Artha Rin Suit No. 1122 of 2023.

Bangladesh Form No. 3701

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

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

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

Date of Judgment : 6th day of July, 2026.

Artha Rin Suit No. 1122 of 2023

LANKABANGLA FINANCE LIMITED-----------------------------Plaintiff
-Versus-
Ms. Sharmin Shohelly Shipa & Others--------------------------------Defendant

This case came up for final hearing on: 24.03.2025, 09.07.2025 and 17.06.2026.

In presence of:
Mr. Nikhil Kumar Biswas---------------------------------Advocate for Plaintiff.
Mr. Md. Rafiqul Islam----------------------------------Advocate for Defendant.

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

This is a suit instituted under the provisions of Artha Rin Adalat Ain, 2003 for realization of defaulted loan amounting to Tk. **18,00,044/- (Taka Eighteen Lac Forty Four only)** outstanding up to **30.09.2021** against the defendant.

The suit was filed on 28.11.2021 before the **Artha Rin Adalat No. 2**, Dhaka, being registered as **Artha Rin Suit No. 1770 of 2021**. Subsequently, by order dated 19.07.2023 passed by the learned District Judge, Dhaka the said suit was transferred to this Court, where it has been re-registered as **Artha Rin Suit No. 1122 of 2023**.

<u>Plaintiff's Case in Brief</u>

1) The case of the plaintiff, in brief, is that the plaintiff, Lankabangla Finance PLC, is a duly incorporated non-banking financial institution established and operating under the laws of Bangladesh, competent to institute and maintain the present suit for realization of its lawful dues. Defendant No. 1 is the principal borrower, while defendant Nos. 2 and 3 stood as personal guarantors. By executing the relevant loan and guarantee documents, all the defendants became jointly and severally liable to repay the loan together with interest and other contractual charges.

2) It is the plaintiff's case that, upon the application of defendant No. 1 dated 01.02.2017, the plaintiff sanctioned a Personal Loan Facility amounting to Tk. 22,00,000.00 (Taka Twenty-Two Lac) only vide Sanction Letter dated 28.02.2017. Pursuant thereto, the defendants executed the necessary loan and security documents in favour of the plaintiff, while defendant Nos. 2 and 3 furnished personal guarantees securing due repayment of the loan. The defendants expressly undertook to repay the loan by monthly instalments in accordance with the terms and conditions embodied in the loan documents.

3) The plaintiff further contends that, after availing the loan facility, the defendants failed to maintain financial discipline and became irregular in payment of the stipulated monthly instalments. Despite repeated demands and requests made by the plaintiff, they neglected to regularize the loan account or repay the outstanding liability. Consequently, the loan account became overdue and the outstanding dues reached to the tune of TK. **18,00,044/- (Taka Eighteen Lac Forty Four only) as on 30.09.2021.**

4) Finding no alternative, the plaintiff served a legal notice upon the defendants on 21.11.2021 demanding payment of the outstanding liability and informing them that legal proceedings would be initiated in case of default. As the defendants neither complied with the notice nor liquidated the

outstanding dues, the plaintiff was constrained to institute the present suit for recovery of the outstanding loan amount together with accrued interest, costs, and other reliefs as provided by law.

5) The defendant entered appearance in the suit and contested the same by filing a written statement denying the material allegations of the plaint, except those expressly admitted therein. The defendant contends that the suit, as framed and instituted, is not maintainable in law or on facts, discloses no valid cause of action, and is hopelessly barred by limitation.

6) The defendant admits that on 28.02.2017 she obtained a Personal Loan Facility from the plaintiff for Tk.20,00,000.00 (Taka Twenty Lacs only). She states that after availing the loan, she regularly repaid the installments by making deposits with the plaintiff. However, due to the financial hardship caused by the COVID-19 pandemic, she became temporarily irregular in repayment. Despite such difficulties, she continued making payments and asserts that she deposited a total sum of **Tk.21,89,676.00** up to the year 2023. She further states that during the pendency of the connected Miscellaneous Case, she paid an additional Tk.1,80,100.00, bringing her total payment to Tk.23,59,776.00.

7) It is further the case of the defendant that despite repeated requests, the plaintiff failed to furnish a complete statement of account. Such refusal led her to believe that all her payments had been duly adjusted and that no outstanding liability remained. The defendant alleges that the plaintiff intentionally withheld the statement of account and unlawfully imposed excessive interest and other charges in violation of applicable banking rules and norms, thereby inflating the alleged dues. On these grounds, she contends that the plaintiff is not entitled to any relief and prays for dismissal of the suit with costs.

8) On perusal of the plaint, written-statement, documents and previously framed issues, for proper adjudication of the suit, the issues are reframed in the following ways:

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Issues:

1. Whether the suit is maintainable in its present form and manner?
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 financial institution is entitled to recover the claimed amount from the defendant?
5. Whether the plaintiff is entitled to the relief as prayed for?

Discussions and Decisions:

9) To prove the plaint case, the plaintiff examined 01 witnesses namely **Muhammad Ali Kayes as P.W.1** before this court**. During examination of P.W.1 t**he following documents were produced and proved, which have been marked as Exhibits:-

1) Letter of Authority	**Exhibit-1**
2) Application of Loan & Sanctioned Letter	**Exhibit-2 Series**
3) Charge Documents	**Exhibit-3 Series**
4) Legal Notice with P.R.	**Exhibit-4**
5) Account statement	**Exhibit-5**

On the other hand, to prove the defendant's case, the defendant examined a witness namely **Sharmin Shohelly Shipa as D.W.1, During examination of D.W.1 , the documents produced and proved was marked as Exhibit: Ka.**

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Decision with Reasons

10) Issue nos. 1-3: Whether the suit is maintainable in its present form and manner? + Whether the plaintiffs have any cause of action for filing the suit? + Whether the suit is barred by limitation?

All the aforesaid issues are taken up together for the sake of brevity and convenience, as they are closely interrelated both on facts and in law. Upon careful consideration of the pleadings of the parties, the oral and documentary evidence adduced, and the entire materials available on record, this Court finds that the defendants, although having challenged the maintainability of the suit in their written statement, failed to adduce any evidence whatsoever in support of such objection. On the contrary, the plaintiff has successfully established that it is a duly incorporated non-banking financial institution competent to institute the present suit under the provisions of the Artha Rin Adalat Ain, 2003. The plaint has been presented in due compliance with the mandatory requirements of the said Ain, accompanied by the requisite affidavit, court fees, and relevant loan and security documents. No legal defect or procedural irregularity has been found in the institution of the suit.

11) It further appears that the plaint clearly discloses a valid and subsisting cause of action. The evidence on record establishes that the plaintiff sanctioned the loan facilities in favour of defendant No. 1 upon due application, which were secured by the execution of the necessary charge documents and guarantees. The defendants, however, committed persistent default in repayment of the loan in accordance with the agreed terms and conditions, resulting in accumulation of outstanding dues. Despite repeated demands and issuance of a legal notice calling upon the defendants to liquidate the outstanding liabilities, they failed to make payment, thereby compelling the plaintiff to institute the present suit. Since the suit was filed within the period prescribed by law, it is not barred by limitation.

12) In the absence of any evidence to the contrary and considering the uncontroverted documentary evidence adduced by the plaintiff, this Court is satisfied that the suit is maintainable both in law and on facts, is founded upon

a valid cause of action, and has been instituted within the statutory period of limitation. Accordingly, all the aforesaid issues are answered in favour of the plaintiff.

13) **Issue No: 4 & 5 :** Whether the plaintiff institution is entitled to recover the claimed amount from the defendant ? + Whether the plaintiff is entitled to obtain a decree as prayed for?

All the issues are taken up together for the sake of brevity, convenience and because they arise out of the same transaction and are closely interconnected both on facts and in law.

14) Upon careful consideration of the pleadings of the parties, the oral evidence, the documentary exhibits and the entire materials available on record, it appears that there is no dispute regarding the status of the plaintiff as a duly incorporated non-banking financial institution carrying on financial business under the laws of Bangladesh and competent to institute the present suit. It is equally admitted that the defendant, Sharmin Shohelly Shipa, applied for and obtained a Personal Loan Facility amounting to Tk. 20,00,000/- from the plaintiff. Thus, the existence of a contractual relationship between the parties and the defendant's liability arising from the loan transaction stand clearly established.

15) The plaintiff examined one witness, P.W.1 Muhammad Ali Kayes, who proved the plaint by affidavit and exhibited the relevant loan documents. His evidence remained consistent with the pleadings and was duly supported by documentary evidence. Although he was cross-examined at length, nothing material could be elicited to discredit his testimony or to show that his evidence was false or unreliable. Accordingly, his evidence inspires confidence and is accepted as trustworthy.

16) Under Section 6(4) of the Artha Rin Adalat Ain, 2003, the statements made in the plaint supported by affidavit constitute evidence unless effectively rebutted by the defendant through credible evidence. Once the plaintiff establishes a prima facie case by producing the loan documents and statement of account, the burden shifts upon the defendant to prove that the

claim is incorrect or that the liability has been discharged. Therefore, the defendant was under a legal obligation to rebut the plaintiff's documentary evidence by producing convincing evidence.

17) **Exhibit-2 and Exhibit-2/1**, namely the loan application and sanction letter, conclusively prove that the plaintiff sanctioned a Personal Loan Facility of Tk. 20,00,000/- in favour of the defendant upon her application. The Loan Agreement and other security documents marked as Exhibit-3 series further establish that the defendant executed all necessary contractual and charge documents, thereby creating a legally enforceable financial obligation in favour of the plaintiff. More importantly, the defendant herself admitted both in the written statement and in her evidence that she had obtained and utilized the said loan facility. Such admission dispenses with the necessity of further proof regarding the creation of the loan transaction.

18) The evidence further establishes that after availing the loan facility the defendant failed to repay the installments regularly in accordance with the agreed repayment schedule. Exhibit-4 series, comprising the legal demand notice together with the postal receipts, proves that before filing the suit the plaintiff demanded repayment of the outstanding dues. Despite such demand, the defendant neither regularized the account nor liquidated the outstanding liability. Therefore, the statutory requirement of serving demand prior to institution of the suit has been duly complied with.

19) Exhibit-5, being the Statement of Account maintained by the plaintiff in the ordinary course of banking business, reveals that as on 31.10.2021 a sum of Tk. 18,00,044/- remained outstanding against the defendant inclusive of accrued interest. Such statement of account carries considerable evidentiary value as it has been maintained in the regular course of business. The defendant has not produced any independent statement of account, audit report, settlement certificate or other reliable evidence showing that the entries contained therein are inaccurate, manipulated or incorrectly calculated. Consequently, there is no legal basis for disbelieving the plaintiff's statement of account.

20) The principal defence of the defendant is that she repaid the entire loan and paid an aggregate amount of Tk. 21,89,676/-, thereby extinguishing her liability. In support of such contention she produced one deposit slip marked Exhibit-Ka and certain bank statements of BRAC Bank and Dutch-Bangla Bank marked as Exhibit-Ka/1.

21) This Court has carefully scrutinized those documents. Mere production of deposit slips or bank statements does not by itself prove complete adjustment of a loan account. The defendant was required to establish that the payments reflected in those documents had not been credited by the plaintiff or that the plaintiff's statement of account omitted such payments. However, no reconciliation statement, settlement certificate, acknowledgment issued by the plaintiff, expert evidence or any other cogent documentary evidence has been produced to establish that the plaintiff's calculation is erroneous. Consequently, the plea of complete repayment remains unsubstantiated.

22) Nevertheless, Exhibit-Ka and Exhibit-Ka/1 clearly demonstrate that after 31.10.2021, i.e., after the date up to which the plaintiff prepared its statement of account, the defendant made several payments towards the loan account from her BRAC Bank account. The documentary evidence shows payments made between 30.05.2022 and 24.12.2024 aggregating Tk. 3,51,400/-. Since these payments were made subsequent to the date of the plaintiff's statement of account, they could not have been reflected therein. In the interest of fairness, equity and justice, these subsequent payments deserve due adjustment against the decretal claim.

23) Accordingly, after deducting Tk. 3,51,400/- from the outstanding amount of Tk. 18,00,044/-, the amount lawfully recoverable by the plaintiff stands at Tk. 14,48,644/-.

24) The statement of account of Dutch-Bangla Bank produced by the defendant has little evidentiary value for deciding the present controversy, as it relates to transactions between 01.01.2017 and 11.11.2019, which substantially precede the period relevant to the plaintiff's claim and do not establish discharge of the outstanding liability reflected in the plaintiff's account as on 31.10.2021.

25) The evidence on record further establishes that due to persistent default in repayment, the defendant's loan account became irregular and the outstanding liability became recoverable in accordance with the terms of the loan agreement and the provisions of the Artha Rin Adalat Ain, 2003. The plaintiff has successfully proved the sanction of the loan, execution of the loan documents, persistent default, service of legal demand and the amount outstanding. On the contrary, the defendant has failed to prove her plea of complete adjustment or full repayment by any reliable and convincing evidence.

26) Having independently assessed the pleadings, oral testimony, documentary exhibits and the admissions made by the parties, this Court is satisfied that the plaintiff has discharged the burden of proof imposed by law. The defendant has failed to rebut the plaintiff's documentary evidence except to the extent of proving subsequent payments amounting to Tk. 3,51,400/-, which have already been duly adjusted.

27) Accordingly, this Court holds that the plaintiff has successfully established its claim to the extent of **Tk. 14,48,644/- (Taka Fourteen Lakh Forty-Eight Thousand Six Hundred Forty-Four only).** The issues are therefore decided in favour of the plaintiff and against the defendant. The plaintiff is entitled to recover the said amount together with interest, costs and other consequential reliefs in accordance with the provisions of the Artha Rin Adalat Ain, 2003.

In result the case succeeded.

Court Fee paid is correct

Hence,

It is Ordered

That the present suit be decreed on part on contest against Defendant No.1 and ex-party against other defendants with costs for an amount of **Tk. 14,48,644 (Taka Fourteen Lac Forty Eight Thousand Six Hundred Forty Four only).** The Plaintiff shall be entitled to receive the said amount **together**

with interest or profit as applicable under the prevailing laws or rules from 30.09.2021, i.e., the date of filing of the suit, until full realization.

The Defendant is 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 Defendant has made any more 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.