

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
BH3956	Bagaha-2	Bagaha	Kotwa	Motihari	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
Amit Kumar Dubey/SF0045872	Ajay Kumar / SF0057733	Amit Kumar Chaubey/SF0 078016	Baban Kumar Ram/SF006439 2	Rakesh Kumar Singh/0007606	Alok Kumar Raju/SF00914 03	Ajay Ganotra/SF006848 7
Date of Information Received (DD/MMM/YY)		09-06-2025	Date of event/transactions occurred (From - To) (DD/MMM/YY)		07-11-2023	13-11-2024

Type of Incident (Fraud/Robbery/Theft)	Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	6
Total Amount Involved (Rs.)	203801

Describe how the incident has been exposed/identified:

- Cluster Manager Amit Kumar Chaubey/SF0078016 raised complain to complain team on 09-06-2025 against 6 staffs. Details are as below: -
Rahul Kumar/SF0000958, Rahul Raj /SF0075519, Ramu Kumar /SF0077857, Sandeep Kumar / SF0074334, Shahid Afridi / SF0047237 (BM) & Shiv Balak Yadav / SF0075186.
- After that the complaint team had raised complaint on 10 June'25 against all 6 Staffs. They all collected the pre-closure amounts & Collection amount and for the same amount not accounted in the FIMO also they did not deposit the borrower's collection amount in the Branch.
- Complaint No –

FN25-26-00958.	- Rahul Kumar	- SF0085026	- LO	- 2250
FN25-26-00959	- Rahul Raj	- SF0075519	- LO	- 27110
FN25-26-00961	- Ramu Kumar	- SF0077857	- LO	- 8800
FN25-26-00962	- Sandeep Kumar	- SF0074334	- LO	- 17980
FN25-26-00963	- Shahid Afridi	- SF0047237	- BM	- 56180
FN25-26-00964	- Shiv Balak Yadav	- SF0075186	- LO	- 91481

Brief Details of the incident:

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#-Investigation Approach: -

- The internal audit team had verified a total of 243 borrowers in the field, where all 5 LO & BM collected the EMI misappropriation, Advance collection misappropriation & Preclosure amount of 25 borrowers of Rs 203801/- but same was not accounted in the FIMO. From that on, only Rs.4490 accounted in FIMO on different dates and the rest amount not accounted in FIMO. So Net fraud is Rs.199311.

#-Modus operandi

1. Rahul Kumar/SF0085026: -

- Fraud has been identified by business team on 09-06-2025 against LO Rahul Kumar/SF0085026
- Business team raised complaints on 10-06-2025 vide complain number FN25-26-00958.
- At the time of Complain being raised 1 borrower was affected Rs.2250.
- LO was Absconding on dated 28-02-25.
- After verification done by an Audit team out of 48 borrowers, 1 borrower was affected by Rs.2250.

2. Shiv Balak Yadav /SF0075186: -

- Fraud has been identified by the business team on 09-06-2025 against Lo Shiv Balak Yadav/SF0075186.
- The complaint has been lodged on 10-06-2025.
- Complain Number: - FN25-26-00964.
- At the time of complaint lodged 1 borrower was affected by Rs.36661, in which Rs.2690 recovered in FIMO on different dates.
- Complaint raised against LO Shiv Balak Yadav/SF0075186 by branch side. Post verification of total 48 borrowers it is observed that 06 borrowers are affected by it amounting to Rs.91481/- in which Rs.2690 recovered in FIMO on different dates. So total net fraud is Rs.88791.

3. Shahid Afridi/SF0047233: -

- Fraud has been identified by business team on 09-06-2025 against Bm Shahid Afridi/SF0047233.
- Complaints have been lodged on 10-06-2025.
- At the time of complaint lodged 2 borrowers were affected by Rs.114180.
- Complain Number: - FN25-26-00963
- Complaint raised against Shahid Afridi/SF0047237 by branch side of a triggered amount rs.114180/-. Post verification it is observed that only 01 borrowers have valid evidence, and the remaining 01 borrowers have not any valid evidence. 01 borrower is affected by it and the fraud amount is 56180/-. CLV already done of both borrowers on previous time but posting pending from HO side.

4. Sandeep Kumar/SF0074334: -

- Fraud has been identified by business team on 09-06-2025 against LO Sandeep Kumar/SF0074334.
- At the initial time 1 borrower was affected by Rs.2250.
- The complaint team raised complaints on 10-06-2025.
- Complaint raised by branch side against Sandeep Kumar/SF0074334. Post verification of total 42 borrowers identified 04 borrowers are affected by it amounting to rs.17980/- in which 1500 accounted in FIMO on different dates. So total net fraud is Rs.16480.
- Complain Number: - FN25-26-00962.
- LO Sandeep Kumar terminated from branch on 13-03-2025.

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5. Rahul Raj / SF0075519: -

- Fraud has been identified by business team on 09-06-2025 against LO Rahul Raj/SF0075519
- The business team raised complaints on 10-06-2025 vide complain number FN25-26-00959.
- At the time of Complain raised 1 borrower was affected Rs2250.
- LO was Terminated on 13-03-25.
- After verification done by the Audit team out of 41 borrowers, 11 borrowers were affected by Rs.27110.

6. Ramu Kumar/SF0077857: -

- Fraud has been identified by business team on 09-06-2025 against LO Ramu Kumar/SF0077857
- The business team raised complaints on 10-06-2025 vide complain number FN25-26-00961.
- At the time of Complain raised 1 borrower was affected Rs4500.
- LO was Terminated on 08-10-2024.
- After verification done by the Audit team out of 40 borrowers 2 borrowers was affected by Rs.8800.

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

- Post verification, it was observed that a total of **243** borrowers visited, out of that **25** borrower of **Rs 203801/-** from the borrower but he was not accounted for that amount in the FIMO amounting to **Rs. 2,03,801 /- (Two Lakh Three Thousand Eight Hundred -one only).**
- In Which Rs.4490 accounted in FIMO in different dates.

Details of Process & Policy Lapses:

- Standard collection collected.
- Preclosure amount collected.
- Advance amount collected.

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

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Sl. NO.	Check list	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Amit Kumar Chaubey /SF0078016/CM/Business /Many Centres.
2	Date of event exposed	9 th June 2025
3	Name/ID/Designation of the Fraudulent Staff	Rahul Kumar/SF0085026/LO, Rahul Raj/SF0075519/LO, Ramu Kumar/SF0077857/LO, Sandeep Kumar/SF0074334/LO, Shahid Afridi/SF0047237 /BM & Shiv Balak Yadav/Sf0075186/LO
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	Complaint Raised
6	No. of thefts/robberies happened in this branch for the past 12 months (excluding this)	7
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 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 not, 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)	YES
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	Rahul Kumar	SF0085026	LO	15-05-2024	NA	12-06-2025
2	Rahul Raj	SF0075519	LO	08-08-2023	NA	17-03-2025
3	Ramu Kumar	SF0077857	LO	10-09-2023	NA	31-08-2024
4	Sandeep Kumar	SF0074334	LO	07-01-2023	NA	17-03-2025
5	Shahid Afridi	SF0047237	BM	25-11-2019	NA	03-07-2025
6	Shiv Balak Yadav	SF0075186	LO	29-07-2023	NA	12-03-2024

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 : 15-Jul-2025