

Witness duly sworn on 12.08.2025

Cross Examination by Sri.SKP, Advocate for defendant:

I do not have personal knowledge about the loan documents as I was not in the branch at that time. Many columns in Ex.P.2 is left blank. The nature of loan is not mentioned in Ex.P.2. We do not sanction any loan without loan application. It is true that, in Ex.P.2 no material information is mentioned. The instant loan falls under MUDRA scheme. Ex.P.2 does not contain any credentials of the defendant. I cannot say the basis on which loan is sanctioned.

2. The sanctioning authority ought to have verified the credentials of the borrower, but in this case no such verification is done. This loan is cash credit loan. It was new loan. Ex.P.2 does not disclose that, the loan is a new loan. This loan was renewed every year. This loan was sanctioned in May 2021. Prior to May 2021, the defendant did not have any loan with our bank.

3. We have not given any enhancement in loan. It is true that, Ex.P.3 mentions enhancement loan. We have not provided any OD loan to the defendant. The witness volunteers that, earlier it was OD which later was termed as CC. I cannot tell the date of this change. It is true that, none of the documents marked by us discloses about the said OD and CC. This loan was disbursed under CGTMSE under MUDRA scheme. Under the said scheme, borrower has to arrange initial 25% of the CC amount.

4. In this case, 25% was in the form of stock (Milk and Milk products). In this case, physical inspection report is not submitted of 25% stock inspection. Ex.P.3 does not contain the 75% disbursement from the bank side. I cannot tell the name of the

Chief Manager who has signed on Ex.P.3. We have not submitted any document to show 25% contribution of the borrower.

5. The interest chargeable at the time of sanction was 8.5% p.a. Only on the sanctioned amount, guarantee is obtained under CGTMSE scheme. In this case, it was for Rs.9,00,000/-.

Further cross examination is deferred.

(Typed to my dictation in the open court.)

R.O.I. & A.C.,

**I Addl. District & Sessions Judge,
Mangaluru, D.K.**