AI Driven CKYC Solution

Submitted By

transforming the world through technology

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CONCEPT NOTE

AI DRIVEN CKYC SOLUTION

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1. Executive Summary

The KYC process is the first real touchpoint of a customer with the Bank. A hassle-free and seamless onboarding will result in a positive customer experience, with a positive impact on cost of compliance. However, due to increasingly complex regulations and instances of fraud the KYC process has become a significant, complex & extremely labour-intensive process for the organizations to handle.

A centralized KYC process does away with the need for repeating the KYC process whenever the customer opts for a financial service or product. The CKYC ID will enable the customer to do a single KYC and reuse it for all his financial needs. As per the directives of the Ministry of Finance, the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) is to perform the functions of the Central KYC Records Registry (CKYCR). The CERSAI will receive, store, safeguard, and retrieve Know Your Customer (KYC) records in digital form for a client.

The proposed ULTS AI Driven CKYC solution aims to automate the CKYC process through the batch upload option provided by CERSAI. The KYC details and digitized documents are formatted in accordance with CERSAI requirements and uploaded to the CKYC database. The solution makes use of latest advancements in AI to digitize contents in Id proofs so as to eliminate manual efforts drastically. The response from CERSAI will be read by the system and the CKYC Ids will be reported to the customer.

2. Key Problems and Impact

Growing regulatory demands from RBI	Extensive & complex KYC process required
Increasing digitization	System vulnerable to errors & fraudulent activities
Frictions in KYC process	Customer experience adversely affected
Inefficiencies in KYC process	Increasing cost of compliance

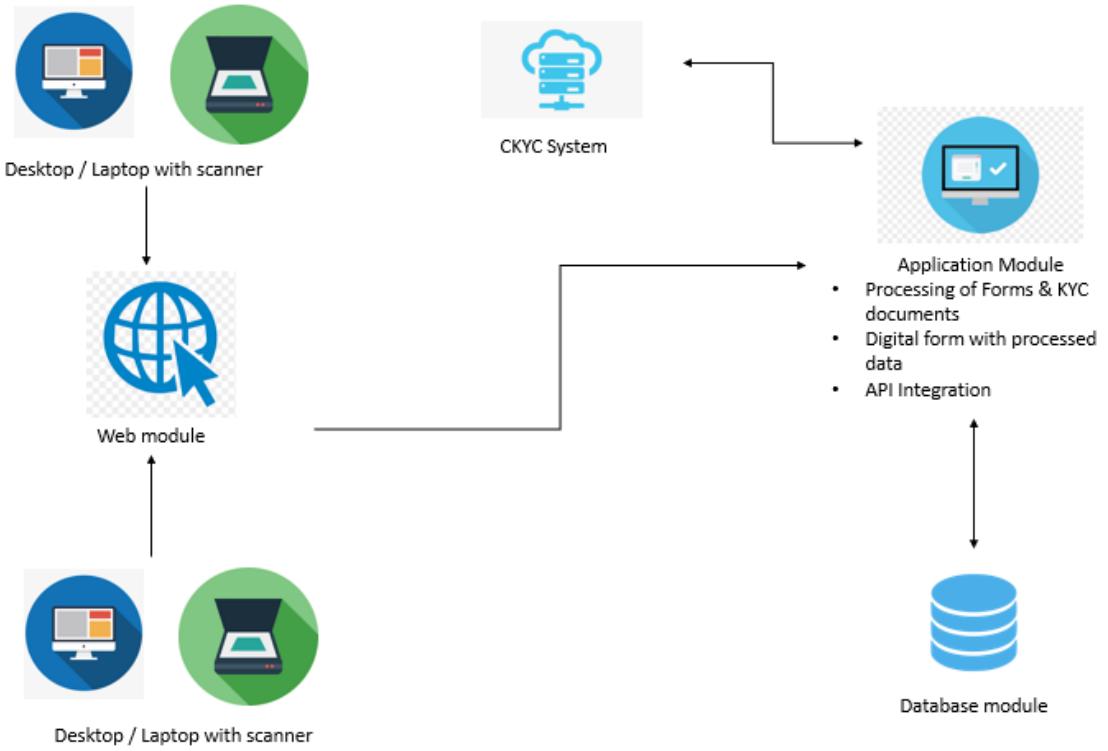
3. Objectives

Development of an automated solution for efficient and rapid CKYC compliance

Derived Objectives:

- Automate the process of creating, searching, downloading, and updating CKYC records
- Enhanced customer experience through a smooth and rapid CKYC process
- Reduce manual effort and time needed for the CKYC process
- Ensure rapid and accurate compliance

4. AI driven CKYC System

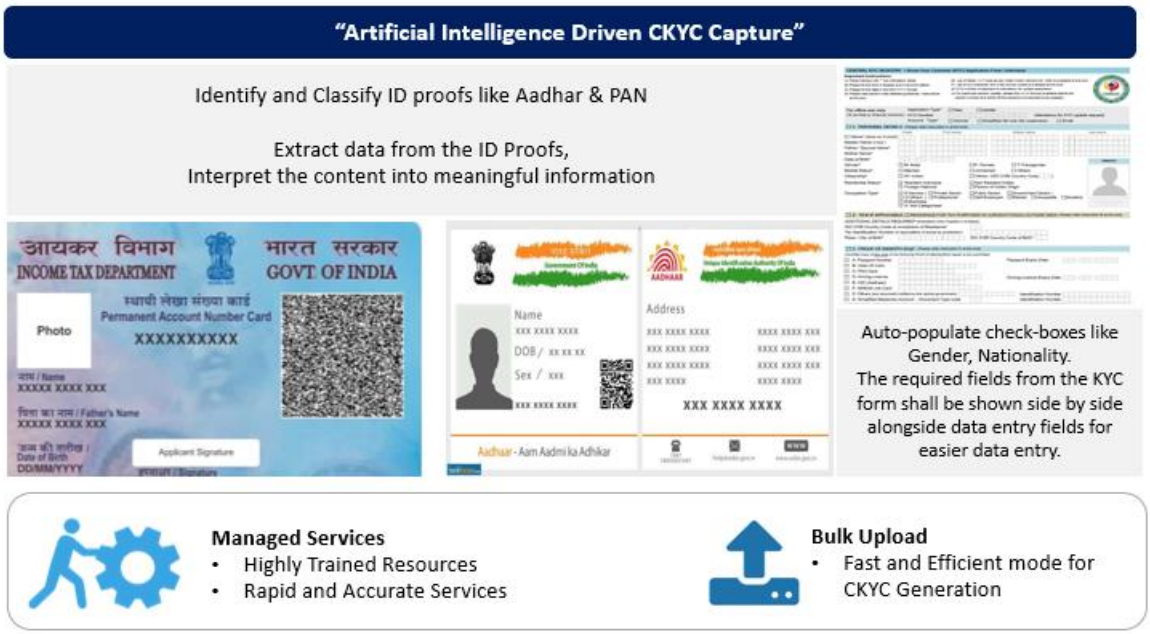


The proposed solution aims to automate the CKYC process through the batch upload method offered by CERSAI.

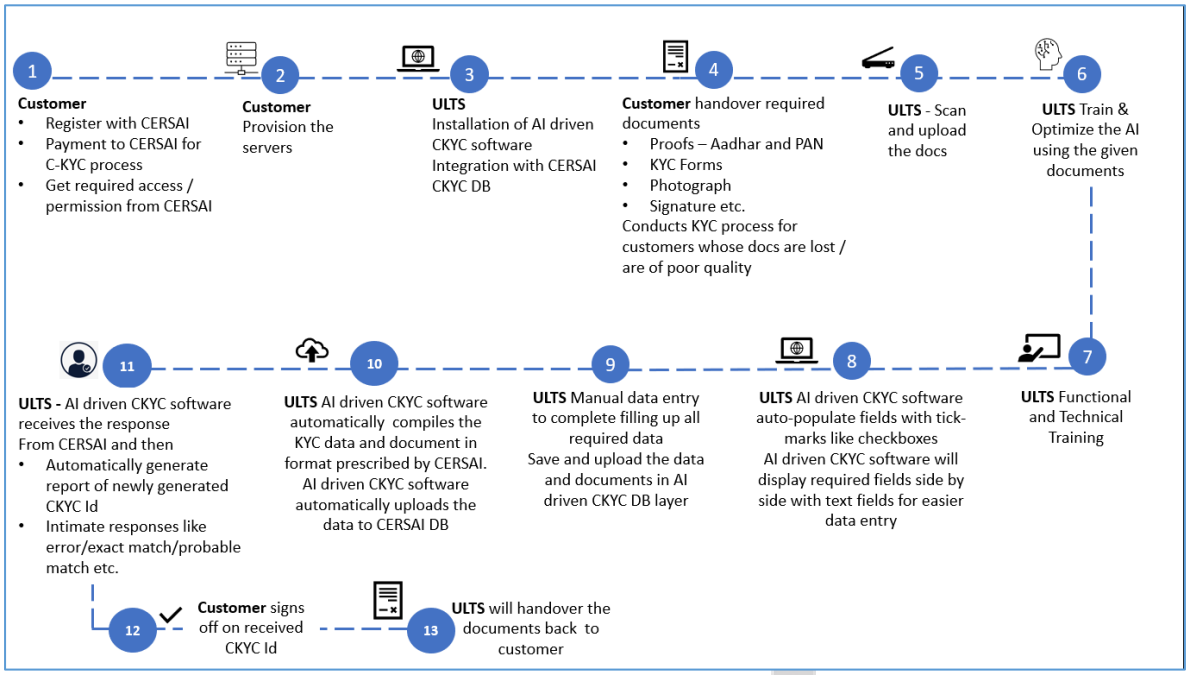
- ULTS offers managed service by providing highly trained resources for scanning, indexing and data processing activities associated with CKYC generation
- The application will process the KYC details in the format required by CERSAI
- The digitized images required BY CERSAI – Proof of Identity, Proof of Address, Photograph, Signature will be formatted according to the CERSAI requirements

- The solution uses advanced AI technologies to extract details from Aadhar and PAN card images and auto populate them in corresponding fields
- The solution will also enable faster data entry by displaying required fields alongside text boxes and auto populating data from checkboxes like Gender etc.
- The KYC details and data are then digitally signed and uploaded to a Secure FTP folder
- The response file from CERSAI is then parsed by the application and the success / error messages are intimated to the user
- In case of success, the system downloads the CKYC Id and generates a report according to the user requirements
- The system also intimates to the user, CERSAI responses like exact match (CKYC already exists) or probable match (when a probable match exists for the KYC data uploaded) for action to be taken by the user
- The system will also have features to search and download IDs for customers already having CKYC Ids

5. Salient Features of the solution



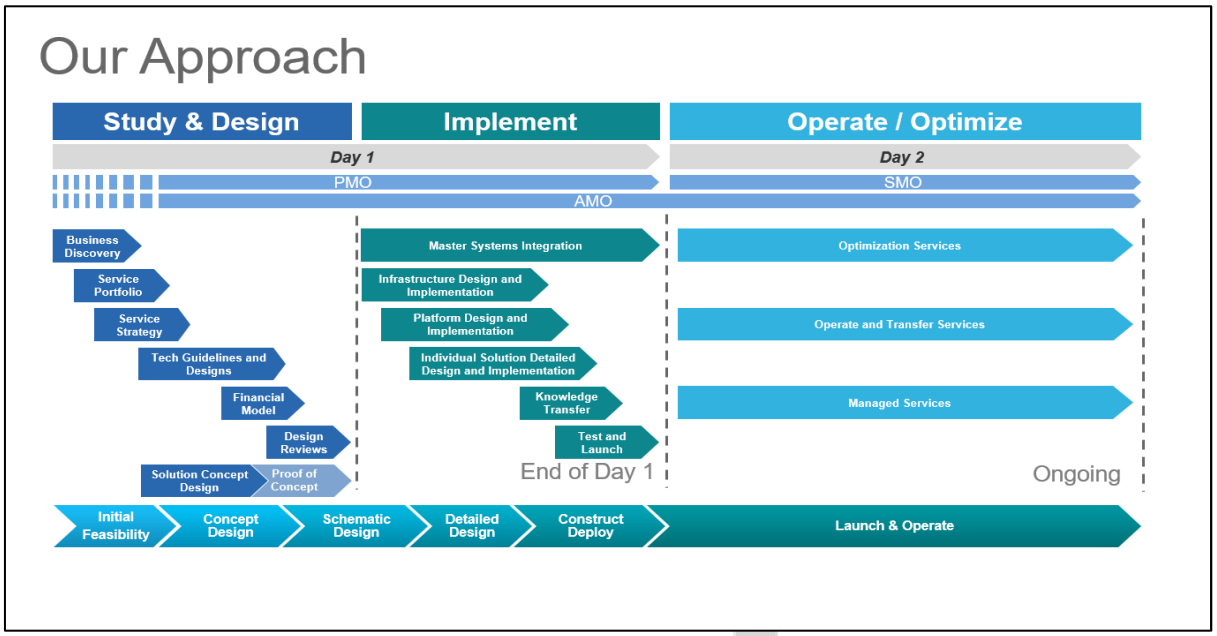
6. Proposed Process Flow



7. Key Benefits and Outcomes

Benefit	Financial Institutions	Customer	Regulatory Authority
Fast and accurate process	✓	✓	✓
Reduced customer attrition	✓		
Faster time to revenue	✓		
Decreased Operational Cost	✓		
Reduced turnaround time	✓	✓	
Increased productivity	✓		
Enhanced Customer Experience	✓	✓	
Governance & Compliance	✓		✓

8. Engagement Model



ULTS will be an end to end total solution provider. ULTS will deliver the following

- Solution Consulting
- Solution Engineering
- Technology consulting
- Solution development
- Solution deployment
- Project management
- Commissioning and Acceptance Testing
- Operation & Maintenance

9. Request for Permission

We request you to facilitate a study for a period of two weeks for deeper engagement and understanding your processes.