

Spandana Sphoorty Financial Ltd.
Internal Audit Department



Fraud Investigation Report

Branch Details:

| Branch Code | Branch Name | Cluster | Area | Region | State | Zone |
|--|--------------------------------|---------------------------------|---|-------------------------------|-------------------------------|--------------------------|
| OR1616 | Mangalpur | Jajpur Town | Bhadrak | Bhadrak | Odisha | East |
| 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 |
| Krutibas Panda/SF0047926 | Biswajit Malik/SF0039085 | Biren Kumar Pattanaik/SF0087420 | Krushna Chandra Sahoo/SF0083225 | Alok Kumar Maharana/SF0083414 | Sanjaya Kumar Sahoo/SF0070624 | Shriraj Vedsen/SF0071741 |
| Date of Information Received (DD/MMM/YY) | | 18-Apr-25 | Date of event/transactions occurred (From-To) (DD/MMM/YY) | | 21-Apr-25 | 2-May-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.) | 5490 |

Describe how the incident has been exposed/identified:

During Field Verification cluster manager Biren Kumar Pattanaik/SF0087420 identified, 1 Borrower PRITILAGNA SAHOO for Loan No-353763003 Rs. **2410/-** on 26-Jan-25 EMI to LO Sudhanshu Kumar Pradhan/SF0093565 but that amount Rs.390/- input in FIMO in advance on 10/01/25 by LO Sudhanshu Kumar Pradhan/SF0093565 and the rest Rs.2020/- didn't Post in FIMO. Borrower provided Digital Payment as evidence. Based on the evidence, a complaint was registered on 18th Apr 2025, vide complaints number **FN25-26-00251**.

Now LO Sudhanshu Kumar Pradhan/SF0093565 is Resigned from 03-04-2025 as per HR records.

Post completion of the investigation, we identified **Rs.5490/-** amount of cash misappropriation on 2nos of borrowers against Lo Sudhanshu Kumar Pradhan/SF0093565.

Brief Details of the incident:

Investigation Approach:

The Audit team visited all Borrowers, those are handled by Lo Sudhanshu Kumar Pradhan/SF0093565 to check the availability of the borrower, and the amount collected was not accounted for.

Modus Operandi:

Loan Officer Sudhanshu Kumar Pradhan/SF0093565 made a cash misappropriation with an amount of **Rs 5490/-** for 2borrowers.

The internal audit team investigated visited all 136 borrowers handled by & LO.

- Post Verification, it was observed that a total of 136 no's Borrowers visited, out of that 19nos of borrowers were present, 117 no's borrowers were "Not available at home" at the time of verification.
- Observed Installment fraud for 2 nos. of borrowers of Rs.5490/-.

Categories of Fraud Details: -

| Sl. No | Type of Fraud | Affected Borrowers | Fraud Amount | Accounted to Borrower Ledger | Amount Yet to recover |
|--------------|---------------|--------------------|--------------|------------------------------|-----------------------|
| 1 | Installment | 2 | 5490 | 0 | 5490 |
| Total | | 2 | 5490 | 0 | 5490 |

Details of Process & Policy Lapses:

- 1- Monitoring failure.
- 2- Violation of collection process.
- 3- Proper follow up not done for standard pending customer.

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Details of the Enclosed Annexures, Documents & Statements from staff/customers if any:

1. Borrower Sub-ledger.
2. Digital Payment.
3. Loan Card.

| Sl. NO. | Checklist | Particulars |
|---------|--|---|
| 1 | Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned | Biren Kumar Pattanaik/SF0087420/Cluster Manager/Business/481798 |
| 2 | Date of event exposed | 17 th Apr 2025 |
| 3 | Name/ID/Designation of the Fraudulent Staff | Sudhanshu Kumar Pradhan/SF0093565/Loan Officer |
| 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 | CM |
| 6 | No. of thefts/robberies 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) | No |
| 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) | NA |
| 11 | If No, why the fraud was 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) | DOJ in Exit (DD/MMM/YY) |
| 1 | Sudhanshu Kumar Pradhan | SF0093565 | Loan Officer | 01-11-2024 | 01-11-2024 | 03-04-2025 |

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 customers wherever applicable.

Report prepared by : Internal Audit Team.

Date : 2nd May 2025