

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
TS0359	Tandur-1	Sangareddy	Hyderabad	Hyderabad	AP&TS	South
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	Pujari Jagannath/SF0072175	Boini Gopal/SF0051718	L.BalaNarasi mhudu/SF0030864	Jagadeesh Reddy/SF0002014	Arun Kumar.A/SF0100389	Narayana Reddy Pullalacheruvu/SF0084396
Date of Information Received (DD/MMM/YY)		26-Sep-25	Date of event/transactions occurred (From - To) (DD/MMM/YY)		15-Mar-23	10-Oct-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.)	1,90,286/-

Describe how the incident has been exposed/identified:

The internal audit team identified Pre closure & Collection amount misappropriation in the branch for which the branch manager Ajay/SF0042441 collected Pre closure & Collection amount misappropriation from borrowers and did not hand over the collected amount at the branch. The internal audit team raised a complaint on 26th September 2025, and the complaint was registered on 26th September 2025 with vide complaint number FN25-26-02387.

Brief Details of the incident:

Investigation Approach:

The audit team visited the branch to further verify the complaint. Pre-closure and collection amount misappropriation was identified, which was done by the branch manager, Ajay, to verify that the collected amount was accounted for.

Modus Operandi:

Ajay embezzled the Pre-closure and collection amount, misappropriation collection amounts from borrowers during the collection from the field.

The internal audit team investigated the branch and visited the field and verified 25 borrowers which was collected by the branch manager. 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	Ajay	SF0042441	Branch Manager	190286.00	27320.00	162966.00

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	Internal Audit Team
2	Date of event exposed	26-Sep-25
3	Name/ID/Designation of the Fraudulent Staff	Ajay / SF0042441 / 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/MM M/YY)
1	Ajay	SF0042441	Branch Manager	16-Mar-2019	

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: 22-Oct-2025