



Reconciliation as the Operational Backbone of Off-Balance-Sheet Trade Finance: A Case Study of Payment Advice Processing at Great Kapital (Ventura Trading Private Limited)

Rahul Gowda M¹

¹ MBA (Finance) Student, Faculty of Management Studies, CMS Business School, Jain (Deemed-to-be University), Bengaluru, Karnataka, India.

Article Info

Article History:

Published: 28 Sept 2026

Publication Issue:

Volume 3, Issue 9
September-2026

Page Number:

567-571

Corresponding Author:

Rahul Gowda M

Abstract:

India's supply chain finance (SCF) industry exists to close the timing gap between when a corporate buyer pays its suppliers and when it collects from its own customers, a market valued at roughly USD 7.6–9.3 billion in 2025 and projected to nearly double by the early-to-mid 2030s. Most of the writing on this sector, in consulting reports and the trade press, focuses on financing structures, credit exposure and regulatory design. Comparatively little attention goes to the operational work underneath all of it: reconciling who owes what to whom across banks, group entities and document formats, so that a financing structure actually holds up when someone checks the numbers. This case study examines that operational layer through a ten-week internship placement in the Finance and Accounts function of Great Kapital (Ventura Trading Private Limited), a structured trade finance intermediary that takes principal risk directly in the trades it finances rather than operating as a matching platform. Drawing on direct participant observation, the study documents three reconciliation workflows built during the internship: a multi-entity bank reconciliation statement, an automated daily repayment report, and an invoice-level payment advice reconciliation. It finds that the company's central day-to-day operational risk was not credit or market risk but format risk: inconsistent column layouts, duplicate column labels, and unstandardised entity codes across group companies. Standardising import templates and replacing manual re-entry with live formulas measurably reduced false-flagged discrepancies and turnaround time. The case study argues that for a company whose business model depends on off-balance-sheet treatment holding up under scrutiny, disciplined reconciliation infrastructure is not a back-office afterthought but a determinant of how far the model can scale.

Keywords: supply chain finance; trade finance; bank reconciliation; payment advice processing; TReDS; off-balance-sheet financing; MSME working capital

1. Introduction

Every corporate finance team eventually runs into the same timing problem: suppliers need to be paid before customers pay back. In India, this gap is wide enough that MSME suppliers routinely wait 90 days or more to be paid by large corporate buyers, and that wait is what the supply chain finance (SCF) industry exists to close. SCF covers a set of working-capital instruments, dynamic discounting, reverse factoring, invoice and receivables discounting, purchase-order and freight-payment financing, that let a large buyer stretch its payable cycle while the supplier collects early from a third-party financier, usually without that exposure landing on the buyer's own balance sheet (IMARC Group, 2026; MarketsandData, 2024).

The Indian market for this is not small. Estimates put it at roughly USD 7.6–9.3 billion in 2025, headed toward USD 15.8–20.6 billion by the early-to-mid 2030s, implying a CAGR somewhere in the 7.7%–9.2% range (IMARC Group,

2026). Growth is being pushed along by MSME formalisation, government programmes such as Make in India, and a regulatory push through the Reserve Bank of India's Trade Receivables Discounting System (TReDS), even as net-worth norms for TReDS operators tighten at the same time factoring gets easier priority-sector recognition (Mondaq, 2026; Reserve Bank of India, 2026).

What gets far less attention, in both the trade press and the academic literature, is the unglamorous work underneath all of this: reconciling who owes what to whom, across multiple banks, multiple group entities and multiple document formats, so that the financing structure actually holds up when someone checks the numbers. This case study looks at that operational layer directly, through a ten-week internship placement in the Finance and Accounts function of Great Kapital (Ventura Trading Private Limited), a structured trade finance intermediary that, unlike a marketplace platform, takes principal risk directly in the trades it finances. The question this paper asks is a practical one: what actually goes wrong in day-to-day reconciliation at a company like this, and what fixes it?

2. Literature Review

India's SCF industry can be segmented a few different, overlapping ways. By institution type, Testbook (2025) and Expert Market Research (2026) distinguish four broad categories: bank-led programmes run by institutions such as Axis Bank, HDFC Bank and ICICI Bank, which lend or factor on their own balance sheets; RBI-authorised TReDS platforms such as RXIL, M1xchange and InnoVen, which run an auction and take no principal risk themselves; NBFC-Factor and fintech-led dynamic discounting platforms such as KredX and Cashinvoice; and structured trade intermediaries, of which Great Kapital is an example, that take on principal risk in the trade instead of simply matching buyers and sellers.

TReDS itself is worth a closer look, since so much of the regulatory conversation in India centres on it. It is a digital auction platform, regulated by the RBI, where an MSME supplier uploads an invoice the buyer has already approved, and competing banks or NBFCs bid to fund it at a discount; the supplier is typically paid within about 48 hours, and the financier collects the full amount from the buyer only when the invoice falls due (Samisti Legal, 2026; Reserve Bank of India, 2026). Since 2023, insurance companies have joined as a fourth type of TReDS participant, offering credit insurance so financiers are more willing to bid on invoices tied to lower-rated buyers, without adding to the seller's cost (Samisti Legal, 2026). The RBI's most recent Master Directions raised the minimum net worth requirement for TReDS operators to Rs. 25 crore, tightening entry even as the broader regulatory stance toward factoring, including its priority-sector recognition, has moved the other way (Mondaq, 2026).

This literature does not really reach the operational mechanics of firms sitting outside the TReDS category altogether, structured intermediaries that carry principal risk and therefore manage their own reconciliation rather than relying on a platform's matching engine. KPMG International's (2026) trade outlook flags data and process fragmentation as a persistent drag on trade finance more broadly, but does not drill into what that fragmentation looks like at the level of one company's payment advices and bank statements. This case study sits in that gap. It is not trying to add to the macro literature on SCF market sizing, already well covered by IMARC Group (2026), MarketsandData (2024) and The Business Research Company (2026), but to document, from the inside, how reconciliation actually gets done, and where it breaks, at one structured trade finance intermediary.

3. Case and Methodology

This is a single-case, practitioner case study built on ten weeks of direct participant observation, from 2 June to 10 August 2026, inside the Finance and Accounts function of Great Kapital (legal entity: Ventura Trading Private Limited), working on-site under a reporting manager and a day-to-day mentor. The method sits closer to action research than to a detached outside study: the author was not observing reconciliation work from a distance but performing it, building the workbooks described below, and the findings reported here follow directly from that work rather than from interviews or secondary data collection.

Great Kapital is a private limited company founded in 2021, built on the trading legacy of RK Group, which has operated in trade for over four decades (Great Kapital, n.d.-a). It works with large anchor corporates, Wrogn, Tata Play, UltraTech Cement and Arvind Fashions among them, extending their payable cycles while their suppliers are paid early, and structures this exposure off its own balance sheet. The company positions itself explicitly as a principal rather than a platform: it enters the trade and carries the exposure, rather than earning a matching fee the way a TReDS operator does (Great Kapital, n.d.-b). By its own disclosure, it has moved more than Rs. 4,000 crore in off-balance-sheet volume and paid over 1,000 suppliers on time, with a vendor Net Promoter Score of 9.7 out of 10.

The Finance and Accounts function is organised around the group as a whole rather than entity by entity, so a single day's work could span several unrelated Ventura Trading group companies, ABLBL/ABFRL, TIGC/Styleverse, BBPL, MLL, USPL and Awesomefab/ASPL, depending on which payment advices, bank statements or maturity reports came in. A single reconciliation cycle typically began with a payment advice arriving over Slack as a PDF or Excel file. The first task was working out which entity and which format variant it was, since the same document type could show up in a different layout depending on which group company had sent it. Once that was settled, invoice-level figures were checked against the Zoho Books invoice master, clean lines were converted into a standardised import CSV, and the bank-facing and facility-facing reconciliations were refreshed on their own, separate cadence. In practice the work was less one linear process than three parallel cycles, invoice-level, bank-level and facility-level, running at different frequencies but drawing on overlapping source files.

Three reconciliation workflows built during the internship form the empirical core of this case study.

The first, the SBD Axis Bank Reconciliation Statement, is a multi-sheet workbook covering six group entities' discounting facility across a full financial year. Each entity's transaction data feeds in through SUMIFS formulas rather than pasted figures, so the reconciliation updates itself as new exports arrive; interest figures come from a separate Axis discounting-expense export, and repayment movements from the account transactions export. Where an entity's opening balance for the year could not be traced to a single source document, it was reconstructed by working backward from the closing position and known movements during the year, and flagged as reconstructed rather than independently verified wherever it appears.

The second, the Daily Repayment Report, compares each day's maturity report against the previous day's using a VLOOKUP against the line-item description, flagging lines with no match in the newer report as fully repaid and lines with a reduced balance as partial repayments. What used to require reading two full reports side by side became a same-day, formula-driven output, checked for zero formula errors before it went out.

The third, the TIGC/BBPL Payment Advice Working, cross-checks the TDS and balance figures on each incoming payment advice against Zoho Books' own invoice records. For every invoice line, the Zoho balance and taxable subtotal are pulled in via VLOOKUP, a standard TDS figure is calculated from the taxable amount, and any gap beyond a small rounding tolerance is flagged by invoice number before anything is booked.

4. Results and Analysis

The clearest finding from this internship is that Great Kapital's central operational risk was not, in the main, credit risk or market risk, both of which sit further up the organisation, in deal structuring. It was format risk. Payment advice files arrived in inconsistent layouts across entities: column order shifted, header names varied, and occasionally an extra column appeared with no warning (an additional FINANCING_DATE field, for instance). In several payment advice sheets, two separate columns were both labelled 'TDS', distinguishable only by position on the sheet, a trap that anyone new to a given file could easily fall into. Compounding this, the same underlying company could appear under two different short codes depending on which document was being read, ABLBL and ABFRL both referring to the same entity, with no document reliably specifying which code applied where. This mapping existed as tribal knowledge, learned by asking a colleague rather than by looking it up anywhere written down.

The Payment Advice Working project surfaced this problem concretely: a recurring pattern of flagged TDS mismatches traced back not to genuine payment errors but to source files having an extra or differently positioned column. The underlying reconciliation logic was sound; it was sensitive to input formatting that varied from file to file. Once the column-position issue was identified and accounted for, false-flag rework dropped noticeably.

Reading the three projects together, rather than one at a time, makes a pattern visible that is easy to miss looking at each in isolation. The BRS workbook checks the bank-facing position, the repayment report checks the facility-facing position, and the Payment Advice Working checks the invoice-facing position, three different points in the same reconciliation cycle. None of them was scoped from the start as part of one coordinated design; each grew out of a specific, immediate need the Finance team flagged. That they ended up covering three complementary layers of the same underlying problem says less about deliberate planning than about how consistently the same root causes, inconsistent formats, unstandardised entity codes, and manual re-checking, kept showing up wherever a new gap appeared.

Two changes made during the internship addressed this directly. The first was standardising the import template: instead of each entity's payment advice being converted into its own bespoke layout, ABLBL/ABFRL, TIGC, BBPL, MLL and the rest now share a single Zoho-import CSV structure, which cuts the odds of a column-mismatch error simply because there is one structure to check against instead of several. The second was replacing manual re-entry with live formulas across all three workflows, live SUMIFS in the BRS, live VLOOKUP in the repayment report and the payment advice check, which reduced both turnaround time and the risk of a transcription error compounding downstream.

Building the BRS workbook also surfaced a documentation gap that goes beyond formatting: several entities' opening balances for the financial year could not be traced to a single source document and had to be reconstructed from the closing position and known movements. This is a smaller version of the same underlying issue, a lack of a single, agreed source of truth, showing up at the level of a full-year opening balance rather than a single payment advice column.

5. Conclusion

For a company whose entire business model rests on off-balance-sheet treatment standing up to scrutiny, this case study suggests that reconciliation discipline sits close to the real work of structuring deals rather than behind it. Great Kapital's growth to over Rs. 4,000 crore in off-balance-sheet volume and 1,000-plus suppliers paid on time depends on every invoice, every TDS figure and every bank line actually tying out across group entities that do not share a single reporting format. The two fixes documented here, standardising the import template and moving from manual to live-formula reconciliation, are neither expensive nor technically difficult, and yet neither had been fully in place before this internship began.

Three recommendations follow directly from the case. First, a single, centrally maintained reference sheet mapping every entity short code (ABLBL, ABFRL, TIGC, Styleverse, BBPL, MLL, USPL, Awesomefab, ASPL) to its full legal name would remove a category of error that currently depends on someone remembering to ask the right person. Second, extending the standardised import template beyond the CSV step to cover the Discounting File and Payment Advice Working formats as well would close the same format-risk gap in the places it has not yet reached. Third, documenting each entity's opening balance explicitly at the start of every financial year, rather than reconstructing it after the fact, would remove the need for the kind of backward-working estimation the BRS project had to rely on.

None of this changes the broader industry picture: MSME suppliers still wait too long to get paid, and the market will likely keep growing at high single digits to low double digits regardless of how any one company runs its reconciliation. But it does suggest that, at the level of an individual structured trade finance intermediary, the gap between a reconciliation process that scales and one that does not has less to do with technology, most of the tools

involved here are ordinary spreadsheets, and more to do with whether the underlying data discipline, standard formats, a single source of truth for entity codes, documented opening balances, is built in from the start.

Funding Details

This work received no external funding. It was carried out as part of an academic Summer Internship Project requirement for the Master of Business Administration programme at CMS Business School, Jain (Deemed-to-be University), Bengaluru.

Disclosure Statement

The author was engaged as a paid intern by Great Kapital (Ventura Trading Private Limited) during the period described in this case study. No other financial interest or benefit has arisen from this work.

References

1. Expert Market Research. (2026). Supply chain finance market report.
2. Great Kapital. (n.d.-a). About us. <https://greatkapital.com/about>
3. Great Kapital. (n.d.-b). Homepage. <https://greatkapital.com>
4. IMARC Group. (2026). Supply chain finance market report.
5. KPMG International. (2026). 2026 trade outlook: A Herculean effort.
6. MarketsandData. (2024). India supply chain finance market assessment.
7. Mondaq. (2026). Update: Framework for TReDS platforms.
8. Reserve Bank of India. (2026). Master Directions on Trade Receivables Discounting System (TReDS) platforms.
9. Samisti Legal. (2026). The evolving regulatory framework of TReDS.
10. Testbook. (2025). TReDS explainer.
11. The Business Research Company. (2026). Supply chain finance global market report.