BUSINESS ANALYSIS CASE STUDY · RUPAK GHANPATHI

Every rupee needs an owner.

When a distributor pays less than the invoice, finance teams can spend weeks over email working out why. I designed the workflow that explains every rupee on the day the payment arrives.

THE SAME ₹20,000 SHORT PAYMENT, TWO WORKFLOWS

Invoice ₹10,00,000, paid ₹9,80,000 with no explanation. Amounts and timings are illustrative.

Today (hypothesised)

email and spreadsheets

UNEXPLAINED	ELAPSED	EMAILS
₹20,000	Day 31	9

Day 31 **Month-end close.** The gap shows up in ageing. The distributor kept ordering on credit.

Late visibility

Day 18 **The Controller approves over email.** The evidence lives in an inbox.

Weak audit trail

Day 11 **Sales forwards a scheme circular.** It covers part of the gap. Nobody checks the rest, or the tax withheld.

Reasons live in email

Day 4 **AR emails Sales:** is this a scheme deduction? Each side assumes the other is chasing.

Unclear owner

Day 3 **AR works out who paid** from the bank narration and parks the gap in a spreadsheet.

No reason recorded

Day 0 **₹9,80,000 lands with no reference.** A ₹20,000 gap nobody can explain.

No remittance detail

Proposed workflow

rules first, people for exceptions

UNEXPLAINED	ELAPSED	OWNER
₹0	09:03	Sales…



TDS credit **₹1,000** Accepted **₹8,000**
In dispute **₹11,000**

09:03 **Every rupee classified and owned.** Nothing written off.

Done

09:03 **₹11,000 damage claim becomes a dispute.** No proof of delivery, and 2.6× this distributor's norm. Owner notified; 7-day SLA.

Dispute · owner · deadline

09:03 **₹8,000 scheme claim accepted by rule.** Circular attached, within budget, under the ₹10,000 limit.

BR-3 Auto-accepted

09:02 **₹1,000 is expected TDS.** Purchases crossed ₹50 lakh, so 0.1% was withheld; matched later in Form 26AS.

BR-2 Not a loss

09:02 **Payment arrives on Distributor A's virtual account.** Payer known instantly; applied to the oldest open invoice.

BR-1 Identify

31 days and 9 emails, still unexplained, versus **every rupee** explained and owned by 09:03 on day 0. Nothing written off.

AT A GLANCE

The problem

A short payment is usually three things at once: tax withheld, a valid claim, and a dispute. Most teams treat it as one, so the money sits unexplained while the distributor keeps ordering on credit.

What I designed

A workflow that identifies who paid, separates the tax, accepts claims backed by evidence, and gives every remaining rupee a reason, an owner and a deadline. Valid claims are then settled upfront as credit notes, so the next payment arrives in full.

My role

Self-initiated, from public filings. I framed the problem, mapped the current process, wrote the business rules, user stories and test cases, and planned how to validate it with the people who would use it.

Requirements elicitation · Process mapping (as-is / to-be) · Business rules · User stories and acceptance criteria · Traceability · UAT and controls · Stakeholder mapping (RACI) · Success metrics · Order-to-cash and Indian tax

Try the rules yourself

The proposed workflow above is driven by rules Finance controls. Change one and watch the payment re-classify.

Finance's settings

TDS, a tax credit (not a loss)	₹1,000	Rule
Scheme claim, accepted	₹8,000	Rule
Damage claim, disputed	₹11,000	Area sales mgr

45% classified with no person involved; the rest has a named owner.

Try to break the controls

Each attempt should be blocked and logged.

What the owner receives

#ar-disputes

Proposed · mock, not connected to Slack

Case C-3318 assigned to you · Distributor A · INV-1042
₹11,000 damage claim · no proof of delivery · 2.6× norm
SLA due 3 Nov 2026

Credit check on the next order

Damage, INV-1042 (this payment)	₹11,000	0 days
Shortage, INV-0971, no goods note	₹14,000	47 days
Total disputed	**₹25,000**	**oldest 47**

Next order flagged for credit review (over ₹20,000, older than 45 days)

Rule: disputes over ₹20,000 or older than 45 days (illustrative). A flag for the credit controller, not an automatic block.

Next month: paid in full

The ₹8,000 scheme benefit is issued upfront as credit note CN-0213 and reported to the IRP by **24 Nov 2026**. The distributor pays ₹10,00,000 − ₹8,000 − ₹1,000 expected TDS = **₹9,91,000**. Exact match; no case opened.

Audit trail

```
09:02 Receipt ₹9,80,000 tagged to Distributor A; applied to INV-1042 (oldest open)
09:02 ₹1,000 classified as TDS u/s 194Q; queued for Form 26AS match
09:03 ₹8,000 scheme claim auto-accepted: evidence, budget, under limit
09:03 Case C-3318 opened: ₹11,000 damage, no POD; owner area sales manager; SLA 7 days
09:04 Distributor A next order flagged for credit review
```

Why this problem

The case is built on Cello World Ltd, a consumer products maker selling through 565 dealers and distributors on 30–120 day credit. In FY26 its receivables grew faster than its revenue:

+14.0%
Receivables, ₹658 Cr → ₹750 Cr

+8.8%
Revenue, ₹2,136 Cr → ₹2,324 Cr

≈ ₹34 Cr
above revenue pace (estimate)

₹658 Cr grown at 8.8% ≈ ₹716 Cr, against ₹750 Cr actual. An estimate, not a measured backlog; receivables also rise through credit expansion, channel mix or timing. It justifies discovery, not a diagnosis. In scope: receipts, deductions, their evidence, ownership and settlement. Out of scope: credit-limit policy, collections strategy and ERP replacement.

The specification

For the business reader: the rules, requirements and tests behind the prototype. Every requirement traces to a pain point or research finding and forward to a test.

Business rules

ID	LAYER	RULE
BR-1	Identify	Each distributor pays into its own virtual account number, so every receipt is tagged to the payer. An unreferenced partial payment settles the oldest open invoice first.
BR-2	Split	Track each distributor's running purchase total. TDS u/s 194Q applies when the buyer's previous-year turnover exceeds ₹10 crore and its purchases from the seller exceed ₹50 lakh in the year, at 0.1% of the amount above ₹50 lakh; once crossed, a TDS line is expected and matched to Form 26AS. GST-TDS (2%) applies only to notified buyers such as government bodies.
BR-3	Validate	Auto-accept a claim only if its evidence is present, it is within budget, it is under the Finance-set tolerance and it is within 2× the distributor's own norm. Everything else goes to a person.
BR-4	Validate	Unexplained gaps are never written off by a rule.
BR-5	Control	Above the approval threshold (illustratively ₹10,000) a second person approves; self-approval is blocked.
BR-6	Prevent	Valid claims are settled as credit notes. Credit notes are reported to the IRP within 30 days (e-invoicing, turnover ₹10 Cr+, from 1 April 2025) and GST credit notes are issued no later than 30 November of the following year (Section 34).
BR-7	Credit	When disputed deductions exceed a threshold or age past a limit, the next order is flagged for credit review.

Tax rules summarised for illustration; they change. Check current rules.

Reason codes

REASON CODE	REQUIRED EVIDENCE	VALID WHEN
Scheme claim	Scheme circular or agreement, plus eligibility	Within that distributor's scheme budget
Damage / shortage	Proof of delivery or damage report	Flagged if more than 2× the distributor's own trailing average

REASON CODE	REQUIRED EVIDENCE	VALID WHEN
Rate difference	Price list or contract in force on the invoice date	Matches that price
Returns	Goods received note	Matches the quantity received
No evidence	None	Never; it becomes a dispute with an owner and an SLA

Traceability

PAIN POINT OR RESEARCH FINDING	REQUIREMENT	TEST
P1 No remittance detail. Virtual accounts tag each payment to its payer automatically (open.money)	BR-1, US-1	UAT-01
TDS treated as a loss is a leading cause of reconciliation differences (invoicedataextraction.com guide)	BR-2, US-2	UAT-02
90–95% of deduction value is typically valid; 5–10% invalid (HighRadius) . Unstructured claims can over-pay 5–12% of scheme spend (Terra Insight)	BR-3, US-3	UAT-03, UAT-05
P2 Unstructured reasons; P3 unclear owner. Average dispute resolution about 41 days; 44% of companies have no resolution deadline (HighRadius; Attain Consulting 2021 survey)	US-4	UAT-04, UAT-08
P4 Weak approval trail	BR-4, BR-5, US-5	UAT-06, UAT-07
Missed credit-note windows leak GST (Terra Insight example, illustrative)	BR-6, US-6	UAT-09
P5 Late visibility; old deductions compound with new credit exposure	BR-7, US-7	UAT-10

Select an ID to open its definition.

User stories and acceptance criteria

1. **US-1 Identify payer.** As an AR executive, I want each receipt tagged to its distributor, so I never identify payers from bank narrations.

   Given a receipt on a distributor's virtual account with no reference, when it is imported, then it is applied to that distributor's oldest open invoice and logged.

2. **US-2 Expect TDS.** As an AR lead, I want TDS separated from deductions, so tax credits are not chased as losses.
   Given a distributor past the ₹50 lakh purchase threshold, when a receipt is short by the expected 0.1%, then the amount is classified as TDS and queued for the Form 26AS match.
3. **US-3 Auto-accept evidenced claims.** As a Finance Controller, I want evidenced, in-budget claims under tolerance accepted automatically, so people work only exceptions.
   Given a scheme claim with its circular attached, within budget, under tolerance and within 2x the distributor's norm, when it is validated, then it is accepted and the rule that accepted it is recorded.
4. **US-4 Route disputes.** As an AR lead, I want every unevidenced deduction to open a case with a reason code, owner and SLA, so nothing waits for month-end.
   Given a damage claim without proof of delivery, when it is classified, then a dispute opens, is assigned to the area sales manager, the owner is notified and the SLA timer starts.
5. **US-5 Maker-checker.** As a Finance Controller, I want deductions above the threshold approved by a second person, so write-offs are controlled.
   Given a case above ₹10,000, when its maker approves it, then the action is blocked, logged and routed to a checker.
6. **US-6 Settle upfront.** As a Sales manager, I want valid scheme benefits issued as credit notes before payment, so the distributor pays in full.
   Given an approved claim, when the credit note is issued, then a 30-day IRP reporting deadline is set and alerts at day 20.
7. **US-7 Credit flag.** As a credit controller, I want ageing disputes to flag the next order, so exposure doesn't compound.
   Given disputed deductions above the threshold or age limit, when the distributor places an order, then the order is flagged for review, not blocked.

UAT cases

ID	TRACES TO	SCENARIO	EXPECTED RESULT
UAT-01	BR-1, US-1	Unreferenced receipt on a virtual account	Tagged to the distributor; applied to the oldest open invoice; logged
UAT-02	BR-2, US-2	Receipt short by 0.1% after the ₹50 lakh threshold	Classified as TDS; queued for Form 26AS match
UAT-03	BR-3, US-3	Evidenced scheme claim within budget and tolerance	Auto-accepted; accepting rule recorded
UAT-04	US-4	Close a case without a reason code (negative)	Blocked and logged
UAT-05	BR-3	Accept a damage claim without proof of delivery (negative)	Blocked; claim stays a dispute

ID	TRACES TO	SCENARIO	EXPECTED RESULT
UAT-06	BR-5, US-5	Maker approves own case above ₹10,000 (negative)	Blocked, logged, routed to a checker
UAT-07	BR-4	Auto write-off of an unexplained gap (negative)	Blocked; case stays open with its owner
UAT-08	US-4	Dispute passes its SLA	Escalated to the AR lead; history kept
UAT-09	BR-6, US-6	Credit note issued	30-day IRP deadline set; alert at day 20
UAT-10	BR-7, US-7	Disputes above ₹20,000 or older than 45 days, new order placed	Order flagged for credit review, not blocked

RACI

ACTIVITY	AR EXEC	AR LEAD	CONTROLLER	SALES	IT / ERP	AUDIT
Match payments to invoices	R	A	I		C	
Investigate a difference	R	A		C		
Confirm a scheme or damage claim	C			R		
Approve a deduction or write-off		R	A	C		I
Post the adjustment in the ERP	R	A			C	
Report exception ageing	R	A	I	I		I

R = does the work, A = accountable, C = consulted, I = informed. The distributor is the external party in every exception.

Trade-offs I chose

- **Control before speed:** ownership and approvals first, automation second.
- **Strict matching at launch:** fewer auto-matches, zero wrong ones.
- **ERP stays the system of record:** a workflow layer (proposed: a platform such as ServiceNow) posts only approved outcomes.
- **No automatic write-offs:** small items may wait for a person.
- **Automate only the evidenced majority:** needs a Finance-approved tolerance.
- **Prevent before you reconcile:** Sales must agree scheme budgets upfront.

How I'd measure it

- Days deductions outstanding
- Share of gaps auto-classified
- Share of claims auto-accepted with evidence
- Invalid deductions recovered
- Credit notes reported within 30 days
- Zero wrong write-offs

How I'd validate it

- Five 45-minute interviews: AR executive, AR lead, Finance Controller, area sales manager, ERP owner
- One month of anonymised receipts
- **Stop rule:** if gaps are rare or close within days, stop and redirect to wherever finance spends the most manual effort.

Self-initiated. Built from Cello World Ltd's public filings (FY26 consolidated, FY25 restated) and public industry research. Internal processes are hypotheses, not confirmed company practice. Tools such as virtual accounts, Slack or a workflow platform are proposals, not claims about Cello's systems. Tax rules are summarised for illustration and change; check current law.

LinkedIn · GitHub