

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
OR2766	Brahmagiri	Puri	Bhubaneswar	Bhubaneswar	Odisha	East
Branch Manager Name/ID	Branch Quality Manager Name/ID	Cluster Manager Name/ID	AVP Name/ID	VP Name/ID	SVP Name/ID	CBO Name/ID
Rajesh Swain/SF0079000	Hemanta Kumar Behera/SF0094133	Manas Ranjan Bhuyan/SF0094456	Bhagaban Swain/SF0097828	Santosh Kumar Sahoo/SF0071004	Sanjaya Kumar Sahoo/SF0070624	Shriraj Vedsen/SF0071741
Date of Information Received (DD/MMM/YY)		02/05/2025	Date of event/transactions occurred (From-To) (DD/MMM/YY)		05/05/2025	19/05/2025

Type of Incident (Fraud/Robbery/Theft)	Staff Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	1
Total Amount Involved (Rs.)	367747

Describe how the incident has been exposed/identified:

During center visit to Brahmagiri (OR2766) by AVP Bhagaban swain at , visited Center Number -543472 and observed that LO Manoj Baral/SF0079000 had collected EMI from borrower 8 borrowers **Rs.22900 /-** but that amount not inputted in FIMO. Borrower provided Loan Card as evidence. As per the above collection misappropriation, the complaint was lodged Against LO Manoj Baral on 02nd May 2025, vide complaint Number **FN25-26-00465**.

Post completion of the investigation, we identified **Rs.367747/-** amount of cash misappropriation on **32** no's of borrowers against IO Manoj Baral /SF0079000.

Brief Details of the incident:

Investigation Approach:

The Audit team visited all Borrowers, those handled by LO Manoj Baral to check the availability of the borrower, and the amount collected was not accounted for.

Modus Operandi:

LO Manoj Baral employee ID SF0079000 made a cash misappropriation with an amount of **Rs-367747/-** for 32 borrower.

- The internal audit team investigated by visited all 311 borrowers handed by LO.
- Post Verification, it was observed that a total of 311 no's Borrowers visited, out of that 311 no's of borrowers were present 86 & 225 no's borrowers were "Not available at home" at the time of verification. Hence, for the nonavailability of borrowers, we were verified with the loan card, which is available at the center for 17 no's Borrowers. Observed fraud for 32 no's borrowers of **Rs 367747/-**.

Categories of Fraud Details: -

Sl. No	Type of Fraud	Affected Borrowers	Fraud Amount	Recovery Amount	Net Fraud Amount
1	Disbursed Loan Amount Recollected	1	40000	34970	5030
2	Collection Amount	18	118447	10450	107997
3	Advance Amount	10	122650	12190	110460
4	Pre-Closure Amount	5	86650	2240	84410
Total		34	367747	59850	307897

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Details of Process & Policy Lapses:

- 1- Monitoring failure.
- 2- Violation of collection process.
- 3- Proper follow up not done for standard pending customer.
- 4- Violation of preclose process.
- 5- Monitoring failure for center management process.

Details of the Enclosed Annexures, Documents & Statements from staff/customers if any:

1. Borrower Sub-ledger.
2. Digital Payment
3. Loan Card
4. Borrower written statement

SI. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Bhagaban Swain/ SF0097828/AVP/Business/ 543472
2	Date of event exposed	01 st May 2025
3	Name/ID/Designation of the Fraudulent Staff	Manoj Baral/SF0079000/Loan Officer
4	Whether it is in the notice of BM/BQM/CM/AVP/VP/SVP & HR (Yes/No)	Yes
5	If yes, mention the Action initiated by BM/BQM/CM/AVP/VP/SVP	Yes
6	No. of thefts/robberies happened in this branch for the past 12 months (excluding this)	NO
7	No. of staff frauds happened in this branch for the past 12 months (excluding this)	NA
8	Is there any disciplinary action taken by HR in his/her past tenure?	NA
9	Whether an internal audit was conducted at the branch during the occurrence of the fraud (Yes/No/NA)	No
10	If yes, whether internal audit has detected the fraud (Yes/No/NA)	NA
11	If No, why was fraud not detected/informed during such an audit?	NA
12	Is there any investigation conducted & reported after detection by other departments (Yes/No/NA)	Yes
13	If yes, mention the departments that conducted and reported.	Internal Audit

Details of involved staff

Sr. No.	Staff Name	Employee ID	Designation	DOJ in SSFL (DD/MMM/YY)	DOJ in Branch (DD/MMM/YY)	DOJ in Exit (DD/MMM/YY)
1	Manoj Baral	SF0079000	LO	06-11-2023	06-11-2023	1-05-2025

Note: The information and observations given in the report are based on records and documents produced before us for verification. We have relied on certain explanations and representations provided by the SSFL staff & customers wherever applicable.

Report prepared by : Internal Audit Team.

Date : 20th May 2025