CAFRAL
CENTRE FOR ADVANCED FINANCIAL RESEARCH AND LEARNING
Promoted by Reserve Bank of India

ECL Framework Implementation: Board Oversight

Programme for Chairpersons and Board Members of the Banks, FIs and NBFCs

Background:

The Reserve Bank of India (RBI) has issued final directions on the Expected Credit Loss (ECL) framework, with implementation scheduled to begin on April 1, 2027. The framework aligns India's prudential norms with global financial reporting standards and aims to strengthen transparency, comparability and resilience in the banking sector. By adopting a forward-looking approach, ECL recognises changes in credit risk earlier, before losses crystallise as non-performing assets, and supports more timely, risk-sensitive provisioning. Implementation will require reliable, consistent data across systems, robust internal models for probability of default (PD), loss given default (LGD) and exposure at default (EAD), forward-looking macroeconomic scenarios, and sound model validation and controls. This shift has direct implications for capital, earnings, risk appetite and business strategy. Board Members therefore have a critical role in setting the tone, approving the governance framework, challenging key assumptions and estimates, and ensuring management has a credible, adequately resourced implementation plan. Their informed oversight will be central to a smooth transition and to the integrity of ECL-based reporting and provisioning.

Objective:

This programme will equip Board Members of regulated entities (REs) with a practical understanding of the ECL approach to credit-loss provisioning and its implications for their institutions. It will help them to discharge their oversight responsibilities by strengthening their ability to question management on governance, data quality, model design and validation, forward-looking assumptions, implementation readiness, and the effects on provisions, capital and business decisions. The programme will support informed Board engagement in planning and monitoring a controlled transition to ECL-based provisioning.

Programme Highlights:

- Regulatory Expectations on ECL implementation
- An understanding of the ECL Framework
- Financial Capital and Business Implications
- Data, Models, Technology and Implementation Readiness
- Board Simulation: ECL Impact under different credit and economic scenarios

Date: November 25, 2026
Time: 09:45 AM to 05:45 PM
Venue: CAFRAL Campus,
Kirti Mahavidyalaya Marg, Opp. Kirti College, Dadar (West),
Mumbai – 400028
Type: Non-Residential
Fees: ₹20,000/- + 18% GST

For Nomination Form please visit our site www.cafral.org.in

Last date for filing nomination November 22, 2026

For more programme details, contact:

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Participant Profile

Chairpersons and Board Members of Banks, FIs and NBFCs

Programme Conditions

- Programme fees must be paid before the programme.
- Institutions may depute another officer if the nominated officer is unable to attend.
- Nomination may be cancelled up to five days prior to the programme.

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