

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
CH2746	Gaurella	Kota	Champa	CH-2	Chhattisgarh	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
Manjeet Madhukar/SF0082581	Sanat Kumar Tandan/SF0029627	Dikesh Sahu/SF0003150	Sourabh Jain/SF0010374	NA	Deepenedra Shrivastava/SF0002115	Shriraj Vedsen/SF0071741
Date of Information Received (DD/MMM/YY)		29-May-2025	Date of event/transactions occurred (From - To) (DD/MMM/YY)		06-Dec-2023	12-Dec-2024

Type of Incident (Fraud/Robbery/Theft)	Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	01
Total Amount Involved (Rs.)	3,82,852/-

Describe how the incident has been exposed/identified:

During the Center meeting visit on 29-May-2025 Regional Auditor Vishal Kumar Poddar/SF0055593 observed that Loan officer Prashant Singh/SF0068857 had collected a preclose amount of Rs. 20,000/- on 19-Nov-2024 from Borrower Beby Shyam (35327201) but loan officer Prashant Singh/SF0068857 posted only EMI amount Rs. 1650/- on Date 27-Dec-24 and remaining amount of Rs. 18,350/- not accounted in FIMO.

On 29-May-2025, Regional Auditor Vishal Kumar Poddar/SF0055593 informed the complaint team for registering a complaint against the loan officer Prashant Singh/SF0068857.

On the same date complaint team registered a complaint against alleged staff vide complaint number FN25-26-00844.

Brief Details of the incident:

Field Observation

During the field visit, we observed the following embezzlement. Staff wise details as hereunder: -

- Loan officer Prashant Singh/SF0068857 embezzled Rs. **3,82,852/-** from 29 borrowers' Collection Amount Misappropriated, Disbursed Amount Recollected and Pre-Closure Amount Misappropriated but only Rs. 89,520/- were reported in FIMO as EMI.

We have collected evidence from all borrowers, i.e., Loan Cards, digital payment receipt copy, cash receipt copy and borrower statements and totaling Rs. **3,82,852/-** affected.

CDL Product - As per Borrower's statement loan officer Prashant Singh/SF0068857 took borrowers 03 Mobile Phones and 01 refrigerator and ran the EMI by the loan officer himself. Borrower details are available in the borrower details annexure.

Modus operandi

Staff conducted the center and collected the amount from borrowers but did not input it in FIMO from 06-Dec-2023 to 12-Dec-2024. The loan officer does not follow the day-wise collection and input process.

Fraud Amount –

A total Fraud of Rs. **3,82,852/-** was identified during the investigation. Out of that Rs. 89,520/- recovered (accounted in FIMO as EMI) and now a total of Rs. 2,93,332/- are yet to be recovered from the alleged staff.

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Fraudulent transaction details as mentioned below.

Fraudulent Staff Name	Fraudulent Staff Emp ID	Fraudulent Staff Designation	Collection Amount Misappropriated	Pre-Closure Amount Misappropriated	Disbursed Amount Recollected	Total Fraud Amount	Recovery Amount	Net Fraud Amount
Prashant Singh	Loan Officer	SF0068857	60630.00	274624.00	47598.00	382852.00	89520.00	293332.00

Staff Status –

- Loan officer Prashant Singh/SF0068857 Terminated on dated 31-Dec-2024 as per HR record.

Details of Process & Policy Lapses:

- Instalment had been collected but not input in FIMO.
- Monitoring process failure.
- Pre-closure policy lapsed
- Supervisory Monitoring Failure

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

- Fraud Investigation Report
- Borrowers Loan Card
- Borrowers Loan Sub Ledger
- Borrower Statement
- Digital Payment Copy
- Cash Receipt Copy

Sl. NO.	Check list	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be Mentioned	Vishal Kumar Poddar/SF0055593/Regional Auditor/Audit Department
2	Date of event exposed	29-May-2025
3	Name/ID/Designation of the Fraudulent Staff	Prashant Singh/SF0068857/ Loan officer
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)	0
7	No. of staff frauds happened in this branch for the past 12 months (excluding this)	4
8	Is there any disciplinary action taken by HR in his/her past tenure.	NO
9	Whether internal audit was conducted at the branch during occurrence of the fraud (Yes/No/NA)	YES
10	If yes, whether internal audit has detected the fraud (Yes/No/NA)	YES

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11	If No, why the fraud was not detected/informed during such audit.	NA
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

Details of involved staff

Sr. No.	Staff Name	Employee ID	Designation	DOJ in SSFL (DD/MMM/YY)	DOJ in Branch (DD/MMM/YY)
1	Prashant Singh	SF0068857	Loan officer	26-Dec-22	31-Dec-22

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 :25-June-2025