

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
UP3491	Mirzapur	Chunar	Varanasi	Varanasi	Uttar Pradesh	North
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
Vijendra Kumar / SF0075988	KM Kusum/SF0072301	Ranjeet Kumar /SF0091261	Ranjeet Kumar /SF0071776	Ajay Gautam / SF0074699	Vipin Yadav/ SF0071928	Ajay Ganotra / SF0068487
Date of Information Received (DD/MMM/YY)		8 th May 2025	Date of event/transactions occurred (From-To) (DD/MMM/YY)		17 th Sep 2024	18 th Apr 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.)			138769 /-			

Describe how the incident has been exposed/identified:

During the branch visit by the business/IA team, it was observed that 01 Loan officer collected EMI and Pre-closure amounts from the borrowers & without updating the same to their accounts, have embezzled the same. Complaints on the same were raised by **AVP Ranjeet Kumar/ SF0071776** basis complaint was registered based on the collected evidence on their names vide no's. **FN25-26-00542**.

1. During investigation it was observed that **LO Sunil Kumar / SF0073094** embezzled in Pre-close and EMI amount misappropriation of multiple borrowers from multiple centers of a total Rs. 138769/- and only Rs. 74040/- posted in FIMO into their account. Rest of Rs. 64729/- pending to recover from delinquent employee. Currently LO Sunil Kumar/ SF0073094 was **absconded on date- 18th Apr 2025**.

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Brief Details of the incident:

Investigation Approach:

The audit team visited all the borrowers handled by the loan officers to check the availability of the borrower and found that the amount collected was not accounted for.

Modus Operandi:

Investigation was conducted by the Internal audit team during the months from May`25, covering the total 68 borrowers Which were handled by the loan officers have committed fraud by collected EMI & Pre-closure amount but not updated to concerned borrower accounts & embezzled the same.

The Internal audit team investigated by visiting all the 68 borrowers handled by the loan officers.

Post verification, it was observed that of the total 68 borrowers visited, in which collected by LO.

1. **Pre-closure** amount from 6 borrowers **Rs 130729 (Rupees One Lakh thirty thousand Seven hundred twenty-nine)**
2. Collected **EWI** amount from 1 borrower **Rs. 8040 (Rupees Eight thousand forty)**

The total fraud inclusive amount of all the borrowers is Rs 138769/- (Rupees One Lakh thirty-eight thousand seven hundred sixty-nine).

The details of the EWI and Pre-close amounts collected by the loan officers of the 9 borrowers mentioned above are given below:

Collection & Pre-closure (Total Fraud Amount):

Sr.no	Type of Fraud	Affected Borrower	Amount Collected	Amount Recovered & Accounted in FIMO
			(Gross Fraud)	
1	Instalment	1	8040	0
2	Pre-Closure Amount	8	130729	74040
	Grand Total	9	138769	74040

Borrower wise details and summary are mentioned below:

Pre-closure amount collected from borrower, but entry not posted in FIMO It was observed that LO collected pre-closure amount, but entry not posted in FIMO of 8 borrowers amounting Rs. 130729/- through UPI and cash. For evidence borrowers given their written statement, Loan Card and UPI transaction receipt.

Sr. No.	Fraudulent Staff Name (As per staff master list)	Fraudulent Staff Emp. ID (As per staff master list)	Fraudulent Staff Designation (As per staff master list)	Borrower Name	Loan ID	Amount Collected (Gross Fraud)	Amount Recovered & Accounted in FIMO	Difference Amount (Net Fraud)
1	Sunil Kumar	SF0073094	Loan Officer	SEEMA	354534728	10000	4690	5310

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2	Sunil Kumar	SF0073094	Loan Officer	ANITA MOURYA	355852682	12500	1340	11160
3	Sunil Kumar	SF0073094	Loan Officer	CHANDASI	354470795	16775	14070	2705
4	Sunil Kumar	SF0073094	Loan Officer	CHANDASI	357896369	7375	4620	2755
5	Sunil Kumar	SF0073094	Loan Officer	MRS DEVI	355276034	14000	4690	9310
6	Sunil Kumar	SF0073094	Loan Officer	NILAM	354006045	5800	4020	1780
7	Sunil Kumar	SF0073094	Loan Officer	PRIYANKA	354008579	9624	8040	1584
8	Sunil Kumar	SF0073094	Loan Officer	PRIYANKA	357150669	4655	3480	1175
9	Sunil Kumar	SF0073094	Loan Officer	LAXMINA DEVI	354010703	10000	8710	1290
10	Sunil Kumar	SF0073094	Loan Officer	LAXMINA DEVI	357151110	27000	8320	18680
11	Sunil Kumar	SF0073094	Loan Officer	PRITI DUBEY	353912355	13000	12060	940
Total						130729	74040	56689

EWI collected from borrower, but entry not posted in FIMO It was observed that LO collected EWI amount, but entry not posted in FIMO of 1 borrower amounting Rs. 8040/- through cash.
(For evidence borrower given their Loan card.)

Sr. No.	Fraudulent Staff Name (As per staff master list)	Fraudulent Staff Emp. ID (As per staff master list)	Fraudulent Staff Designation (As per staff master list)	Borrower Name	Loan ID	Amount Collected (Gross Fraud)	Amount Recovered & Accounted in FIMO	Difference Amount (Net Fraud)
1	Sunil Kumar	SF0073094	Loan Officer	ANJALI	353923550	8040	0	8040
Total						8040	0	8040

Details of involved staff						
Sr. No.	Staff Name	Employee ID	Designation	DOJ in SSFL	DOJ in Branch	DOE in Exit
				(DD/MMM/YY)	(DD/MMM/YY)	(DD/MMM/YY)
1	Sunil Kumar	SF0073094	Loan Officer	19-05-23	19-05-23	18-04-2025

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Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Ranjeet Kumar / SF0071776/AVP/Business Team
2	Date of event exposed	8 th May 2025
3	Name/ID/Designation of the Fraudulent Staff	Sunil Kumar/ SF0073094 Loan Officer
4	Whether it is in the notice of BM/BQM/CM/AVP/VP/SVP & HR (Yes/No)	Yes (All Branch Management staff and HR)
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)	NA
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?	No
9	Whether an internal audit was conducted at the branch during the occurrence of the fraud (Yes/No/NA)	Yes
10	If yes, whether an internal audit has detected the fraud (Yes/No/NA)	No
11	If No, why the fraud was not detected/informed during such an audit?	Internal Audit conducts field visits on a sample basis, these borrowers were not part of the internal audit sample.
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

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: - 28th May 2025