

Bangladesh Form No. 3701

HIGH COURT FORM NO.5 (2)
HEADING OF JUDGMENT IN ORIGINAL SUIT/CAS
DISTRICT- DHAKA

IN THE COURT OF ARTHA RIN ADALAT NO. 1, DHAKA

Present : Mr. Md. Hasan Zaman,
Judge (Joint District Judge)

Date of Judgment : 12th day of April, 2026

Artha Rin Suit No. 1142 of 2024

Eastern Bank Limited-----Plaintiff

-Versus-

Mst. Esmat Ara Begum and 02 others -----Defendants

This case came up for final hearing on : 21.09.2025; 11.11.2025; 01.03.2026 &
30.03.2026

In presence of :

Mr. Farid Ahmed-----Advocate for Plaintiff.

Mr. Md Safaet Ali -----Advocate for Defendants.

And having stood for consideration to this day, the court delivered the following
judgment:-

The plaintiff **Eastern Bank Limited** filed this present suit under the
Artha Rin Adalat Ain, 2003 for recovery of **Tk. 18,63,840.68 (Taka Eighteen
Lac Sixty-Three Thousand Eight Hundred Forty Point Sixty-Eight)** as on
31.10.2022.

Plaintiff's Case in Brief

1. The plaintiff, **Eastern Bank Limited**, is a renowned banking company
duly constituted, registered and incorporated under the relevant laws of
Bangladesh. The defendant No.1 is the proprietor of business concern namely
"Comfort Tailors and Fabrics" as well as borrower while the defendant No.2-3

are guarantors of the credit facilities availed of by defendant No.1 from the plaintiff bank.

2. At the request of defendant No.1, the plaintiff bank sanctioned a *SME loan facility* of TK. 17,00,000.00 only *under* Term Loan-EBL Mukti *in favor of the defendant No.1 vide Sanction letter dated 14.03.2021*. The defendant No.1 accepted sanction letter along with the terms and conditions stipulated therein and executed various charge documents in favor of the plaintiff bank. As security for the aforesaid investment facilities, the defendant Nos.2-3 personally guaranteed the loan. The defendant also executed letter of hypothecation dated 14.03.2021.

3. The plaintiff bank duly disbursed the sanctioned investment facilities which were availed of and enjoyed by the defendant No.1 in the course of its business activities. However, the defendants, with mala fide intent, failed to repay the investment amounts within the stipulated periods. Despite repeated requests, reminders, and letters from the plaintiff bank, the defendants neglected and failed to adjust the outstanding liabilities.

4. As on **31.10.2022**, the total liabilities of the defendants stood at **Tk. 18,63,840.68/-** inclusive of accrued interest. Although on several occasions the defendants acknowledged their liabilities, they deliberately failed to make payments. Consequently, the plaintiff issued a **Legal notice** dated **19.10.2022**, however, the defendants failed to comply with the said notice and did not contact the plaintiff bank in this regard.

5. The plaintiff bank could not realize its dues despite of several demand notice and legal notice. The defendants' communications and conduct have made it evident that they will not settle the outstanding liabilities unless compelled by due process of law. As of 22.05.2022, the admitted liability of the defendants stood at **Tk. 18,63,840.68** /-. Having failed in all attempts to recover its dues amicably, the plaintiff bank has compelled to file this instant suit.

Defendant's Case :

6. On the other hand, Defendant Nos. 1 and 2, by filing a joint written statement and contesting the suit, contend inter alia as that the suit of the plaintiff is not maintainable in its present form and manner and that there is no cause of action for filing the instant suit. The defendants further state that the suit is barred by limitation.

7. It is stated that Defendant No. 1 is the sole proprietor of "**Comfort Tailors and Fabrics,**" and Defendant No. 2 is the husband of Defendant No. 1. The business concern of Defendant No. 1 is engaged in tailoring and the sale of

fabrics. Owing to business demand, Defendant No. 1 applied to the plaintiff bank as a woman entrepreneur for a loan to expand her business, and accordingly, the plaintiff bank sanctioned a loan of Tk. 17,00,000/- on 14.03.2021. However, the defendants assert that due to non-cooperation on the part of the plaintiff bank, the sanctioned loan amount could not be properly utilized for the intended business purposes. The plaintiff bank allegedly allowed withdrawal of only a partial amount instead of the required funds, resulting in the defendants' inability to invest the loan effectively and thereby causing business losses.

8. It is further contended that upon scrutiny of the statement of account furnished by the plaintiff bank, it appears that various amounts have been debited from the defendant's account in the names of different persons and entities, thereby unlawfully inflating the loan liability without the knowledge or consent of the defendants. Moreover, the defendants submit that the plaintiff bank has charged interest in excess of the rates prescribed by Bangladesh Bank from time to time and has claimed amounts beyond the actual dues. The statement of account also reflects imposition of substantial charges under various heads which were not stipulated in the loan agreement.

9. The defendants further assert that they have duly repaid the loan obtained from the plaintiff bank; however, the bank failed to properly adjust the payments made and, on the basis of arbitrary and inflated claims, instituted the present false and vexatious suit. Accordingly, the defendants pray that the suit be dismissed with costs

Issues:

10. The following issues has been framed for proper adjudication of the case :

- 1) Whether the suit is maintainable in its present form and prayer?
- 2) Whether the plaintiffs have any cause of action for filing the suit ?
- 3) Whether the suit is barred by Limitation ?
- 4) Whether the plaintiff Bank is entitled to recover the claimed amount from the defendants?
- 5) Whether the plaintiff Bank is entitled to obtain a decree as prayed for?

Discussions and Decisions:

11. To prove the plaint case, the plaintiff examined 01 witnesses namely **G.M. Selim Reza as P.W.1** before this court. **During examination of P.W.1** the following documents were produced and proved, which have been marked as Exhibits:-

1) Letter of Authority	Exhibit-1
2) Application of loan and Sanctioned Letter	Exhibit-2 Series
3) Charge Documents	Exhibit-3 Series
4) Legal Notice	Exhibit-4
5) Account statement	Exhibit-5

On the other hand, to prove the defendant's case, the defendants examined a witness namely **Md. Bahar Uddin as D.W.1**.

Decision with Reasons

12. **Issue no. 1, 2 and 3 : Whether the suit is maintainable in it's present form and prayer? + Whether the plaintiffs have any cause of action for filing the suit ? + Whether the suit is barred by limitation?**

All these issues are taken up together for the sake of brevity and convenience.

Upon careful consideration of the plaint, the written statement and the evidences appearing on record, it appears that although the defendants challenged the maintainability of the suit, they have not adduced any evidence in support of such objection. On the other hand, the plaintiff is a renowned banking company duly constituted, registered and incorporated under the relevant laws of Bangladesh. The plaint has been presented by way of affidavit as mandated under **Section 6(4) of the Artha Rin Adalat Ain**, duly accompanied by **ad valorem court fees** and relevant charge documents. No legal infirmity is discernible in the presentation of the plaint. Therefore, the suit is clearly maintainable both in law and in fact. This issue is thus decided in favour of the plaintiff.

13. As regards the cause of action, the plaint sufficiently discloses grounds for bringing the instant suit. It appears from the plaint that, upon the application of the defendant No.1, the plaintiff bank sanctioned credit facilities in favour of the defendant No.1. The said facilities were secured by execution of charge documents and personal guarantees. However, the defendants defaulted in repayment of loan installments as per terms of the sanction letters. The default persisted and the outstanding liabilities accumulated to the tune of **Tk. 18,63,840.68**. Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on 19.10.2022, calling upon the defendants to adjust the outstanding dues. The defendants, however, did not comply. Having no other efficacious remedy, the plaintiff was compelled to institute the present suit. The cause of action thus arose on and from 19.10.2022, and the instant suit having been filed on 30.10.2022, is well within the statutory period of limitation. In view of the above, it is held that the instant suit is properly maintainable, is founded upon a sufficient cause of action, and is not barred by limitation. All the aforesaid issues are therefore answered in favour of the plaintiffs.

14. **Issue No : 4 and 5 : Whether the plaintiff Bank is entitled to recover the claimed amount from the defendant? + Whether the plaintiff Bank is entitled to obtain a decree as prayed for?**

All these issues are taken up together for the sake of brevity, convenience, and because they are closely interlinked both on facts and in law.

Upon careful consideration of the pleadings of the parties, the oral evidence adduced, documentary exhibits produced, and the entire materials available on record, it appears that the plaintiff, Eastern Bank Limited the present suit for realization of outstanding dues amounting to **Tk. 18,63,840.68 (Taka Eighteen Lac Sixty Three Thousand Eight Hundred forty Point Sixty Eight)** inclusive of accrued interest calculated up to **31.10.2022**, against the defendants under the provisions of the Artha Rin Adalat Ain, 2003.

15. It further appears from the record that Defendant No.1, namely **Mst. Esmat Ara Begum**, is the principal borrower, while Defendant Nos.2 and 3 executed deeds of guarantee securing repayment of the said loan facility and thereby assumed co-extensive liability with the borrower in accordance with law. In view of Section 6(4) of the Artha Rin Adalat Ain, 2003, the plaint supported by affidavit carries substantive evidentiary value unless rebutted by credible and reliable evidence to the contrary. In support of its claim, the plaintiff examined

one witness, namely **P.W.1 G.M. Selim Reza**, who submitted affidavit-in-chief in support of the plaint. His testimony remained materially consistent, coherent, and fully supportive of the plaintiff's pleaded case. Nothing substantial could be elicited in cross-examination to discredit his testimony or weaken the evidentiary value of the plaintiff's case.

16. From **Exhibit-2/1**, being the sanction letter dated **14.03.2021**, it clearly transpires that upon application and request of Defendant No.1, the plaintiff sanctioned a term loan facility amounting to **Tk. 17,00,000/- (Taka Seventeen Lac only)** in favour of Defendant No.1 subject to specified terms and conditions. The charge documents marked **Exhibit-3 series** further establish that the borrower and guarantors executed all necessary security documents, undertakings, repayment commitments, and other binding financial instruments in favour of the plaintiff institution. These documents unmistakably prove lawful creation of financial liability and establish beyond doubt that Defendant No.1 duly availed the sanctioned facility and undertook repayment obligations according to agreed terms.

17. The legal notice marked **Exhibit-4** reveal that after availing the said facility, Defendant No.1 failed to maintain regular repayment and gradually committed persistent default. The documentary record further demonstrates that despite repeated reminders, notices, and demands issued by the plaintiff, the defendants failed to regularize the account or liquidate the overdue liability. The legal notice also sufficiently establishes that the plaintiff demanded repayment before institution of the suit in accordance with law.

18. This Court notes that mere pleading without proof carries no evidentiary weight. The defendants, despite contesting the suit, failed to produce any reliable documentary evidence demonstrating full adjustment of installments or disproving the plaintiff's maintained account statement. During pendency of the suit also, no substantial payment was made nor was any convincing repayment proposal placed before the Court. Mere denial or allegation unsupported by evidence cannot defeat a financial claim proved by primary documentary records.

19. It further appears from the materials on record that due to continuous default committed by Defendant No.1, the loan account became classified and remained unpaid despite repeated demands. The plaintiff has therefore successfully established that the outstanding liability lawfully matured and remained recoverable.

20. Under Section 6(5) of the Artha Rin Adalat Ain, 2003, the liability of guarantors is co-extensive with that of the principal borrower unless restricted by

specific contractual terms. In the present case, no such limiting clause is found in the guarantee documents. Consequently, Defendant Nos.2 and 3, having voluntarily executed guarantee obligations, are jointly and severally liable together with Defendant No.1 for repayment of the decretal dues.

21. Upon comprehensive evaluation of the plaint, written statement, oral depositions, cross-examination, documentary exhibits, and all surrounding circumstances, this Court finds that the plaintiff has been able to prove its claim by reliable oral and documentary evidence. Accordingly, the issues under consideration are decided in favour of the plaintiff who is entitled to recover **Tk. 18,63,840.68 (Taka Eighteen Lac Sixty Three Thousand Eight Hundred forty Point Sixty Eight)** from the Defendants, jointly and severally.

In result the case succeeded.

Court Fee paid is correct

Hence,

It is Ordered

That the present suit be decreed on contest against Defendant Nos. 1 & 2 and ex-party against the other defendant with costs for an amount of **Tk. 18,63,840.68 (Taka Eighteen Lac Sixty Three Thousand Eight Hundred forty Point Sixty Eight) up to 31.10.2022**. The Plaintiff shall be entitled to receive the said amount **together with interest or profit as applicable under the prevailing laws or rules from 30.11.2022**, i.e., the date of filing of the suit, until full realization.

The Defendants are directed to pay the decree amount, together with interest or profit, in favor of the Plaintiff **within sixty (60) days of the pronouncement of this judgment**. In the event of default, the Plaintiff shall be entitled to recover the decree amount through lawful proceedings before the Court.

If the Defendants have made any payments during the pendency of the suit, the Plaintiff is directed to **adjust the same in accordance with the law**.

Typed & Corrected by Me

**Md. Hasan Zaman
Judge (Joint District Judge)
Artha Rin Adalat No.1,
Dhaka.**

**Md. Hasan Zaman
Judge (Joint District Judge)
Artha Rin Adalat No-1,
Dhaka.**