

**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/MM/YY)		18-Apr-25	Date of event/transactions occurred (From-To) (DD/MM/YY)		22-Apr-25	2-May-25

<b>Type of Incident (Fraud/Robbery/Theft)</b>	<b>Staff 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>	<b>355219</b>

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

During Field Verification cluster manager Biren Kumar Pattanaik/SF0087420 identified, 2 Borrower Kanaka Sethy for Loan No-351178415 Rs. **10394/-** on 07-Feb-25 & SASMITABALA NAYAK for Loan No-354284505 Rs. **32525/-** on 27-Aug-24 Pre-Closure amount provided to LO Ramesh Kumar Jena/SF0071358 but that amount Rs.19230/- inputted in FIMO and rest Rs.23689/- didn't Post in FIMO. Borrower provided Cash Receipts as evidence. Based on the evidence, a complaint was registered on 18<sup>th</sup> Apr 2025, vide complaints number **FN25-26-00253**.

Now LO Ramesh Kumar Jena/SF0071358 is Terminated as per HR records.

Post completion of the investigation, we identified Rs. 355219/- amount of cash misappropriation on 21nos of borrowers against Lo Ramesh Kumar Jena/SF0071358.

**Brief Details of the incident:**

**Investigation Approach:**  
The Audit team visited all Borrowers, those are handled by Lo Ramesh Kumar Jena/SF0071358 to check the availability of the borrower, and the amount collected was not accounted for.

**Modus Operandi:**  
Loan Officer Ramesh Kumar Jena/SF0071358 made a cash misappropriation with an amount of **Rs355219/-** for 21 borrowers. The internal audit team investigated visited all 206 borrowers handled by & LO.

- Post Verification, it was observed that a total of 206 no's Borrowers visited, out of that 23 no's of borrowers were present, 183 no's borrowers were "Not available at home" at the time of verification. Hence, for the nonavailability of borrowers, we were verified with the loan card, which is available at the center for 17 no's Borrowers.
- The total amount of fraud, including all the borrowers, is **Rs 355219/- & Rs- 71070/-** Recovered and Accounted in FIMO. Net Fraud Amount **Rs-284149/-**.

**Categories of Fraud Details: -**

Sl. No	Type of Fraud	Affected Borrowers	Fraud Amount	Accounted to Borrower Ledger	Amount Yet to recover
1	Pre-closure	7	165839	45320	120519
2	Installment	13	147110	1110	146000
3	Advance Collection	1	4270	0	4270
4	Disbursed Loan Amount Recollected	1	38000	24640	13360
<b>Total</b>		<b>21</b>	<b>355219</b>	<b>71070</b>	<b>284149</b>

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**Details of Process & Policy Lapses:**

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

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

1. Borrower Sub-ledger.
2. Digital Payment.
3. Loan Card.
4. Cash Receipt
5. Borrower written statement
6. Staff written statement

Sl. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Biren Kumar Pattanaik/SF0087420/Cluster Manager/Business/Centre Number- 634770, Duduranta C1
2	Date of event exposed	18 <sup>th</sup> Apr 2025
3	Name/ID/Designation of the Fraudulent Staff	Ramesh Kumar Jena/SF0071358/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)	Yes, F2425-11229 Rs. 24510 /-.
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

**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	Ramesh Kumar Jena	SF0071358	Loan Officer	21-02-2023	21-02-2023	20-02-2025

**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** : 03rd May 2025