

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



**Fraud Investigation Report**

**Branch Details:**

Branch Code	Branch Name	Cluster	Area	Region	State	Zone
OR2706	Kuakhia	Anandpur	Jajpur Road	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
Uttam Baral/ SF0023206	Kishore Chandra Behera/SF0040 160	Satyanjan Mohanty/SF0 001625	Basanta Kumar Panigrahi/SF0 001436	Gobind Prasad Mohanty /SF0009889	Sanjay Ku Sahoo / SF0070624	Shriraj Vedsen / SF0071741
Date of Information Received (DD/MM/YY)		24-04-25	Date of event/transactions occurred (From-To) (DD/MM/YY)		28-04-25	08-05-25

<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>	<b>71760</b>

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

During Center Visit at Kuakhia Branch (OR2706) by BM Uttam Baral/SF0023206 visited center number 465004 & 469086 and observed that LO Bapina Basti/SF0060206 had collected EMI amount from 1 borrower **Rs 2240/-** & another borrower **1800/-**, but that amount not posted in FIMO. Borrower provided loan card as evidence. As per the above Collection misappropriation, the complaint was lodged on 24<sup>th</sup> Apr 2025, vide complaints number **FN25-26-00341**.

Presently Loan Officer LO Bapina Basti/SF0060206 was terminated from dtd. 17-09-24 as per HR Record Post completion of the investigation, we identified Rs. 71760/- amount of cash misappropriation on 6nos of borrowers against LO Bapina Basti/SF0060206.

**Brief Details of the incident:**

**Investigation Approach:**

The Regional Auditor visited Some Borrowers, those are handled by LO Bapina Basti/SF0060206 to check the availability of the borrower, and the amount collected was not accounted.

**Modus Operandi:**

During the Cash Load verification Loan Officer Bapina Basti employee ID SF0060206 made a cash misappropriation with an amount of **Rs 71760/-** for 6 borrowers.

The Internal Audit Team investigated by visited 102 borrowers handed by LO Bapina Basti/SF0060206. Post Verification, it was observed that a total of 102nos Borrowers visited, out of that 43nos of borrowers were present & 58nos borrowers were **"Not available at home"** & 1 Borrower "Migrated to other state" 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 52 no Borrowers. Observed installment, and Pre-closure fraud for 6nos borrowers of **Rs 71760/-**.

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**Categories of Fraud Details: -**

SL No	Type of Fraud	Affected Borrowers	Fraud Amount	Amount recovered during Investigation	Amount Yet to recover
1	Collection Misappropriation	5	15440	0	15440
2	Pre-close Amount	1	56320	11700	44620
Total		<b>6</b>	<b>71760</b>	<b>11700</b>	<b>60060</b>

**Details of Process & Policy Lapses:**

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

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

1. Borrower Sub-ledger.
2. Loan Card.

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SI. NO.	Checklist	Particulars
1	Who exposed the event: Name/ID/Designation/Department/Centre to be mentioned	Uttam Baral/ SF0023206/BM/Business/465004 & 469086
2	Date of event exposed	24/04/2025
3	Name/ID/Designation of the Fraudulent Staff	Bapina Basti/SF0060206/LO
4	Whether it is in the notice of BM/BQM/CM/AVP/VP/SVP & HR (Yes/No)	BM
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)	0
7	No. of staff frauds happened in this branch for the past 12 months (excluding this)	3
8	Is there any disciplinary action taken by HR in his/her past tenure?	Yes
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	Bapina Basti	SF0060206	Loan Officer	21-08-21	21-08-21	17-09-24

**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 : 09th May 2025**