

**Spandana Sphoorty Financial Ltd.
Internal Audit Department**



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
RJ3058	Degana	Didwana	Didwana	Chittorgarh	Rajasthan	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
Sarwan Chaudhary/SF0086397	Sher Singh Montu Shekhawat/SF0077181	NA	Balveer Singh	Jitendra Kumar Tyagi	Suresh Kumar Yadav	Ajay Ganotra
Date of Information Received (DD/MMM/YY)		07-Apr-25	Date of event/transactions occurred (From-To) (DD/MMM/YY)		07-Apr-24	14-Jan-25

Type of Incident (Fraud/Robbery/Theft)	Staff Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	1
Total Amount Involved (Rs.)	1,67,097

Describe how the incident has been exposed/identified:

During the field visit by the IA team, it was observed that the Branch Manager, Malkhan Singh Saini/SF0082487, had collected the collection amount from borrowers, but it was not accounted for in their FIMO account. A complaint was made on 07 April 2025. Based on the evidence provided by the IA team, the complaint was registered on 11-April-25, complaint no. FN25-26-00153. Currently, The Branch Manager, Malkhan Singh Saini/SF0082487, Resigned-Exited on 20-Feb-2025.

Brief Details of the incident:

Investigation Approach:

The audit team visited all the borrowers handled by the Branch Manager, Malkhan Singh Saini/SF0082487, to check the borrowers' availability as per the Geo-tagging done by the loan officer. The amount collected was not accounted for.

Modus Operandi:

The Internal Audit team investigated by visiting all 240 borrowers handled by both loan officers.

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Post verification, it was observed that of the total 240 borrowers who visited, 10 borrowers' regular collection, advanced collection & Pre closer misappropriation amounts of **Rs. 1,67,097/- (Rupees One Lakh sixty-seven Thousand ninety-seven only)** was collected by all staff and of which **Rs. 45,228/- (Rupee forty-five thousand two hundred twenty-eight)** has been recovered and posted in FIMO, and the rest amounted to **Rs. 1,21,869/- (Rupee one lakh twenty-one thousand eight hundred sixty-nine)**, again failed to record these transactions in FIMO and not posted and accounted for in the borrower's FIMO account. It is to be recovered from the Branch Manager, Malkhan Singh Saini/SF0082487.

Staff-wise collection & Advanced collection recollected:

Fraudulent Staff Name	Fraudulent Staff Emp ID	Collection Amount	Pre-Closure Amount	Disbursed Loan Amount Recollected	Advance Amount	Total Fraud Amount	Recovery Amount	Net Fraud Amount
Malkhan Singh Saini	SF0082487	67380	61437	0	38280	167097	45228	121869

Spandana Sphoorty Financial Ltd.
Internal Audit Department



SI. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Amit Kumar/SF0079084/Audit Executive
2	Date of event exposed	07-Apr-2025
3	Name/ID/Designation of the Fraudulent Staff	Branch Manager/Malkhan Singh Saini/SF0082487
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)	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?	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	DOJ in Branch	DOJ in Exit
				(DD/MMM/YY)	(DD/MMM/YY)	(DD/MMM/YY)
1	Malkhan Singh Saini	SF0082487	Branch Manager	12-Feb-24	12-Feb-24	20-Feb-25

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 : 15th April 2025