

**Spandana Sphoorty Financial Ltd.**  
**Internal Audit Department**



**Fraud Investigation Report**

**Branch Details:**

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
TS3874	leeja	Gadwal	Hyderabad	Hyderabad	Telangana	South- 2
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
Arshapogu Shiva/SF0057258	NA	Golla Maddilety /SF0044322	L.BalaNarasi mhudu/SF0030864	Jagadeesh Reddy/SF0002014	Arun Kumar.A/ CFL0004261	Narayana Reddy Pullalacheruvu/S F0084396
Date of Information Received (DD/MMM/YY)		15-May-25	Date of event/transactions occurred (From - To) (DD/MMM/YY)		05-Feb-24	09-May-25

<b>Type of Incident (Fraud/Robbery/Theft)</b>	<b>Fraud</b>
<b>Internal or External</b>	<b>Internal</b>
<b>No. of staff/persons involved: Fraud/Robbery/Theft</b>	<b>1</b>
<b>Total Amount Involved (Rs.)</b>	<b>1,26,790/-</b>

**Describe how the incident has been exposed/identified:**

The branch manager, Arshapogu Shiva (SF0057258) identified in the branch that EMI & Pre-closure were embezzled by the loan officer Sappogu Prakash (SF0087621) collected the EMI, pre-closure & advance collection amount from borrowers and did not hand over the collected amount at the branch. The branch manager raised a complaint on 15<sup>th</sup> May 2025, and the complaint was registered on 15<sup>th</sup> May 2025 with vide complaint number FN25-26-00628.

**Brief Details of the incident:**

**Investigation Approach:**

The audit team visited all the borrowers, which was handled by loan officer Sappogu Prakash (SF0087621), to check their availability and the amount collected was not accounted for.

**Modus Operandi:**

The loan officer embezzled the collection & pre-closure collection amount from borrowers during the collection in the field.

The internal audit team investigated by visiting all 40 borrowers of the loan officer. The amounts of embezzled fraud collections are given below.

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Sr. No.	Loan officer name	Employee Code	Type of fraud	Borrowers Verified	No. of Borrowers Affected	Total Fraud Amount
1	Sappogu Prakash	SF0087621	Collection Misappropriation & Pre-closure.	40	33	1,26,790

**Details of Process & Policy Lapses:**

- Cluster Manager monitoring lapses.
- AVP & VP monitoring lapses.

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

Borrowers Loan Cards.  
Borrowers' sub-ledger account statement.

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Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Arshapogu Shiva/SF0057258/BM
2	Date of event exposed	15-May-25
3	Name/ID/Designation of the Fraudulent Staff	Sappogu Prakash SF0087621 LO
4	Whether it is in the notice of BM/BQM/CM/AVP/VP/SVP & HR (Yes/No)	No
5	If yes, mention the Action initiated by BM/BQM/CM/AVP/VP/SVP	NA
6	No. of frauds/ thefts/robberies that 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.	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)	No
11	If not, why the fraud was not detected/informed during such an audit.	Related centres/borrowers were not covered under the sample selected during the occurrence of the fraud.
12	Is there any investigation conducted & reported after detection by other departments (Yes/No/NA)	No
13	If yes, mention the departments who conducted and reported.	NA

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Details of the involved staff

Sr. No.	Staff Name	Employee ID	Designation	DOJ in SSFL	DOJ in Branch
				(DD/MMM/YY)	(DD/MMM/YY)
1	Sappogu Prakash	SF0087621	Loan Officer	08-Jul-24	

**Note:** The information and observations 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 and customers wherever applicable.

Report prepared by: Internal Audit.

Date: 10-Jun-2025