

CAFRAL Virtual Program on Governance for Directors on Boards of NBFCs



Background:

In recent times, the NBFC sector has come under sharper regulatory focus due to several reasons. The sector has been playing an increasingly important role in the financial system, contributing to nearly 20% of the total credit flow, with credit to NBFCs by banks at around 10 % of the total bank credit. NBFCs can potentially promote wider financial inclusion and deliver credit more efficiently due to their greater capacity to innovate, leveraging on technology, differentiated strategies, unique business models and nimbleness in operations. On the flip side, there is a risk of weakening governance in the face of quick growth. Failures of several large NBFCs point to weak governance standards relating to assurance functions. The Board of an NBFC is expected to make sure that the assurance functions are not only in place but also perform effectively. For the Board to collectively discharge this responsibility well, each Board member must meet fit and proper criteria. One such criteria is that Board members, particularly the Independent Directors, should have good insight into risk management, compliance, audit, law and regulations on corporate governance etc.

Objective:

In the given context, there is an imperative need to build capacity at the Board level in NBFCs so that the Boards insightfully craft, monitor and review strategies, business models and assurance functions, mindful of governance standards, extant regulations, the existing legal framework and supervisory expectations. Keeping the above in view, CAFRAL has designed a two day Virtual Learning Program (VLP) for the directors on the Board of NBFCs.

Highlights:

The VLP will provide a platform to the directors for cross learning and refreshing their knowledge on assurance functions. The participants will also listen to and interact with senior regulators and legal experts on the regulatory as well as legal framework, both current and emerging, relating to NBFCs. Following topics/areas/issues will be covered in the VLP:

- Emerging trends in the economy, challenges facing financial intermediaries and viability of current business models.
- Recent developments in regulatory and legal framework for NBFCs on Corporate Governance.
- Assurance Functions in NBFCs – Risk Management, Audit, Compliance.
- Strategies, Technologies, Performance, Risks and Regulations – Enterprise Risk Management in NBFCs.
- Governance aspects of ALM and Liquidity Management in NBFCs.
- Supervisory observations and expectations on NBFC governance
- Past failures – Cases and Lessons.
- Digital Lending: Opportunities and Challenges
- Behavioural dynamics of board functioning: going along and standing up.
- Board's interaction with the Senior Management

Date: January 24-25, 2022

Time: 09:45 AM to 05:45 PM

Platform: CISCO WebEx

Type: Virtual Conference

Program Fee: Rs. 35,000/- + taxes per participant

Participant profile:

Independent Directors, Non-Executive Directors, Whole-time Directors and Top Management Executives from NBFCs

Last date for filing nomination

January 21, 2022

Nominations now open

For filing online nominations, please click on the link below
<http://cafral.org.in/Upcoming-Programs.aspx>

For more program details, contact:

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Program Conditions

- **Program fee is payable before the Program.**
- **Banks may depute another officer if the nominated officer cannot attend the program.**
- **Nomination may be cancelled up to five days before the conference.**

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