

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
GR2978	Bhavnagar	Bhavnagar	Nadiad	GJ-2	Gujarat	West
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
Varsada Pravinbhai Gordhanbhai/SF0084372	Mehulbhai Meghjibhai Jaliya/SF0068615	Sarvaiya Jagdishsinh Bharatsinh/SF0090319	Vipul Kumar Sevak/SF0021971	Akshay Pandey/SF0082745	Vimesh Mahendrabhai Shah/SF0062146	Umesh Kumar/SF0088299
Date of Information Received (DD/MMM/YY)		17-Mar-25	Date of event/transactions occurred (From-To) (DD/MMM/YY)		22-Jan-2024	11-Sep-2024

Type of Incident (Fraud/Robbery/Theft)	Staff Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	2
Total Amount Involved (Rs.)	13,90,000/-

Describe how the incident has been exposed/identified:

The issue was first flagged when the Operations Team filed the FIR in March 2025. Following this, AVP Vipul Kumar Sevak initiated a formal complaint against Branch Manager Jayeshbhai Sarvaiya (SF0046543) and Cluster Manager Laljibhai Dhrangiya (SF0042907) for alleged loan misappropriation through tampering of borrower KYC documents. Basis complaint was registered on their names vide no's: FN25-26-01421 and FN25-26-01422.

Brief Details of the incident:

Investigation Approach:

- The IA team conducted field visits to 19 borrowers linked to 34 loans disbursed by the Branch Manager Jayeshbhai Sarvaiya/SF0046543 and the Cluster Manager Laljibhai Dhrangiya/SF0042907 via the FIMO system based on the lodged complaint.

Modus Operandi:

Investigation was conducted by Internal audit team during the month of Aug'25 covering the total 19 borrowers (34 Loan Accounts) which were handled by the aforesaid Branch Manager and Cluster Manager & concluded that the Branch Manager Jayeshbhai Sarvaiya/SF0046543 and the Cluster Manager Laljibhai Dhrangiya/SF0042907 have committed fraud by disbursing loans by tampering borrower/spouse/nominee KYCs.

Brief Overview of the Incident:

- The audit team conducted field visits to **19 borrowers** linked to **34 loans** disbursed by the BM and CM via the FIMO system.
- It was found that **all KYCs were tampered left bank passbook**.
- As per borrower and spouse statements, they did not visit the branch to apply for loans. Instead, a third party collected their KYCs and Bank Passbooks in exchange for a small sum (e.g., ₹5,000-₹7,000).
- The loan amounts were credited to their accounts, from which they retained a portion and handed over the rest to the third party.

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Negligence Observed:

- Both the Branch Manager and Cluster Manager failed to conduct proper due diligence during:
 - House visits
 - Group Recognition Tests (GRT)
 - Loan disbursement processes
 - Tampered KYCs were accepted without verification, leading to unauthorized loan disbursements.

Additional Findings:

- **None of the 34 loan documents** were available at the branch for verification.
- Field visits to addresses listed in the uploaded KYCs revealed that borrowers were not residing there.
- Borrowers were found to be living **60 to 143 km away** from the branch.

Although the borrower names matched across Aadhar and election cards, other details such as addresses and unique identifiers were inconsistent

Borrower wise details and summary are mentioned below:

Cluster Manager Laljibhai Dhrangiya/SF0042907 was found involved in loan misappropriation (disbursed loans by tampering KYCs) on the names of 11 borrowers amounting Rs. 5,40,000/- based on the evidence available.

Branch Manager Jayeshbhai Sarvaiya/SF0046543 was found involved in loan misappropriation (disbursed loans by tampering KYCs) on the names of 17 borrowers amounting Rs. 8,50,000/- based on the evidence available.

EMP Name	Total Amount	Total Collected Amount and Accounted In FIMO
Laljibhai Dhrangiya	5,40,000/-	1,14,240/-
Jayeshbhai Sarvaiya	8,50,000/-	85,331/-
Grand Total	13,90,000/-	1,99,571/-

Net Fraud Amount (To be recovered) = Rs. 11,90,429/-.

Borrower Wise Breakup:

Sr. N o.	Fradulent Staff Name	Fradulent Staff Emp. ID	Fraudulent Staff Designation	Borrower Name	Loan ID	Disbursed Amount as per FIMO	Amount Recovered & Accounted in FIMO	Net Fraud Amount to be recovered
1	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	CHAVADIYA MAYABEN LABHUBHAI	357451582	40,000	2,690	37,310
2	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	HALAIYA SHANTABEN KHODABHAI	357532057	40,000	2,690	37,310
3	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	DABHI SAVITABEN NATUBHAI	357673356	40,000	2,690	37,310
4	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	DHAKAN KHUSBUBEN MEHULBHAI	357673581	40,000	2,690	37,310

Spandana Sphoorty Financial Ltd.
Internal Audit Department



5	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	VEKARIYA HETALBEN ASHOKBHAI	357673669	40,000	2,690	37,310
6	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KANSAGRA GULABBEN BHADRESHBHAI	357807493	40,000	2,690	37,310
7	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	PIPALIYA SONALBEN BIPINBHAI	357815798	40,000	0	40,000
8	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	CHAVADIYA MAYABEN LABHUBHAI	357815889	40,000	2,881	37,119
9	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KANSAGRA DAYABEN GABHRUBHAI	357859246	40,000	2,690	37,310
10	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KUDECHA NAYNABEN RAMESHBHAI	357859378	40,000	0	40,000
11	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KUDECHA RADHABEN VASHRAMBHAI	357861831	40,000	2,690	37,310
12	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KANSAGRA SHANTUBEN GABHRUBHAI	357861986	40,000	0	40,000
13	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KANSAGRA JAHALBEN GABHRUBHAI	357862112	40,000	0	40,000
14	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	VAGHELA VIJYABEN MAGANBHAI	357969630	40,000	2,690	37,310
15	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	HALIYA SHANTABEN KHODABHAI	357985414	40,000	0	40,000
16	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	PIPALIYA BHAVITABEN RAJESHBHAI	358065007	40,000	0	40,000
17	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KUDECHA NAYNABEN RAMESHBHAI	355318817	42,000	8,960	33,040
18	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KANSAGRA DAYABEN GABHRUBHAI	354871277	42,000	11,200	30,800
19	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	CHAVADIYA MAYABEN LABHUBHAI	354955558	42,000	11,200	30,800
20	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	KUDECHA RADHABEN VASHRAMBHAI	355116003	42,000	11,200	30,800
21	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	VALA KAJALBEN MUKESHBHAI	355129202	42,000	15,680	26,320
22	Laljibhai Dhrangiya	SF0042907	Cluster Manager	CHAVADIYA MAYABEN LABHUBHAI	354624985	42,000	13,440	28,560
23	Laljibhai Dhrangiya	SF0042907	Cluster Manager	DABHI SAVITABEN NATUBHAI	354627975	42,000	13,440	28,560
24	Laljibhai Dhrangiya	SF0042907	Cluster Manager	HALAIYA SHANTABEN KHODABHAI	354710875	42,000	11,200	30,800

Spandana Sphoorty Financial Ltd.
Internal Audit Department



25	Laljibhai Dhrangiya	SF0042907	Cluster Manager	DABHI VAISHALI NATUBHAI	357969490	40,000	0	40,000
26	Laljibhai Dhrangiya	SF0042907	Cluster Manager	RATHOD BHARTIBEN BHARATBHAI	358188188	40,000	0	40,000
27	Laljibhai Dhrangiya	SF0042907	Cluster Manager	VAGHELA VIJYABEN MAGANBHAI	355384314	42,000	8,960	33,040
28	Laljibhai Dhrangiya	SF0042907	Cluster Manager	RATHOD BHARTIBEN BHARATBHAI	355453938	42,000	11,200	30,800
29	Laljibhai Dhrangiya	SF0042907	Cluster Manager	PIPALIYA BHAVITABEN RAJESHBHAI	355571401	42,000	11,200	30,800
30	Laljibhai Dhrangiya	SF0042907	Cluster Manager	HALIYA SHANTABEN KHODABHAI	355164430	42,000	13,440	28,560
31	Laljibhai Dhrangiya	SF0042907	Cluster Manager	DABHI VAISHALI NATUBHAI	355634022	42,000	8,960	33,040
32	Laljibhai Dhrangiya	SF0042907	Cluster Manager	VEKARIYA HETALBEN ASHOKBHAI	354709702	42,000	11,200	30,800
33	Laljibhai Dhrangiya	SF0042907	Cluster Manager	PIPALIYA SONALBEN BIPINBHAI	355149029	42,000	11,200	30,800
34	Laljibhai Dhrangiya	SF0042907	Cluster Manager	VALA KAJALBEN MUKESHBHAI	358249040	40,000	0	40,000

Total Fraud Amount Rs. 13,90,000/- (Thirteen Lakh Ninety Thousand)

Total Fraud Amount Details				
Sr. No.	Fraud Type	Total Fraud Amount	Recovered Amount	Net Fraud Amount to be Recovered
1	Loan Amount Misappropriation	13,90,000/-	1,99,571/-	11,90,429/-
Total		13,90,000/-	1,99,571/-	11,90,429/-

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Vipul Kumar Sevak/SF0021971/Associate Vice President
2	Date of event exposed	17-Mar-25
3	Name/ID/Designation of the Fraudulent Staff	Laljibhai Dhrangiya/SF0042907 - Cluster Manager Jayeshbhai Sarvaiya/SF0046543 - Branch Manager
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	AVP
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)	3
8	Is there any disciplinary action taken by HR in his/her past tenure?	Yes
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?	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)
1	Laljibhai Dhrangiya	SF0042907	Cluster Manager	31-Mar-2019	31-Mar-2019
2	Jayeshbhai Sarvaiya	SF0046543	Branch Manager	09-Oct-2019	17-Dec-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 Team.

Date: 29th Aug 2025