

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
UP3441	Dibai	Dibai	Modinagar	Meerut	Uttar Pradesh	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
Vikas Sharma/SF0077131	Rohit Kumar/SF0072218	Ajay Singh/SF0077804	Deepak Singh Solanki/SF0079690	Deepak Tiwari/SF0071929	Vipin Yadav/SF0071928	Ajay Ganotra/SF0068487
Date of Information Received (DD/MMM/YY)		26-Jun-2025	Date of event/transactions occurred (From-To) (DD/MMM/YY)		29-Nov-25	06-Jun-25

Type of Incident (Fraud/Robbery/Theft)	Staff Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	01
Total Amount Involved (Rs.)	121393/-

Describe how the incident has been exposed/identified:

During a Field visit conducted by **Senior Branch Manager Vikas Sharma/SF0077131**, it was observed that **Loan Officer Vivek Kumar/SF0075399** had collected pre closure amount from borrowers. However, these amounts were not properly accounted for in **FIMO system**.

Complaint Details

- **Date of Complaint:** 26 Jun 2025
- **Evidence Provided By:** Business Team
- **Complaint Registered On:** 01 Jul 2025
- **Complaint Numbers:** FN25-26-01186
- Given the nature of these discrepancies, necessary steps should be taken to investigate and address the issue. Recommended actions include:
 1. **Reviewing collection records** to verify missing transactions.
 2. **Conducting an internal audit** to determine accountability.
 3. **Reconciling borrower accounts** to reflect accurate transactions.
 4. **Escalating the matter to higher authorities** for appropriate action.

Brief Details of the incident:

Investigation Approach:

Following an audit review, the team conducted visits to all borrowers managed by **Loan Officer Vivek Kumar/SF0075399**. The purpose of the visits was to verify borrower availability based on the **Geo-tagging data**

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recorded by the Loan Officer

Modus Operandi:

The Internal Audit team investigated by visiting all 108 borrowers handled by the Loan Officer.

Post verification, it was observed that of the total 108 borrowers who visited, 10 borrowers had a collection of misappropriate Rs. **121393/- (Rupees One lakh twenty-one Thousand three Hundred ninety-three only)** was collected by staff, has not been posted and accounted partially in the borrowers FIMO account and is to be recovered from Loan officer.

The 10 cases above reflect unposted balances totalling Rs. 73,150. This figure represents only the shortfalls; the full Rs. 121,393 paid by borrowers was misappropriated by the Loan Officer, including amounts he later “posted” as partial instalments.

To address this:

1. Recover the full misappropriated amount (Rs. 121,393) from Vivek Kumar immediately.
2. Initiate disciplinary proceedings as per company policy on financial misconduct.
3. Enhance real-time tracking controls for borrower payments—introduce mobile-based acknowledgements and daily reconciliation alerts.
4. Conduct refresher training for all Loan Officers on FIMO posting protocols and ethical standards.
5. Schedule a follow-up audit in three months to verify implementation of corrective measures.

Beyond these steps, consider piloting a locked-out entry system where field officers cannot finalise daily cash entries without secondary sign-off. This layered control could prevent repeat incidents and strengthen overall operational integrity.

Detailed Case Breakdown

Borrower Name	Borrower ID	Payment Date	Amount Paid (Rs.)	Amount Posted (Rs.)	Amount Unposted (Rs.)	Evidence
Manju	357002066	23 Feb 2025	19,000	0	19,000	Written statement, loan card
Durgesh Devi	357003414	04 Feb 2025	21,000	1,950	19,050	Written statement, loan card
Minu Devi	358346997	02 Jun 2025	14,000	1,800	12,200	Written statement, loan card
Meera	358386555	12 Feb 2025	16,500	9,360	7,140	Written statement, loan card
Kiran Devi	358957396	25 May 2025	5,000	2,700	2,300	Loan card
Mamta Devi	355701058	29 Nov 2024	10,000	8,100	1,900	Written statement, loan card

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Gaura	3586376 29	06 Jun 2025	1,500	960	540	Digital payment record
Mamata Devi	3584744 79	11 Apr 2025	20,000	10,800	9,200	Written statement, loan card
Gaura	3586376 29	06 Jun 2025	1,500	960	540	Digital payment record
Priti Devi	3571636 10	20 May 2025	1,280	0	1,280	Written statement, loan card

Staff-wise collection,

Fraudulent Staff Name	Fraudulent Staff Emp ID	Collecti on Amount	Pre-Closure Amount	Disbursed Loan Amount Recollecte d	Advanc e Amount	Total Fraud Amount	Recover y Amount	Net Fraud Amount
Vivek Kumar	SF0075399	1500.00	119893.00	0.00	0.00	121393.00	45520.00	75873.00

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SI. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Vikas Sharma/ Senior Branch Manager/SF0077131
2	Date of event exposed	26-Jun-2025
3	Name/ID/Designation of the Fraudulent Staff	Vivek Kumar/SF0075399/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	SBM
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)	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 an internal audit has detected the fraud (Yes/No/NA)	NA
11	If no, why was fraud not detected/informed during such an audit?	
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	DOJ in Branch	DOJ in Exit
				(DD/MMM/YY)	(DD/MMM/YY)	(DD/MMM/YY)
1	Vivek Kumar	SF0075399	Loan Officer	03 Aug 2023	03 Aug 2023	16 Jun 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.

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Date : 14th July 2025