

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
HR3210	Meham	Pundri	Saha	Karnal	Haryana	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
Mansukh /SF0087405	NA	Kapil Kumar /SF0071291	Najakat Ali/SF0079011	Karm Veer/SF0072751	Vipin Yadav/SF0071928	Ajay Ganotra/SF0068487
Date of Information Received (DD/MMM/YY)		08-Oct-25	Date of event/transactions occurred (From-To) (DD/MMM/YY)		04-Aug-23	07-Jul-24

Type of Incident (Fraud/Robbery/Theft)	Staff Fraud
Internal or External	Internal
No. of staff/persons involved: Fraud/Robbery/Theft	03
Total Amount Involved (Rs.)	11500/-

Describe how the incident has been exposed/identified:

During a branch visit conducted by IA Pardeep, it was observed that **Credit Assistant/Sandeep Kumar (SF0075471)**, **Credit Assistant/Shalendra Trivedi (SF0075998)** and **Credit Assistant/Rajat Babu (SF0075997)** had collected payments from borrowers. However, these amounts were not properly accounted for in the FIMO system.

Complaint Details

- **Date of Complaint:** 08 Oct 2025
- **Evidence Provided By:** IA Team
- **Complaint Registered On:** 16 Oct 2025
- **Complaint Numbers:** FN25-26-02574, FN25-26-02575 & FN25-26-02576.

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 **Credit Assistant/Sandeep Kumar (SF0075471)**, **Credit Assistant/Shalendra Trivedi (SF0075998)** and **Credit Assistant/Rajat Babu (SF0075997)**. The



purpose of the visits was to verify borrower availability based on the **Geo-tagging data recorded by the Credit Assistant**.

Modus Operandi:

The Internal Audit team investigated by visiting all 81 borrowers handled by the Loan Officer.

Post verification, it was observed that of the total 81 borrowers who visited, 01 borrowers had a collection of misappropriate amounts of ***Rs. 11,500/- (Rupees Eleven Thousand Five Hundred only)*** were collected by Credit Assistant and the same has not been posted only FIMO account in the posted Rs.4,600/- (Rupees Four Thousand Six Hundred Only) and accounted in the borrowers

Case Summary & Recommended Actions

1 Documentation Discrepancy – Sandeep Kumar / SF0075471

Issue:

- Loan cards signed by Sandeep Kumar, who was under training and not involved in collections.
- Actual collections done by Jatti Singh on 04 Aug & 04 Sep 2023.
- No financial misappropriation, but documentation mismatch may raise audit concerns.

Recommended Actions:

- **Prepare a Clarification Memo:**
 - State that Sandeep Kumar was under training and not authorized for collections.
 - Attach day-wise collection reports and training records.
 - Clarify that Jatti Singh was the responsible credit assistant.
- **Loan Card Annotation:**
 - If possible, annotate loan cards with a reference to the memo.
 - Include a corrective note in the center's audit file.
- **Audit Team Notification:**
 - Share the memo with internal audit to preempt any future queries.
- **Policy Update:**
 - Recommend a review of signature protocols on loan cards to prevent similar issues.

2 FIMO Update Failure – Rajat Babu / SF0075997

Issue:

- EMI collected from one borrower on different dates not updated in FIMO.
- Amount: ₹4600 (fully recovered).
- No net fraud amount.

Recommended Actions:

- **Incident Documentation:**
 - Record the collection dates and borrower details.
 - Confirm recovery and update FIMO records accordingly.
- **System Reconciliation:**
 - Ensure FIMO reflects the corrected transaction history.
- **Training & Controls:**
 - Recommend refresher training on FIMO compliance.
 - Introduce periodic reconciliation checks.

3 FIMO Update Failure – Shlendra Trivedi / SF0075998

Issue:

- EMI collected from one borrower on different dates not updated in FIMO.

Spandana Sphoorty Financial Ltd.
Internal Audit Department



- Amount: ₹6900 (not recovered).
- Net fraud amount: ₹6900.

Recommended Actions:

- **Fraud Reporting:**
 - Document the incident with borrower details and collection dates.
 - Flag the case for audit and compliance review.
- **Recovery Efforts:**
 - Initiate recovery process if feasible (borrower or assistant).
- **Disciplinary Record:**
 - Ensure the case is recorded in the assistant's exit file.
- **Strengthen Controls:**
 - Recommend stricter FIMO update protocols and monitoring.

Discrepancy summary

- **Loan:** Borrower SHEELA — **Loan ID:** 348347256
- **Issue A:** Two EWI payments of ₹2,300 each (total ₹4,600) recorded on loan card dated **04 Oct 2023** and **04 Jul 2025** paid to **Credit Assistant Rajat Babu / SF0080770**, but the same two EWI were only posted in FIMO on **15 Oct 2025** and **16 Oct 2025**. **Balance impact:** ₹0 remaining for these two if FIMO posts match loan card; transaction dates mismatch needs reconciliation. **Evidence:** Signature on loan card; borrower's husband written statement.
- **Issue B:** Three EWI payments of ₹2,300 each (total ₹6,900) recorded on loan card dated **04 Nov 2023, 04 Dec 2023, 04 Mar 2024** paid to **Credit Assistant Rajat Babu / SF0080770**, but **these three EWI were not posted in FIMO**. **Balance impact:** ₹6,900 still pending to be recovered unless reconciled. **Evidence:** Signature on loan card; borrower's husband written statement.

We have investigated posting discrepancies for Borrower SHEELA, Loan ID 348347256. Summary: two EWI (₹4,600) recorded on loan card (04-Oct-2023, 04-Jul-2025) were posted in FIMO on 15-Oct-2025 and 16-Oct-2025; three EWI (₹6,900) recorded on loan card (04-Nov-2023, 04-Dec-2023, 04-Mar-2024) are not posted in FIMO. Supporting documents attached: loan card scans, borrower husband written statement, CA remittance sheets, and FIMO posting extract.

Key Observations

- **Centre:** Bass Akbarpur C9
- **Period:** August & September 2023
- **Actual Collector:** Jatti Singh (SF0061879)
- **Loan Card Signatory:** Sandeep Kumar (SF0075471)
- **Status of Sandeep Kumar:** Under training during the period; resigned on 23-Dec-2024
- **Financial Impact:** No misappropriation (₹0 gross, recovered, and net fraud amount)
- **Issue:** Documentation mismatch between actual collection and loan card signatures

Recommended Corrective Actions

1. Prepare a Formal Clarification Note

- Document the investigation findings clearly, stating that the mismatch was due to incorrect signing of loan cards by a trainee (Sandeep Kumar), while actual collections were handled by Jatti Singh.
- Emphasize that no financial loss or fraud occurred.

Staff-wise collection,

Fraudulent Staff Name	Collection Amount	Disbursed Loan	Advance Amount	Net Fraud Amount

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



	Fraudulent Staff Emp ID		Pre-Closure Amount	Amount Recollected		Total Fraud Amount	Recovery Amount	
Sandeep Kumar	SF0075471	00/-	00	00	00	00/-	00	00/-
Shalendra Trivedi	SF0075998	6900/-	00	00	00	6900/-	00	6900/-
Rajat Babu	SF0075997	4600	00	00	00	4600/-	4600/-	00/-

Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Pardeep/SF0079093/Audit Executive
2	Date of event exposed	08-Oct-2025
3	Name/ID/Designation of the Fraudulent Staffs	Credit Assistant/Sandeep Kumar (SF0075471), Credit Assistant Shalendra Trivedi (SF0075998) & Credit Assistant/Rajat Babu (SF0075997).
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?	
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

Spandana Sphoorty Financial Ltd.
Internal Audit Department



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.	Sandeep Kumar	SF0075471	Credit Assistant	01-Aug-23	01-Aug-23	23-Dec-24
2.	Shalendra Trivedi	SF0075998	Credit Assistant	21-Aug-23	21-Aug-23	13-Apr-24
3.	Rajat Babu	SF0075997	Credit Assistant	21-Aug-23	21-Aug-23	29-Sep-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: 20 Oct'2025