

ECL360

AI-powered enterprise platform for intelligent ECL management



Re-engineering ECL for governance, scale and defensibility

Expected Credit Loss (ECL) should operate as a structured, well controlled framework, but in most institutions, it becomes fragmented and difficult to defend. The process draws data from multiple systems, relies on complex judgments, overlays and macroeconomic inputs and faces heavy scrutiny from regulators, auditors and boards. In practice, many organisations depend on spreadsheets, partial automation and bespoke tools that struggle with scale, transparency, governance consistency and explainability.

Our experience implementing and validating ECL frameworks across banks and NBFCs shows that these challenges stem from foundational gaps—data integrity, model structure, documentation discipline, overlay governance and audit readiness. These weaknesses create ECL outcomes that are hard to interpret and even harder to justify to internal and external stakeholders.

ECL360 was designed to address these structural issues from the ground up. The platform strengthens the core essentials and then layers on capabilities that deliver meaningful value across the organisation—explainability, structured workflows, scenario intelligence, challenger models, governance trails and decision ready insights.

ECL360 elevates ECL beyond automation into an institution-grade ecosystem built for control, transparency and scale.

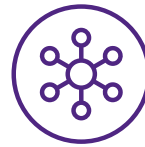


Why ECL360 is built for leading institutions?



Explainability and audit readiness

ECL360 provides full traceability and explainability across ECL outputs, enabling institutions to explain ECL results clearly to auditors, regulators, committees and leadership.



Visibility into multiple ECL outcomes

ECL360 provides pre-configured challenger models that compare assumptions, scenarios and methodologies in real time, strengthening strategic decision making.



Rapid recalculation and scenario re-runs

ECL360 automates recalculation through structured workflows, allowing teams to update judgments, overlays and auditor comments quickly, with full traceability.



Standardised overlay governance

ECL360 consolidates overlays, rationales and approvals into controlled workflows with clear justification paths and a complete audit history.



Early identification of data issues

ECL360 applies rule based anomaly detection to surface data gaps and inconsistencies across systems before they affect model outputs.



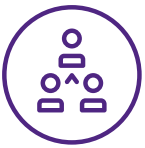
Clarity on macroeconomic and scenario impacts

ECL360 offers scenario intelligence that shows how macroeconomic variables, weightings and scenario mixes influence ECL estimates.



Continuous model monitoring and validation

ECL360 tracks model drift, deviations and accuracy throughout the year, helping institutions identify performance issues early instead of at year-end.



Reduced operational dependency

ECL360 replaces fragmented, person driven processes with a structured, platform based framework supported by documentation, controls and defined workflows.



AI-powered forward-looking ECL insights

ECL360 provides predictive insights that help leadership teams anticipate future ECL trends, improve planning, and inform provisioning and capital decisions.



Core platform capabilities



Customised data upload

Entity-specific data ingestion framework tailored to reports generated from internal systems such as Loan Management Systems (LMS), NPA management platforms, recovery systems and related sources.



Data quality overview and validation

- Automated descriptive analysis covering metrics such as minimum and maximum values, missing value counts, and unique value checks.
- Detailed data quality validations, including identification of outliers, duplicates, negative values and other inconsistencies.
- Downloadable error datasets with options for system driven correction, override, or re-upload of data containing errors.



PD, LGD and EAD computation modules

- Development of segment-specific PD, LGD and EAD models across portfolios including retail, SME, corporate and business banking.
- Comprehensive analytical outputs to support management review, ongoing monitoring and risk oversight.
- Configurable key model assumptions, including segmentation logic, historical observation windows, averaging methodologies and smoothing options.



Macroeconomic adjustment framework

Configurable framework integrating macroeconomic variables and scenario based adjustments into PD, LGD and EAD estimates.



Staging assessment

- Automated classification engine for Stage 1, Stage 2 and Stage 3 assessment in line with internal credit policies and applicable regulatory guidance.
- Configurable curing and cooling off periods for stage upgradations.



Management overlays

- Structured overlay framework enabling management adjustments at both model-parameter levels (staging, PD, LGD and EAD) and at the aggregate ECL level.
- Configuration of overlay applicability periods with documented management rationale.
- Visualisation of overlay impacts on staging outcomes, ECL parameters and final ECL values.



ECL computation and analysis

- Integrated ECL computation engine combining staging, PD, LGD, EAD, macroeconomic adjustments and overlays to generate final ECL outputs at required levels of granularity.
- Comparative and trend analysis, including movement analysis, staging transitions, parameter changes, exposure movements and attribution analysis.



Regulatory reporting and disclosures

- Generation of ECL related disclosures in accordance with Ind AS 109 requirements.
- Preparation of journal entries for ECL provisioning at entity, branch or sub-portfolio levels, as applicable.



Model monitoring

Comprehensive model monitoring dashboard featuring tests such as Population Stability (Population Stability Index), calibration accuracy (Binomial test, MAPE, MAD, RMSE), staging accuracy (Confusion Matrix), and overall ECL back-testing.



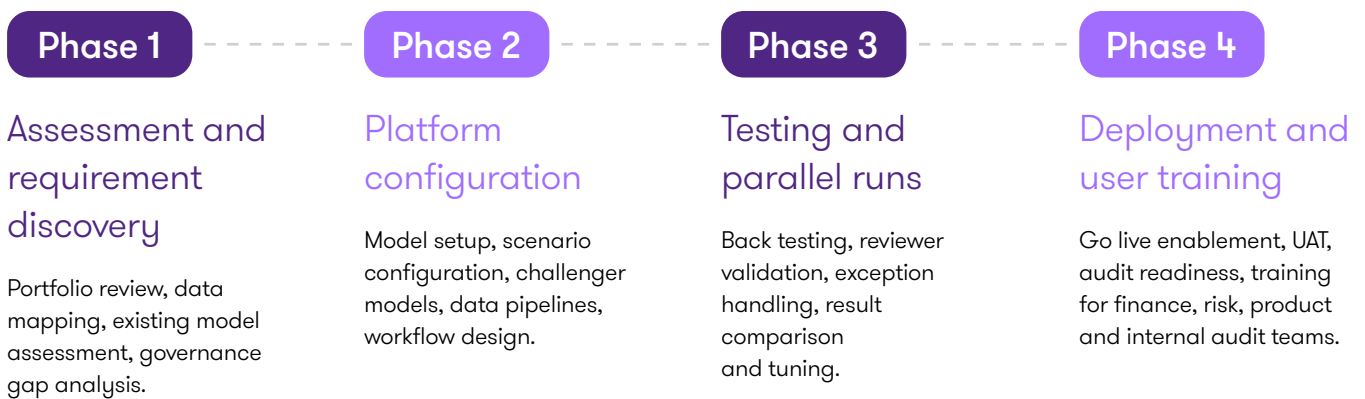
ECL forecasting

Forward-looking ECL projections incorporating business volumes, portfolio mix, parameter movements and stage migrations to support decision making by key stakeholders, including the CEO, CRO and CFO.

Implementation approach and timelines

ECL360 follows a structured, phased implementation approach designed for banks and NBFCs, supporting both cloud-based and on-premise deployments.

(Suggestive timelines: 6–10 weeks depending on portfolio complexity, data readiness and model diversity.)



End-to-end ECL modelling capabilities

ECL360 supports the full suite of expected credit loss models, including:

- 01
Stage 1, Stage 2, Stage 3 classification
- 02
PD (Point in time and through the cycle)
- 03
LGD (Work-out LGD, Downturn LGD, Expert based)
- 04
EAD models including credit conversion factors
- 05
Macroeconomic overlay frameworks
- 06
Segment specific models across retail, SME, corporate and specialised lending

ECL360 system architecture

ECL 360 leverages a modern, scalable technology stack. The front end uses React, Power BI and Google Charts to deliver intuitive visualisation and insights. The back end is powered by Python, PySpark and Laravel to support robust computation and processing. Data management is enabled through PostgreSQL and Talend for reliable storage, integration and governance.



The Grant Thornton Bharat advantage



A specialised team with over 15 years of hands on experience in ECL framework design, modelling and regulatory reviews.



Trusted advisors to 75+ lending institutions across India, UAE, Singapore, Bahrain, Australia and Indonesia on end to end ECL implementation.



Deep exposure to banks and regulators globally, enabling us to bring practical insights and leading industry practices to every engagement.



Regulatory readiness and compliance support aligned to evolving RBI guidelines, supervisory expectations and industry best practices.



Comprehensive implementation guidance backed by a dedicated team of experienced ECL specialists

To know more about this tool, schedule a demo or connect with our expert



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Scan to know more
about ECL modelling





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