

India's Growth Trajectory: A Rising Economic Power

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India's economic landscape is rapidly evolving, making it a highly attractive destination for multinational corporations seeking growth and innovation. As the world's fifth-largest economy, India is projected to achieve a GDP growth rate of approximately 6.5-7.0% in 2024, and it is forecasted to become the world's third-largest economy by 2030. This impressive growth is driven by advancements across technology, finance, and digital services, alongside government initiatives aimed at enhancing the business environment and attracting foreign investment.

Over recent years, India has undertaken significant reforms that position it as one of the most appealing business environments globally. The World Bank's "Ease of Doing Business" ranking for India improved significantly, moving from 142nd in 2014 to 63rd in 2019, largely due to regulatory adjustments and streamlined processes. Policies like the Goods and Services Tax (GST), Make in India, and Digital India have shaped the environment for investment and entrepreneurship for the vibrant local and international business community.

The government's investments in infrastructure have been instrumental in supporting India's growth trajectory. Key projects to enhance connectivity through roads, railways, airports, and digital networks make India an increasingly accessible and attractive market for global companies. UBS recognizes that India's expanding infrastructure not only aids operational scalability but also facilitates valuable partnerships with local organizations.

India's Regulatory Advancements: Supporting a Resilient Financial System

India's financial regulatory environment is undergoing a series of progressive changes, paving the way for a more resilient and globally integrated market. UBS has recently engaged with the Swiss Finance Ministry as part of the Financial Dialogue with India, highlighting notable developments that strengthen India's capital markets and enhance investment opportunities.

India's inclusion in the Global Bond Index marks a significant milestone, poised to bring substantial liquidity to the Indian bond market. This inclusion is expected to attract a higher volume of foreign investment, reflecting India's stability and growth potential on the global financial stage. UBS recognizes the positive impact of increased liquidity and welcomes this development as a step toward building a more robust investment environment.

Further bolstering the banking sector's resilience, India has introduced enhanced capital requirements and adjusted risk weights for non-collateralized exposures, fostering a more secure financial ecosystem. This regulatory adjustment supports UBS's commitment to risk management and provides a stable framework for UBS and other financial institutions to operate efficiently.

Additionally, new initiatives in Gujarat's International Financial Services Centre (GIFT City) are transforming India's financial landscape. GIFT City offers a conducive regulatory and business environment, aiming to create an international financial hub. UBS is closely evaluating these developments in this fast-evolving market and regulatory structure.

UBS's established presence in India

UBS has maintained a presence in India for over 25 years, providing corporate and institutional clients with expert advice, innovative solutions, and comprehensive access to domestic and international capital markets. Additionally, India is home to one of UBS's Strategic Delivery Locations, with key offices in Pune, Mumbai, and Hyderabad. Together, these centers employ over 19,000 skilled professionals whereof more than 15,000 are UBS employees, contributing essential expertise in technology, finance, operations, legal, and risk management to UBS's global service network.

The acquisition of Credit Suisse adds another dimension to UBS's capabilities in India. Credit Suisse, which opened its first office in India in 2008 and obtained a banking license in 2010. This adds client service capabilities to our presence in India, meeting our clients evolving wealth management needs.

Talent – the importance of skilled talent today and building the foundation for the future

India is not only a significant market for financial services but also a rich source of skilled talent. The country produces nearly 1.5 million engineering graduates annually, providing a deep pool of expertise in software development, risk management, cybersecurity, and artificial intelligence (AI) — all critical areas for UBS.



India's thriving Global Capability Center sector, projected to grow from 1,580 centers today to around 2,400 by 2030, currently employs over 1.7 million people. This evolving Global Capability Center landscape aligns with UBS's goals by allowing the firm to leverage India's tech talent to drive innovation and enhance operational efficiency across its global footprint.

The robust startup ecosystem in India also complements UBS's business goals. With over 80,000 startups, including more than 100 unicorns, India is a dynamic hub of innovation. This provides UBS with partnership opportunities to co-create digital solutions that cater to the needs of an increasingly digital market. Access to innovative fintech applications and enhanced digital banking capabilities allows UBS to engage with India's vibrant tech ecosystem, benefiting both UBS and its clients.

UBS has a long term commitment to India and in addition to business objectives, we want to have a positive social impact through our Optimus foundation. Our Corporate Social Responsibility initiatives focus on education, youth empowerment, and health in India. For instance, the UBS Athletics Kids Club promotes physical health and mental well-being among young students, instilling values of teamwork, discipline, and resilience. By fostering a supportive environment, UBS aims to contribute to the holistic development of India's future generations. Engaging with local communities strengthens UBS's brand in the Indian market and aligns with its broader vision of sustainable development.

A Growing Market for Financial Services and Wealth Management

According to Capgemini's research on world wealth, India's growing High-Net-Worth Individual (HNWI) and Ultra-High-Net-Worth Individual (UHNW) populations make it an increasingly attractive market for wealth management services. With over 1.4 million HNWI in 2023, representing 1.2% of the global HNWI population, India is witnessing one of the highest UHNW growth rates globally. As economic growth accelerates and stock and real estate markets flourish, this trend is expected to continue, further expanding the wealth base.

The Reserve Bank of India's pro-digital stance further supports the financial services ecosystem, and India's wealthy population has grown by 7.4% year-on-year, according to Capgemini's 2023 World Wealth Report. UBS's wealth management, investment banking, and asset management services are well-positioned to cater to this flourishing market, providing specialized solutions for affluent clients.

Affluent Indian clients are increasingly interested in diversified and global investment opportunities, including sustainable and impact investments — areas where UBS has a strong track record. UBS's focus on environmental, social, and governance (ESG) investing aligns with the preferences of India's wealthy population, providing UBS a unique opportunity to address the needs of a conscientious, globally-minded client base.

Looking Ahead: UBS's Vision for Growth in India

The anticipated Free Trade Agreement between India, Switzerland and the European Free Trade Association (EFTA) countries could significantly benefit UBS's expansion efforts. This agreement is designed to lower tariffs and simplify regulatory procedures, making it easier for Swiss companies to enter and operate in the Indian market. For UBS, the FTA would facilitate smoother transactions, reduce operational barriers, and strengthen the framework for cross-border investments.

The FTA aligns with UBS's strategy to increase its presence in Asia by leveraging its expertise in financial innovation. Enhanced trade and investment ties between India and Switzerland would support UBS's long-term objectives in India and contribute to the firm's growth across Asia. This agreement would also create an environment conducive to expanding UBS's client base, allowing it to deepen its footprint in India's burgeoning financial services sector.

India presents UBS with a unique blend of advantages, including a vast talent pool, high growth potential, and a supportive regulatory environment. With the anticipated FTA between India and Switzerland, the expanding GCC landscape, and a growing HNWI population, conditions are ideal for UBS. UBS's continued investment in people, technology, and community initiatives reflects its commitment not only to growing its business in India but also to contributing positively to the lives of local communities.