

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

| Branch Code | Branch Name | Cluster | Area | Region | State | Zone |
|--|--------------------------------|----------------------------|---|------------------------------|-----------------------------|------------------------|
| BH3627 | Manjhoul | Bachwara | Begusarai | Darbhanga | BIHAR-1 | 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 |
| Satish Kumar / SF0077733 | Arun Kumar Singh / SF0088359 | Amrendra Kumar / SF0092807 | Niraj Kumar / SF0080048 | Shankarjee Singh / SF0092430 | Alok Kumar Raju / SF0091403 | Ajay Ganotra/SF0068487 |
| Date of Information Received (DD/MMM/YY) | | 22-05-2025 | Date of event/transactions occurred (From - To) (DD/MMM/YY) | | 25-06-2024 | 24-04-2025 |

| | |
|---|-----------------|
| Type of Incident (Fraud/Robbery/Theft) | Fraud |
| Internal or External | Internal |
| No. of staff/persons involved: Fraud/Robbery/Theft | 2 |
| Total Amount Involved (Rs.) | 178968 |

Describe how the incident has been exposed/identified:

- The business team raised a complaint on 22-05-2025 against BM Ajeet Kumar / SF0079251 & LO Anukul Kumar / SF0091147 that staff had collected the Collection amount and Preclosed amount from the borrowers, but the same amount was not accounted for in the FIMO and not deposited the borrower's collection amount in the Branch.
- Complaint registered on 27-05-2025 of embezzling the cash from borrowers but not accounted in the FIMO.
- Complaint no: - **FN25-26-00768 (Ajeet Kumar/SF0079251)**
FN25-26-00769 (Anukul Kumar/ SF0091147)

Brief Details of the incident:

Investigation Approach: -

- The internal audit team had verified **318 borrowers** in the field, where **BM Ajeet Kumar / SF0079251, LO Anukul Kumar / SF0091147** collected the installment amount from the **19** borrowers of **Rs.178968** and from that amount Rs.81170 was recovered from the LO & BM which was accounted in FIMO on different dates. And the rest amount **Rs.97798** same was not accounted in the FIMO.

Modus operandi: -

- Ajeet Kumar (BM)

- Fraud has been identified by the business team on 22-05-2025 against BM Ajeet Kumar/SF0079251.
- Complain team raised complaint on 27-05-2025 vide complain number FN25-26-00768.
- At the time of Complain raised 01 borrower was affected of Rs 720.

Spandana Sphoorty Financial Ltd.
Internal Audit Department



- After verification done by the Audit team out of 317 (228 borrower Visit through field verification & 89 borrower verified Through calling verification), 16 borrowers were affected by Rs.170328 in which Rs.79730 was recovered in FIMO on different dates. Rest Rs.90598 was not accounted in borrower account.
- BM Ajeet Kumar/SF0079251 went from the branch on 05-04-2025.

- Anukul Kumar / SF0091147 (LO)

- Fraud has been identified by business team on 22-05-2025 against LO Anukul Kumar /SF0091147.
- Complain team raised complaint on 27-05-2025 vide complain number FN25-26-00769.
- At the time of Complain raised 01 borrower was affected of Rs 2880.
- After verification was done by the Audit team out of 317 (228 borrower Visit through field verification & 89 borrower verified Through calling verification), 03 borrowers were affected by Rs.8640 in which Rs.1440 was accounted in FIMO on different dates. And Rest Rs.7200 was not accounted in FIMO.
- LO Anukul Kumar /SF0091147 also went from the branch on 29-04-2025.

The Internal audit team investigated by visiting all the 318 borrowers handled by the loan officer and these Borrowers are Standard borrowers and OD borrowers.

- Post verification, it was observed that a total of 318 borrowers visited, out of the 19 borrowers' **Collection EMI** collected from the borrower, but he was not accounted for that amount in the FIMO amounting to **Rs. 97798 /- (Ninety- Seven Thousand Seven Hundred and Ninety-Eight rupees only).**

Details of Process & Policy Lapses:

- Standard collection Policy Lapses.
- Advance collection Policy Lapses
- Preclosure Amount Policy Lapses

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

- Fraud Investigation Report
- Customer wise Loan Sub – Ledger, Loan Card and Digital payment receipt.
- Customer Loan Card

Spandana Sphoorty Financial Ltd.
Internal Audit Department



| Sl. NO. | Check list | Particulars |
|---------|--|---|
| 1 | Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned | Satish Kumar / SF0077733 / BM / Business /Many centers. |
| 2 | Date of event exposed | 22-05-2025 |
| 3 | Name/ID/Designation of the Fraudulent Staff | Ajeet Kumar/SF0079251/BM & Anukul Kumar/SF0091147/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 | Complaint Raised |
| 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) | 2 |
| 8 | Is there any disciplinary action taken by HR in his/her past tenure. | NA |
| 9 | Whether internal audit was conducted at the branch during occurrence of the fraud (Yes/No/NA) | NA |
| 10 | If yes, whether an internal audit has detected the fraud (Yes/No/NA) | NA |
| 11 | If No, why was fraud not detected/informed during such audit. | NA |
| 12 | Is there any investigation conducted & reported after detection by other departments (Yes/No/NA) | NA |
| 13 | If yes, mention the departments who 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) | Date Of Exit (DD/MMM/YY) |
| 1 | Ajeet Kumar | SF0079251 | BM | 15-11-2023 | 26-01-2024 | 05-04-2025 |
| 2 | Anukul Kumar | SF0091147 | LO | 23-09-2024 | 23-09-2024 | 29-04-2025 |

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.

Date : 02 /July/2025