

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
TS0115	Ecil-1	LB Nager	Hyderabad	Hyderabad	AP&TS	South-2
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
NA	K BalaKrishna/SFO 072921	Chakali Naresh/SF 0041420	L.BalaNarasi mhudu/SFO0 30864	Jagadeesh Reddy/SFO00201 4	Arun Kumar.A/ CFL0004261	Narayana Reddy Pullalacheruvu/S F0084396
Date of Information Received (DD/MMM/YY)		23-Jun-25	Date of event/transactions occurred (From - To) (DD/MMM/YY)		06-Mar-24	10-Jun-25

Type of Incident (Fraud/Robbery/Theft)	Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	1
Total Amount Involved (Rs.)	1,56,347/-

Describe how the incident has been exposed/identified:

Cluster Manager Naresh.C / SF0041420 was identified Pre-closure & Collection amount misappropriation in the branch for which the branch manager Sai Krishna Moluguri - SF0065463 collected EMI Collections & Pre-closure amounts from borrowers and did not hand over the collected amount at the branch. The cluster manager raised a complaint on 23th June 2025, and the complaint was registered on the above-mentioned date with vide complaint number FN25-26-01101.

Brief Details of the incident:

Investigation Approach:

The audit team visited the branch to verify further on the complaint, the pre-closure & collection misappropriation was identified, which was done by the branch manager, Sai Krishna Moluguri, to check that the collected amount was not accounted for.

Modus Operandi:

The branch manager embezzled the collection & pre-closure amounts from borrowers during the collection from the field.

The internal audit team investigated the branch and visited the field, and verified 46 borrowers. The amounts of embezzled fraud collection are given below.

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S.No	Name of the Staff Involved	Employee Code	Employee Designation	Total Fraud Amount	Recovered Amount	Net Fraud Amount
				(Post Investigation)		
1	Sai Krishna Moluguri	SF0065463	Branch Manager	156347	0	156347

Details of Process & Policy Lapses:

- Cluster Manager monitoring lapses.
- AVP & VP monitoring lapses.

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

Borrowers Loan Cards.
Borrowers' sub-ledger account statement.

SI. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Chakali Naresh/SF0041420/Cluster Manager / Branch Operations
2	Date of event exposed	23-Jun-25
3	Name/ID/Designation of the Fraudulent Staff	Sai Krishna Moluguri - SF0065463 /Branch Manager.
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 frauds/ thefts/robberies that 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)	NA
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)	No

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11	If not, why the fraud was not detected/informed during such an audit.	Related centres/borrowers were not covered under the sample selected during the occurrence of the fraud.
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 the involved staff

Sr. No.	Staff Name	Employee ID	Designation	DOJ in SSFL	DOJ in Branch
				(DD/MMM/YY)	(DD/MMM/YY)
1	Sai Krishna Moluguri	SF0065463	Branch Manager	16-Jun-22	

Note: The information and observations 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 and customers wherever applicable.

Report prepared by: Internal Audit.

Date: 17-Jul-2025