ARM 1998 of 2024.

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: 2nd day of July, 2026.

Artha Rin Suit No. 1998 of 2024.

LANKABANGLA FINANCE PLC --------------------------------Plaintiff

-Versus-

Mr. Anwarul Haque and One other---------------------------Defendants

This case came up for final hearing on: 16.10.2025, 12.03.2026, 07.04.2026,

In presence of :
Mr. Zakaria Haider-------------------------------------Advocate for Plaintiff.
Mr. SK. Imran Kabir-------------------------------Advocate for Defendant.
And having stood for consideration to this day, the court delivered the following judgment:-

The plaintiff **LANKABANGLA FINANCE PLC** filed this present suit under the **Artha Rin Adalat Ain, 2003** for recovery of Tk. **11,40,622.54 (**Taka Eleven Lac Forty Thousand Six Hundred Twenty Two Point Fifty Four**) as on 30.04.2024.**

Plaintiff's Case in Brief

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. Defendant No. 1 is the principal borrower, while defendant No. 2 stood as the personal guarantor of the loan facility. Both defendants are jointly and severally liable for repayment of the outstanding dues together with all other liabilities arising under the loan transaction.

It is the specific case of the plaintiff that, upon the request of defendant No. 1 through an application dated 16.04.2019, the plaintiff sanctioned an Auto Loan Facility amounting to Tk. 22,00,000.00 (Taka Twenty-Two Lac) only by issuing a Sanction Letter dated 02.05.2019 and executing a Lease Agreement of the same date. The loan facility was sanctioned for the purpose of purchasing one unit of a reconditioned Honda Vezel Z Package, CC-1500, Model-2014, for a tenure of 36 (thirty-six) months. The entire loan amount was duly disbursed, and defendant No. 1 fully availed of the said financial facility.

To secure due repayment of the loan, the defendants executed and delivered in favour of the plaintiff all requisite security documents, including the Loan Agreement dated 02.05.2019, created hypothecation over all present and future fixed and floating assets, and defendant No. 2 furnished her personal guarantee in addition to all other securities stipulated in the sanction letter. By virtue of the said documents, both defendants undertook to repay the loan in accordance with the agreed terms and conditions and became jointly and severally liable for all outstanding liabilities.

The plaintiff further contends that, notwithstanding repeated demands and requests, the defendants failed to honour their contractual obligations. They became irregular in payment of the monthly instalments from the very inception of the loan and failed to repay the loan in accordance with the repayment schedule stipulated in the Loan Agreement. Despite several reminders and demands, the defendants neglected and failed to regularize the loan account.

Thereafter, the plaintiff served a legal notice upon the defendants on 11.07.2024, calling upon them to adjust the outstanding liability and informing them that, in the event of their failure to do so, the plaintiff would be constrained to initiate legal proceedings for recovery of the outstanding loan together with accrued interest and other admissible costs. The defendants neither complied with the said notice nor liquidated the outstanding dues.

According to the statement of account maintained by the plaintiff in the ordinary course of its banking business, a sum of Tk. 11,40,622.54 (Taka Eleven Lac Forty Thousand Six Hundred Twenty-Two and Paisa Fifty-Four) remained outstanding against the defendants as on 30.04.2024. As the defendants failed and neglected to repay the outstanding liability despite repeated demands and the statutory legal notice, the plaintiff, having exhausted all amicable means of recovery, was left with no alternative but to institute the present suit for realization of the outstanding dues together with interest and other lawful reliefs.

Defendant's Case :

The defendant No. 1 entered appearance in the suit and contested the same by filing a written statement, denying all the material allegations made in the plaint except those specifically admitted herein.

At the outset, the defendant admits that he availed an Auto Loan Facility from the plaintiff for a sum of Tk. 22,00,000.00 (Taka Twenty-Two Lac) only for the purpose of purchasing one unit of a reconditioned Honda Vezel Z Package, Model-2014, CC-1500. It is further contended that after execution of the relevant loan agreement, the defendant regularly paid the stipulated monthly installments in accordance with the terms and conditions of the said agreement.

The defendant further asserts that he had already repaid the substantial portion of the loan and that only a nominal amount remained outstanding. According to the defendant, despite such minimal outstanding liability, the plaintiff unlawfully repossessed the financed vehicle from his possession with the representation that the vehicle would be sold to adjust the outstanding dues and that any surplus amount remaining after adjustment of the loan liability would be refunded to the defendant. However, after taking possession of the vehicle, the plaintiff neither rendered any statement of accounts regarding the sale proceeds nor refunded the alleged surplus amount to the defendant, thereby acting contrary to its own representation and in violation of the agreed terms.

It is the further case of the defendant that since the plaintiff had already taken possession of the hypothecated vehicle for the purpose of realization of its alleged outstanding dues, the institution of the present suit for recovery of the same claim is misconceived, not maintainable in law, and is therefore liable to be dismissed.

Issues:

The following issues have been framed for proper adjudication of the case:

1) Whether the suit is maintainable in it's present form and prayer?
2) Whether the plaintiff has any cause of action for filing the suit?

3) Whether the plaintiff is entitled to recover the claimed amount from defendants?
4) Whether the plaintiff is entitled to obtain a decree as prayed for?

Discussions and Decisions:

To prove the plaint case, the plaintiff examined 01 witnesses namely **Md. Omor Faruque 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 and Sanctioned Letter	**Exhibit-2 Series**
3) Charge Documents	**Exhibit-3 Series**
4) Legal Notice with P.R.	**Exhibit-4 series**
5) Account statement	**Exhibit-5**

On the other hand, to prove the defendant's case, the defendants examined a witness namely **Anwarul Haque as D.W.1. During examination of D.W.1 t**he following document is produced and proved, which have been marked as Exhibits:-

1) Archive (Photocopy)	Exhibit-Ka
2) Application of Archive	Exhibit-Kha
3) Copy of G.D	Exhibit-Ga
4) Application of Fire Investigation	Exhibit-Gha
5) Paper Publication	Exhibit-Uma
6) Copy of NID	Exhibit-Cha

Decision with Reasons

Issue no. 1 & 2 : Whether the suit is maintainable in it's present form and prayer? + Whether the plaintiffs have any cause of action for filing the suit ?

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.

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.

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.

Issue No : 3 & 4 : 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 above issues are taken up together for determination for the sake of brevity, convenience, and because they are closely interlinked both on facts and in law.

Upon careful consideration of the pleadings, oral and documentary evidence, exhibits on record, and the provisions of the Artha Rin Adalat Ain, 2003, this Court finds that the plaintiff is a duly incorporated scheduled non-banking financial institution, legally competent to institute and maintain the present suit. It is undisputed that Defendant No.1 is the principal borrower who availed the loan facility, while Defendant No.2 executed a Deed of Personal Guarantee and thereby undertook co-extensive liability for repayment of the loan.

Under Section 6(4) of the Artha Rin Adalat Ain, 2003, the plaint supported by affidavit carries evidentiary value unless rebutted by credible evidence. In support of its claim, the plaintiff examined P.W.1, Md. Omor Faruque, whose testimony remained consistent, trustworthy, and fully corroborated the plaint. Despite cross-examination, nothing material could be elicited to discredit his evidence.

The documentary evidence adduced by the plaintiff further substantiates its claim. Exhibit-2/1, being the Sanction Letter dated 02.05.2019, establishes that upon the request of Defendant No.1, the plaintiff sanctioned an Auto Loan Facility of Tk.22,00,000/- for the purchase of a reconditioned motor vehicle. The Lease Agreement and other charge documents marked as Exhibit-3 series demonstrate that both the borrower and the guarantor executed the necessary financing and security documents, including the Deed of Personal Guarantee and Notarized Irrevocable General Power of Attorney, thereby creating a valid and enforceable financial liability in favour of the plaintiff.

The legal notices and postal receipts marked as Exhibit-4 series reveal that after availing the loan facility, Defendant No.1 failed to maintain regular repayment and ultimately became a persistent defaulter. Despite repeated demands and legal notices, the defendants failed to regularize the loan account or repay the outstanding dues. The plaintiff, therefore, fulfilled the legal requirement of demanding repayment prior to institution of the suit.

The Statement of Account marked as Exhibit-5, maintained in the ordinary course of business, shows that as on 30.04.2024, the defendants owed Tk.11,40,622.54 inclusive of accrued interest. Such statement carries considerable evidentiary value, particularly where, as in the present case, the defendants failed to produce any contrary account statement, payment reconciliation, or other documentary evidence challenging its correctness.

Although the defendants contested the suit by filing a written statement, they admitted availing the loan facility. Their principal defence is that Defendant No.1 repaid Tk.26,58,225.96 towards the loan and that the plaintiff unlawfully repossessed and sold the financed vehicle without returning the alleged surplus sale proceeds. However, these assertions remained unsupported by any documentary evidence such as money receipts, bank deposit slips, account statements, auction records, or reconciliation statements. Mere pleadings, unsupported by evidence, cannot displace the plaintiff's documentary proof. The defendants also failed to establish any payment or settlement during the pendency of the suit.

The evidence on record clearly establishes that owing to the continuous default committed by Defendant No.1, the loan account became overdue and the outstanding liability lawfully matured. Accordingly, the plaintiff has successfully proved its claim through reliable oral and documentary evidence.

Furthermore, under Section 6(5) of the Artha Rin Adalat Ain, 2003, the liability of the guarantor is co-extensive with that of the principal borrower unless otherwise restricted by contract. Since no such restrictive clause exists in the guarantee documents, Defendant No.2 is jointly and severally liable with Defendant No.1 for repayment of the decretal dues.

In view of the foregoing discussions, this Court is satisfied that the plaintiff has successfully established its claim, whereas the defendants have failed to substantiate their defence by any credible evidence. Consequently, all the issues are decided in favour of the plaintiff and against the defendants. The plaintiff is, therefore, entitled to recover **Tk.11,40,622.54 (Taka Eleven Lac Forty Thousand Six Hundred Twenty-Two and Paisa Fifty-Four only)** from the defendants, jointly and severally, in accordance with law.

In result the case succeeded.

Court Fee paid is correct

Hence,

It is Ordered

That the present suit be decreed on contest against Defendant No. 1 and ex-party against the other defendant with costs for an amount of **Tk. 11,40,622.54 (**Taka Eleven Lac Forty Thousand Six Hundred Twenty Two Point Fifty Four**) up to 30.04.2024**. The Plaintiff shall be entitled to receive the said amount **together with interest or profit as applicable under the prevailing laws or rules from 18.08.2024**, 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.