

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



### Fraud Investigation Report

**Branch Details:**

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
OR3105	Kujanga	Kendrapada	Jajpur Road	Cuttack	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
Sandeep Kumar Behera / SF0043506	Ruparanjan Sahoo / SF0047415	Sangram Pani/ SF0028817	Sibabrata Sahoo / SF0073509	Gobind Prasad Mohanty / SF0009889	Sanjaya Kumar Sahoo/SF0070624	Shriraj Vedsen/SF0071741
Date of Information Received (DD/MMM/YY)		30/05/2025	Date of event/transactions occurred (From-To) (DD/MMM/YY)		02/06/2025	13/06/2025

<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>370903/-</b>

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

During Centre visit at Kujanga Branch, Branch Manager Sandeep Kumar Behera / SF0043506 observed a misappropriation of one borrower pertain to center number KARAMAKUL C1, LO Laxmidhar Nath/ SF0085208 had collected a EMI amount from 1 borrower **Rs 2780/-**, but that amount not inputted in FIMO. Borrower provided Loan Card as evidence. As per the above EMI collection misappropriation, the complaint was lodged on 30 May 2025, vide complaints number **FN25-26-00834**. Now LO Laxmidhar Nath/SF0085208 Absconded from 17<sup>th</sup> May 2025 as per HR records. Post completion of the Investigation, we identified Rs 370903/- amount of cash misappropriation of 29 borrowers against LO Laxmidhar Nath/SF0085208.

**Brief Details of the incident:**

**Investigation Approach:**

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

**Modus Operandi:**

Loan Officer Laxmidhar Nath an employee ID SF0085208, made a cash misappropriation with an amount of **Rs-370903/-** for 29 borrowers.

- The internal audit team investigated by visited all 230 borrowers handed by LO.
- Post Verification, it was observed that a total of 230 no's Borrowers visited, out of that 52 no's of borrowers were present & 178 no's borrowers were "Not available at home" at the time of verification. Observed fraud for 29 no's borrowers of **Rs 370903/-**. Rs-76612/- Recovered and Accounted in FIMO. So Net Fraud Amount Rs-294291/-.

**Categories of Fraud Details: -**

Sl. No	Type of Fraud	Affected Borrowers	Fraud Amount	Recovery Amount	Net Fraud Amount
1	Collection	26	314260	62092	252168
2	Preclosure	3	56643	14520	42123
<b>Total</b>		<b>29</b>	<b>370903</b>	<b>76612</b>	<b>294291</b>

**Details of Process & Policy Lapses:**

- 1- Monitoring failure.
- 2- Violation of collection process.

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3- Proper follow up not done for standard pending customer.

**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

Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Sandeep Kumar Behera / SF0043506/BM/Business/ KARAMAKUL C1
2	Date of event exposed	30 <sup>th</sup> May 2025
3	Name/ID/Designation of the Fraudulent Staff	Laxmidhar Nath/SF0085208 /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	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)	2
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	Laxmidhar Nath	SF0085302	Loan Officer	20-05-2024	20-05-2024	17-05-2025

**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** : 15<sup>th</sup> June 2025