

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



**Fraud Investigation Report**

**Branch Details:**

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
AP0139	Jangareddygudem	Chinthalapudi	Rajahmundry	Vatluru	Andhra Pradesh	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	NA	Srireddy Eswara Parasuramu/SF0061709	Nagaraju Vedula/SF0081143	M.Nageswararao/SF0099397	Arun Kumar.A/SF0100389	Narayana Reddy Pullalacheruvu/SF0084396
Date of Information Received (DD/MMM/YY)		13-Nov-25	Date of event/transactions occurred (From - To) (DD/MMM/YY)		31-Jan-24	09-Sep-25

<b>Type of Incident (Fraud/Robbery/Theft)</b>	<b>Fraud</b>
<b>Internal or External</b>	<b>Internal</b>
<b>No. of staff/persons involved: Fraud/Robbery/Theft</b>	<b>1</b>
<b>Total Amount Involved (Rs.)</b>	1,94,156.00/-

**Describe how the incident has been exposed/identified:**

Cluster Manager Parasuram Sri Reddy / SF0061709 identified Collection & pre-closure amount misappropriation in the branch for which the branch quality manager Satish kumar Pragada/SF0074725 collected EMI collection & pre-closures from borrowers and did not hand over the collected amount at the branch. The complaint was raised a complaint on 13<sup>th</sup> Nov 2025, and the complaint was registered on 13<sup>th</sup> Nov 2025 with vide complaint number FN25-26-02892.

**Brief Details of the incident:**

**Investigation Approach:**

The audit team visited the branch to further verify the complaint. The collection misappropriation was identified, which was done by the branch quality manager, Satish kumar Pragada/SF0074725, to check that the pre-closure & collected amount was not accounted for.

**Modus Operandi:**

The branch quality manager, Satish kumar Pragada/SF0074725, 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 21 borrowers of the branch. 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	Satish Kumar Pragada	SF0074725	Branch Quality Manager	194156.00	59780.00	134376.00

**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	Srireddy Eswara Parasuramudu/ SF0061709/Cluster Manager/Operations
2	Date of event exposed	13-Nov-25
3	Name/ID/Designation of the Fraudulent Staff	Satish kumar Pragada/SF0074725/Branch Quality 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	Satish Kumar Pragada	SF0074725	Branch Quality Manager	13-Jul-23	

**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: 05-Dec-2025**