SOLUTION BRIEF · BANKING & NBFC

KYC and loan files, processed in minutes.

DocXtract turns identity proofs, income documents and bank statements into validated, audit-ready data — so onboarding and credit decisions stop waiting on manual review.

KYC is the single most expensive compliance activity in financial services. Fenergo's research puts the average firm's annual AML and KYC operating spend at **₹640 crore (US$72.9 million)**, with 54% of corporate and institutional banks spending **₹1.3–2.6 lakh to complete one client's KYC review** and 21% spending more than ₹2.6 lakh. The cost is not only financial: **70% of financial firms lost clients in 2025** because onboarding was too slow — up from 48% in 2023.

Lending carries the same drag. Manual onboarding takes three to seven business days, and industry data indicates **23–34% of customers abandon applications that exceed 48 hours**. Meanwhile AI adoption in KYC jumped from 42% to 82% in a single year, yet **only 4% of banks have automated the majority of the workflow** — the gap is execution, not intent.

BUILT FOR

- → Retail & corporate onboarding teams
- → NBFC and HFC loan origination
- → Credit ops and underwriting support
- → AML/compliance and internal audit

₹640 cr	78%	75%	98%+
Average annual AML/KYC operating spend per firm	Reduction in verification time reported by firms automating KYC	TAT cut by a large NBFC automating loan disbursal with RPA + IDP	Field-level extraction accuracy with DocXtract

Where the file gets stuck

01 Identity proofs in every possible format

PAN, Aadhaar, passport, voter ID, driving licence, utility bills — photographed at an angle, partially redacted, in regional scripts. Template OCR breaks on the variance; DocXtract reads layout and meaning together, with no template per document type.

02 Income and financials keyed by hand

Salary slips, Form 16, ITRs, GST returns and audited financials are re-typed into the LOS before an underwriter can look at them. Error rates on manual review run 4–8%, and each rework cycle costs ₹1,900–3,500.

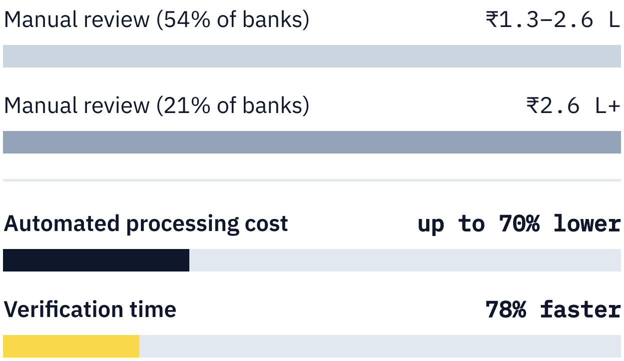
03 Bank statements at hundreds of pages

Six-month statements across multiple banks must be normalised into transaction lines before any cash-flow or obligation analysis can begin. This is the step that most often turns a same-day decision into a three-day one.

04 Audit evidence assembled after the fact

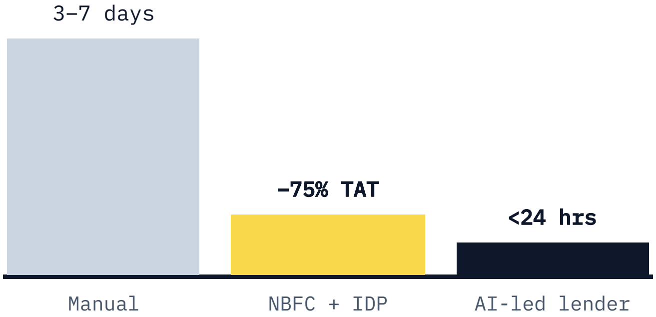
When examiners ask what was verified and when, teams reconstruct it from emails and spreadsheets. Regulators in 2026 are shifting from the presence of controls to their demonstrable effectiveness — reconstruction no longer satisfies.

FIG. 1 — COST PER KYC REVIEW



Manual cost bands per Fenergo; automation deltas per AU10TIX, as reported 2026; USD converted at ₹88/$1. Bar lengths are indicative.

FIG. 2 — LOAN FILE TURNAROUND



Manual baseline per CheckFile analysis; 75% TAT reduction from a large NBFC deployment (Datamatics); sub-24-hour approval per Lendingkart, as reported.

Document coverage and validation

STAGE	DOCUMENTS EXTRACTED	BUILT-IN VALIDATION
Identity & address	PAN, Aadhaar, passport, voter ID, driving licence, utility bills	Format and checksum checks, name/DOB match across proofs, duplicate-applicant detection
Entity KYC / KYB	Incorporation certificates, GST registration, board resolutions, partnership deeds	Registration-number validation, signatory cross-reference, beneficial-owner capture
Income & financials	Salary slips, Form 16, ITRs, GST returns, audited financial statements	Employer and period consistency, declared-vs-filed income variance flags
Bank statements	Multi-bank, multi-month statements normalised to transaction lines	Balance continuity, salary-credit and EMI-debit tagging, bounce detection
Collateral & sanction	Property papers, valuation and insurance documents, signed sanction letters	Field-level confidence scoring; low-confidence fields routed to a reviewer, never guessed

How it deploys

1. **Ingest where files already arrive.** Branch scanner, email, customer portal, agent app or API — no change to how borrowers submit.
2. **Extract without templates.** Model selected per document type; JSON returned in real time at up to 5,000 pages per hour.
3. **Validate before it reaches the LOS.** Identifier checks, cross-document matching and confidence thresholds run inside the platform.
4. **Post to systems of record.** Pre-built connectors for SAP, Oracle, Tally, Zoho, UiPath and Power Automate, plus REST API for LOS/CBS.

Controls compliance teams ask for

Every extracted field carries a confidence score, a source-document reference and a timestamped record of who reviewed it — the evidence trail examiners expect when testing whether controls actually work, not merely that they exist.

- Field-level audit log and version history
- Configurable human-in-the-loop thresholds
- Role-based access; data residency options
- Live in days; 1-day integration

NEXT STEP

Run a live loan file through DocXtract.

Send a redacted sample set — identity proofs, income documents and a six-month bank statement. We report field-level accuracy and projected touchless rate against your current TAT.

Book a Demo

SOURCES

1. Fenergo, KYC Trends Report 2025 and global KYC research — $72.9M (≈₹640 crore) average annual AML/KYC spend; 54% at $1,500–3,000 and 21% above $3,000 per review; 70% of firms lost clients to slow onboarding (48% in 2023); AI adoption 42%→82% with 4% fully automated.
2. AU10TIX, cited in Lorikeet, "KYC Automation in 2026" — up to 70% lower processing cost, 78% faster verification.
3. CheckFile.ai, "KYC Solution Pricing: Costs & ROI", March 2026 — 3–7 day manual onboarding; 23–34% abandonment beyond 48 hours (ABA data); 4–8% manual error rate at $22–40 (≈₹1,900–3,500) per rework.
4. Datamatics case study — large NBFC reduced loan disbursal turnaround time by 75% with RPA and IDP.
5. Cflow, "NBFC Automation" — Lendingkart approval times under 24 hours; 40–50% reductions in approval and onboarding time.
6. Fenergo, "KYC Compliance for Banks", 2026 — regulatory shift from presence of controls to demonstrable effectiveness.
7. Wavetec, "KYC in Banking: Process, Automation and 2026 Trends", June 2026 — 34% average onboarding abandonment in identity verification (Pactvera, 2026).
8. DocXtract product documentation and benchmarking, docxtract.io, 2026 — accuracy, throughput, connectors, deployment timelines.