

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



### Fraud Investigation Report

**Branch Details:**

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
ORGL0412	Baragarh	Baragarh	Bargarh	Bolangir	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
Raju Meher/SF0034353	Shiba Bagarty/SF0055940	Dillip Kumar Mahananda/SF0009991	Himanshu Sekhar Dash/SF0007391	Chhayakanata Nayak/SF0084477	Sanjaya Kumar Sahoo/SF0070624	Shriraj Vedsen/SF0071741
Date of Information Received (DD/MMM/YY)		17/05/2025	Date of event/transactions occurred (From-To) (DD/MMM/YY)		19/05/2025	05/06/2025

<b>Type of Incident (Fraud/Robbery/Theft)</b>	<b>Staff 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>670033/-</b>

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

During Field visit at Baragarh (ORGL0412) by CM. Dillip Kumar Mahananda/SF009991 visited Center 62 and observed that BM Kurpashidhu Singh/SF0035333 had collected EMI from borrower PARBATI BHUE **Rs.8120/-** but that amount not inputted in FIMO. The borrower provided Loan Card as evidence. As per the above collection misappropriation, the complaint was lodged on 23<sup>rd</sup> May 2025, vide complaint Number **FN25-26-00720**.

Now BM Kurpashidhu Singh/SF0035333 is Absconding as per HR records.

Post completion of the investigation, we identified **Rs. 670033/-** amount of cash misappropriation on 72nos of borrowers against BM Kurpashidhu Singh /SF0035333.

**Brief Details of the incident:**

**Investigation Approach:**

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

**Modus Operandi:**

Branch Manager Kurpashidhu Singh Lenka employee ID SF0035333, made a cash misappropriation with an amount of **Rs-670033/-** for 72 borrowers.

- The internal audit team investigated by visited all 1402 borrowers handed by BM.
- Post Verification, it was observed that a total of 1402 no's Borrowers visited, out of that 710 nos of borrowers were present & 692 no's borrowers were "Not available at home" at the time of verification. Observed fraud for 72nos borrowers of **Rs 670033/-**. Rs-162680/- Recovered and Accounted in FIMO. So Net Fraud Amount Rs-**507353/-**.

**Categories of Fraud Details: -**

Sl. No	Type of Fraud	Affected Borrowers	Fraud Amount	Recovery Amount	Net Fraud Amount
1	Collection	58	234161	1350	232811
2	Disbursed Amount Recollected	3	178688	33640	145048
	Advance Collection	3	46164	17840	28324
	Pre-Clouse	8	211020	109850	101170
	<b>Total</b>	<b>72</b>	<b>670033</b>	<b>162680</b>	<b>507353</b>

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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 preclosure 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

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Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Dillip Kumar Mahananda/SF0009991/CM/Business/ 68
2	Date of event exposed	17 <sup>th</sup> May 2025
3	Name/ID/Designation of the Fraudulent Staff	Kurpashindhu Singh/SF0035333 /Branch Manger
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 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)	No
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 the fraud was 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	Kurpashindhu Singh	SF0035333	Branch Manager	16-03-2018	28-06-2022	19-05-2025

**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** : 06<sup>th</sup> Jun 2025