

Settlement & Reconciliation – Digital Payments Case Study

Background

In digital payment systems, transactions are processed in real time, while settlement and reconciliation occur later. Mismatches between gateway, bank, and merchant records can result in financial loss and operational inefficiencies.

Problem Statement

Operations teams face difficulty resolving mismatches where transaction status or amounts differ across systems, leading to delayed settlements and manual intervention.

Scope

- Settlement lifecycle
- reconciliation checks
- mismatch identification
- exception handling workflows

Functional Requirements

- Match transactions across gateway, bank, and merchant systems
- Identify amount mismatches, missing records, and duplicates
- Generate daily reconciliation reports and trigger exception workflows

KPIs

- Settlement success rate
- reconciliation accuracy
- average resolution time

Risks & Mitigation

- Risk of financial discrepancies mitigated through automated matching and audit logging.