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KNOWLEDGE SERIES · BANK BRANCH AUDIT · #3

## Window Dressing — Detecting Cross-Credit Transactions

How related borrowers move funds between accounts to show artificial regularity — and how Excel exposes the network



### The Fraud & Why Individual Review Misses It

e.g. 20 rice millers in same branch — all appear regular individually

- > Account A is stressed — Borrower B credits A's account to prevent NPA. Next month A returns the favour to B. Cycle continues indefinitely
- > All accounts show credits individually — looks perfectly clean. No genuine business cash flow exists
- > Looking at one statement — you only see a credit, cannot tell where it actually came from
- > Only when **all statements are appended** together can cross-credits be matched and exposed

### S2 Two Datasets to Prepare

Sheet 1 — Appended Bank Statements · Sheet 2 — Loan Balance File from Branch

#### SHEET 1 — APPENDED STATEMENTS

- > Export statements of all related borrowers — stack one below the other into a single sheet
- > **Col A** = Account Number (whose statement) · **Col D** = Description / Narration
- > Add blank **Col E** — formula result goes here

#### SHEET 2 — LOAN BALANCE FILE

- > Obtain Loan Balance File from branch — contains ALL loan accounts of the bank
- > Place all account numbers in **Sheet2, Col A** (A2 onwards) — the lookup master list
- > Formula searches every description against this full list

### S3 Step 3 — Excel Formula in Column E · Sheet 1

Drag down for all rows · Excel 365: Enter · Older Excel: Ctrl+Shift+Enter

PASTE IN E2 — DRAG DOWN FOR ALL ROWS

```
=TEXTJOIN(" ", TRUE, IF(ISNUMBER(SEARCH(Sheet2!$A$2:$A$1000,D2)), Sheet2!$A$2:$A$1000, ""))
```

**SEARCH** — scans every loan A/c no. (Sheet2) inside description text (D2)  
**ISNUMBER** — TRUE when a loan account number is found in description  
**IF + TEXTJOIN** — returns matched account number(s), blank if none  
 Result → Blank = no cross-credit · **Account Number** = cross-credit 🚨

#### FILTER STEP

- > Filter Col E for **non-blank cells** — these are all cross-credit transaction rows

#### SAMPLE OUTPUT

A/C	DESCRIPTION	MATCH
10010	Cr by NEFT Rice Traders	—
10010	Trf from A/c 10025 self	10025 🚨
10025	Cash deposit at branch	—
10025	Trf to 10010 loan repay	10010 🚨
10033	Cr A/c 10010 & 10041	10010, 10041 🚨

### S4 Step 4 — Pivot Table to Map the Round-Trip Network

Rows = Whose statement · Columns = Matched account · Values = Count of transactions

#### PIVOT SETUP & WHAT TO FIND

- > **Rows** → Col A · **Columns** → Col E · **Values** → Count or Sum of Amount
- > **Mutual entries** — A→B and B→A both show counts = confirmed round-trip 🚨
- > **High frequency** — same pair 4-5 times = systematic window dressing
- > **Hub account** — one account across many others = central fund router

#### SAMPLE PIVOT — CROSS-CREDIT MATRIX

FROM→TO	10010	10025	10033	10041
10010	—	4 🚨	—	2
10025	3 🚨	—	1	—
10033	2	—	—	3
10041	2	—	2	—

- > 10010 ↔ 10025 → 4 & 3 times = **clear round-trip confirmed** 🚨