. UBS AG reported a net profit of \$1.7 billion in Q1 CY2025 on total consolidated assets of \$1,543 billion with a CET I ratio of 14.3% as on March 31, 2025.

The Group has a presence in India through UBS AG, which conducts banking operations in the country as its Indian branch. The Group also has a wealth management and broking entity – Credit Suisse Securities (India) Private Limited (CSSIPL), though this business is also proposed to be transferred to the 360 ONE WAM Group. UBS Group continues to extend operational, financial and managerial support to the Indian operations.

Strong capitalisation profile – UBSFI's capitalisation profile remains strong with a net worth of Rs. 2,632 crore as on March 31, 2025 against a total loan book of Rs. 1,785 crore and a cash and bank balance of Rs. 850 crore with nil borrowings. Additionally, it has unutilised as well as backup lines of credit from UBS AG's Indian branch to take care of any liquidity exigencies. As a part of the collaboration with the 360 ONE WAM Group, the entire loan book outstanding as on the date of assignment will be transferred to the non-banking financial company (NBFC) of the 360 ONE WAM Group, with the entire consideration paid in cash to UBSFI. Accordingly, the company's liquidity position will improve further as it does not intend to continue its lending activities.

Credit challenges

Scale of operations remains modest – UBSFI's loan book primarily comprises wealth management clients, sourced largely from its Group company – CSSIPL. The loan book is mainly secured against the market securities of the wealth management clients. The overall scale remained modest with assets (including investments) of Rs. 1,785 crore as on March 31, 2025 vis-à-vis Rs. 1,876 crore as on March 31, 2024. Given the regulatory limitations around capital market exposures and its focus on select high-net-worth individuals (HNIs) and ultra-HNIs (UHNIs), UBSFI's scale of operations has remained modest.

The company's top 20 exposures continued to account for a significant portion of the loan book outstanding in recently reported fiscals. Moreover, since its advances are secured against securities, it remains exposed to capital market risks. Any adverse event could lead to the erosion in the value of the underlying collateral securities and would result in loan call-backs/squaring off of positions. However, UBSFI has adequate risk mitigation policies with continuous monitoring of such risks. It ensures that the loan-to-value (LTV) ratio is above the stipulated level, ensuring greater security.

Liquidity position: Strong

UBSFI has a strong asset-liability profile because of nil borrowings and hence repayments. It had a cash and bank balance of Rs. 850 crore as on March 31, 2025. Additionally, it has a sizeable quantum of undrawn bank lines, including a line from UBS AG Mumbai Branch, to deal with any exigencies.

Rating sensitivities

Positive factors – Not applicable

Negative factors – ICRA could downgrade the rating in case of a significant deterioration in the credit profile of the parent.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Rating Methodology for Non-banking Financial Companies
Parent/Group support	ICRA expects UBSFI's parent, UBS AG (part of UBS Group AG), to be willing to extend financial support to the company, if needed, given its strategic importance for meeting its diversification objectives and regional presence. As per the group structure, support for UBSFI would flow from UBS AG through the immediate parent – Credit Suisse Investment Holdings (Mauritius) Limited. ICRA expects UBS AG to provide operational as well as financial support to protect its reputation from the consequences of a group entity's distress.
Consolidation/Standalone	Standalone

About the company

UBS Finance India Private Limited (UBSFI) is a wholly-owned subsidiary of UBS AG. It is a non-banking financial company registered with the Reserve Bank of India (RBI). UBSFI offers lending services in India primarily to its wealth management clients and its Group company – Credit Suisse Securities (India) Private Limited, which is engaged in institutional broking and wealth management and helps source clients for UBSFI as well. UBS Securities India Private Limited, which is also a part of UBS Group, is engaged in merchant banking, securities broking and related services. Besides this, the Group's banking operations are housed under its Indian branch – UBS AG.

UBS AG

UBS AG is a global banking and financial services provider held by UBS Group AG, which provides wealth and asset management as well as corporate and investment banking services to high-net-worth individuals (HNWIs), ultra HNWIs (UHNWIs) and corporate, institutional and government clients worldwide. It serves retail clients in Switzerland.

UBS AG has across four divisions: Global Wealth Management (GWM), Investment Bank (IB), Personal & Corporate Banking (P&C), and Asset Management (AM). It reported a net profit of \$1.7 billion in Q1 CY2025 on total consolidated assets of \$1,543 billion with a CET I ratio of 14.3% as on March 31, 2025.

Key financial indicators (standalone)

UBS Finance India Private Limited	FY2024	FY2025
Total income	209	193
Profit after tax	130	127
Total managed assets	2,522	2,665
Return on average managed assets	5.31%	4.91%
Reported gearing (times)	0.00	0.00
Gross NPA	0.00%	0.00%
CRAR	114.91%	127.53%

Source: UBS Finance India Private Limited, ICRA Research; Amount in Rs. crore; All ratios as per ICRA's calculations

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Current (FY2026)				Chronology of rating history for the past 3 years					
				FY2025		FY2024		FY2023	
Instrument	Type	Amount rated (Rs. crore)	Jul 25, 2025	Date	Rating	Date	Rating	Date	Rating
Commercial paper	Short term	1,200.0	[ICRA]A1+	Jul 26, 2024	[ICRA]A1+	Jul 13, 2023	[ICRA]A1+	Mar 21, 2023	[ICRA]A1+&
				May 02, 2025	[ICRA]A1+	-	-	Nov 14, 2022	[ICRA]A1+

& – Rating on Watch with Developing Implications

Complexity level of the rated instrument

Instrument	Complexity indicator
Commercial paper	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 instruments 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 date	Amount rated (Rs. crore)	Current rating and outlook
Unplaced	Commercial paper	NA	Unplaced	7-365 days	1,200.00	[ICRA]A1+

Source: UBS Finance India Private Limited

Annexure II: List of entities considered for consolidated analysis

Not applicable

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Branches



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