

Possibilities Unlimited

Xtract Insights

Need for speed
and a whole lot
of insights

How AI-powered
contract analysis is
powering a hitech
manufacturer's
M&A strategy

CASE STUDY

Overview

Our client is a global semiconductor and technology solutions leader, which leads numerous product segments through the combination of their acquisitions.



Opportunity

Businesses today are increasingly adopting Mergers and Acquisitions (M&A) as a strategic tool. A core component of the M&A decision involves the due-diligence process — including evaluating the financial performance, sustenance & growth of the customer contracts and assessment of liabilities and compliance obligations for the acquiree business entity's customer portfolio.

For M&A assessments, specialist lawyers are deployed to research and analyze the risks / opportunities in these large volumes of customer and supplier contracts in a short period of time, sometimes in a matter of a few weeks. Efficient processing of these contracts depends on accurately understanding the terms and clauses.

Our client's legal team was faced with the processing of historical customer contracts — manually reading and analyzing a random sample of key contracts to generate a representative assessment of potential risks / opportunities.

Challenges



Since these contracts reside in multiple silos, it requires a humongous amount of manual effort to assess the exposure to various risks



The data in these contracts may be skewed or unreadable as using traditional extraction technology like OCR doesn't deliver the desired accuracy of the information, and they often struggle to process low-quality documents with issues



Our client was thus looking for an AI-powered contract analysis solution that leverages advanced techniques like Natural Language Processing (NLP), computer vision, and Machine Learning (ML) capabilities to:



Accelerate the contract review process, enabling legal teams to accurately extract terms & clauses for identifying the deviations from standard clauses (contract expirations, auto-renewals, termination for convenience)



And determine the risk exposure in those contracts

Solution

This is where AI-powered contract analysis solution comes into play, equipping the legal team with insights. An AI-powered human-centric approach was used while implementing XtractEdge.

01

With XtractEdge, the historical load of 30K+ customer contracts was processed in nearly 1 week, post the setup of the product, extracting 50 intents and 125 entities from 4 different types of contracts with medium to high complexity

02

A pipeline was set up to pre-process the contracts, extract Intents and Entities, and post-processing the information (applying business rules). A separate tenancy and data pipeline were created for the M&A process as this is highly sensitive information that cannot be accessed by unauthorized stakeholders and in compliance with insider information statute requirements

03

This data pipeline for M&A related contracts enables the client's team to easily push the acquiree's customer and supplier contracts into XtractEdge, EdgeVerve's AI powered contracts review and risk scoring product. The contractual data is extracted and fed to the BI (Business Intelligence) platform for generating reports

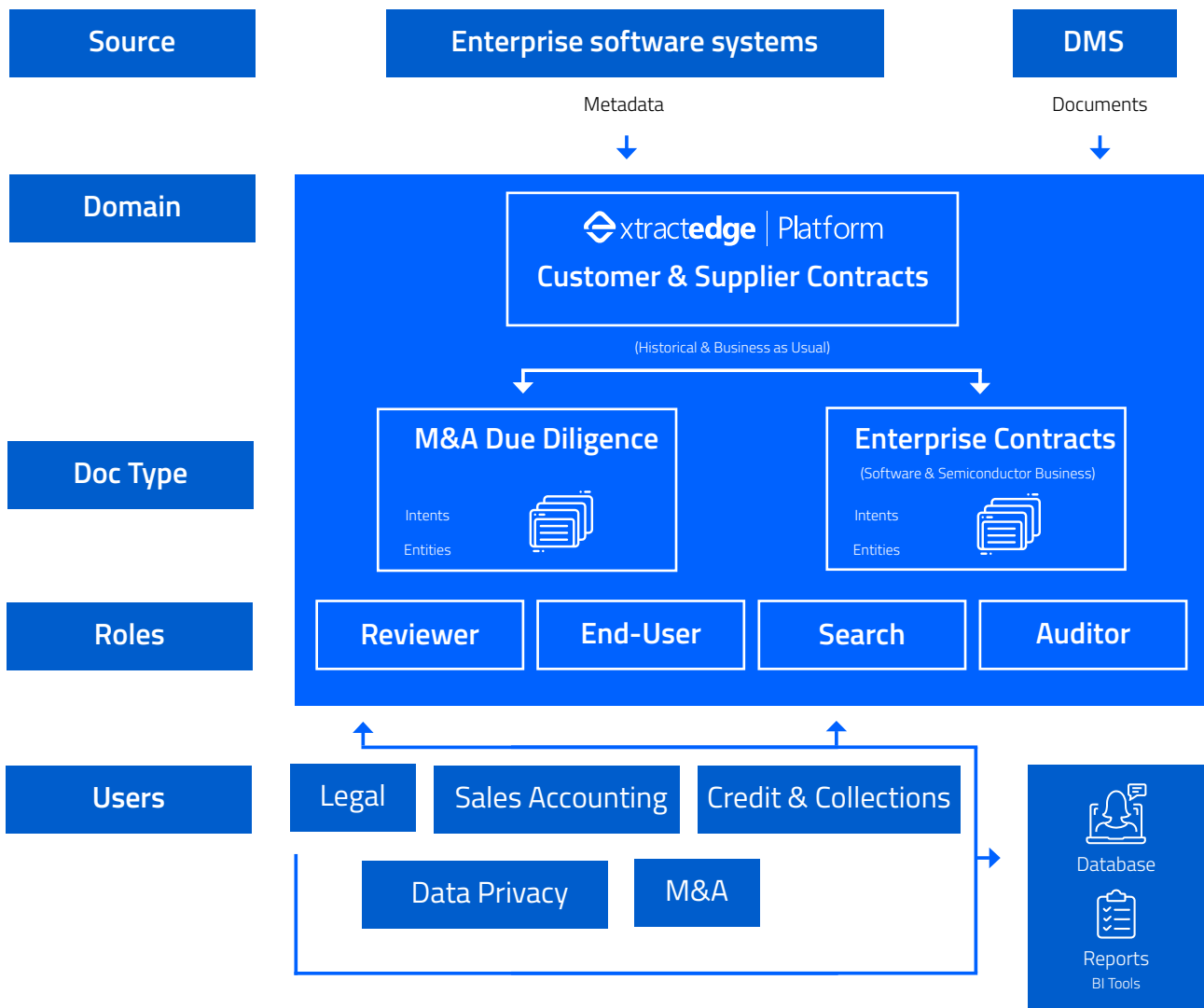
04

XtractEdge identified key contractual terms and clauses and accelerated the comparison of each paragraph & terms of the contracts with standard templates. It also calculated risk based on differences in critical language and legal terms and performed risk-scoring on the entire portfolio of contracts

05

XtractEdge enabled the M&A team to assess the impact of the risks associated with contractual obligations by redlining and risk scoring the contracts

XtractEdge, a comprehensive suite of Document AI platform & products, enables enterprises to extract actionable insights from a wide variety of enterprise documents, contracts, and legal agreements



Outcome

XtractEdge has accelerated the contracts processing for our client, delivering value in multiple ways.



30K+ historical load of customer contracts processed in nearly 1 week



70% potential workforce improvement in productivity



Legal teams can now perform a fast search of contracts to capture terms & clauses



Enables fast reading of contracts by categorizing terms & clauses within contracts



Processes new contracts automatically without human intervention, providing near-real-time insights on enterprise risk



Reduces the report generation time from weeks to a matter of days

Do More with XtractEdge
AI-powered Contract Abstraction, Review
and Risk scoring

Possibilities Unlimited

Inspiring enterprises with the power of digital platforms

 www.edgeverve.com



About XtractEdge

XtractEdge, a powerful Document AI platform, enables enterprises to gain insights and enhanced decision-making from existing documents, legal contracts, commercial insurance documents, SOPs, images, handwritten notes, PDFs, emails, or any other complex unstructured data source. XtractEdge is recognized as one of the top Document AI platforms for large enterprises delivering on the promise of quicker time to market, superior customer experience, faster claims processing, underwriting, and efficient contracts management for more intelligent business decision making.

EdgeVerve. Possibilities Unlimited.

www.edgeverve.com/xtractedge



About EdgeVerve

EdgeVerve Systems Limited, a wholly-owned subsidiary of Infosys, is a global leader in developing digital platforms, assisting clients to unlock unlimited possibilities in their digital transformation journey. Our purpose is to inspire enterprises with the power of digital platforms, thereby enabling our clients to innovate on business models, drive game-changing efficiency and amplify human potential. Our platforms portfolio across Automation (AssistEdge), Document AI (XtractEdge), and Supply Chain (TradeEdge) helps inspire global enterprises to discover & automate processes, digitize & structure unstructured data and unlock the power of the network by integrating value chain partners. EdgeVerve, with a deep-rooted entrepreneurial culture, our innovations are helping global corporations across financial services, insurance, retail, consumer & packaged goods, life sciences, manufacturing telecom and utilities, and more.

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