Artha Rin 1152 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: 20th day of September, 2026.

Artha Rin Suit No. 1152 of 2024.

Lankabangla Finance PLC----------Plaintiff

-Versus-

Md. Monsur Alam & others----------Defendants

This case came up for final hearing on: 30.10.2025, 26.04.2026, 06.09.2026

In presence of:
Arpita Roy----------Advocate for Plaintiff.
Md. Nazer Uddin----------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. **16,81,152.00** (Taka Sixteen Lac Eighty One Thousand One Hundred Fifty Two) **as on 31.10.2023.**

The plaintiff, **Lankabangla Finance PLC**, is a non-banking financial institution duly incorporated under the relevant laws of Bangladesh. Defendant No.1 is the principal borrower, while Defendants Nos.2 and 3 are the personal guarantors and are liable for repayment of the loan liability in terms of their respective guarantees.

That upon the application of Defendant No.1 dated 22.01.2018, the plaintiff sanctioned a **Personal Loan Facility of Tk.15,00,000.00 (Taka Fifteen Lac)** vide Sanction Letter Ref. No. 021/0083781/PL66009/2018 dated 25.09.2018, followed by a Loan Agreement dated 25.09.2018, for the purpose of home

renovation for a period of 60 (sixty) months. The defendants accepted the terms and conditions of the said sanction and availed the entire loan facility.

That the said loan facility was secured by all standard charge documents and the personal guarantees of **Mst. Samsun Nahar and Mr. Md. Moin Uddin**, together with other securities as stipulated in the sanction letter. The defendants accordingly executed and delivered the requisite charge documents and personal guarantee documents in favour of the plaintiff.

That after availing the facility, the defendants became irregular in payment of installments from the very beginning and failed to discharge the loan liability in accordance with the agreed repayment schedule. Despite repeated demands, the defendants failed to regularize the account and adjust the outstanding liability.

That the plaintiff thereafter issued and served a legal notice upon the defendants on **27.11.2023**, demanding payment of the outstanding dues, but the defendants failed and neglected to make payment. That as per the statement of account maintained by the plaintiff in the ordinary course of its business, a sum of **Tk.16,81,152.00 (Taka Sixteen Lac Eighty-One Thousand One Hundred Fifty-Two)** remained outstanding as on **31.10.2023**, which the defendants are liable to pay to the plaintiff.

The defendant No.1 contested the suit by filing a Written Statement contending, inter alia, that he availed a Personal Loan Facility of Tk. 15,00,000/- from the plaintiff for the purpose of home renovation and duly repaid the loan by making monthly instalments in accordance with the terms and conditions of the Sanction Letter. However, owing to losses suffered in his venture, he could not pay a few instalments within time.

It is further contended that, despite payment of almost all the instalments, the plaintiff, taking advantage of the temporary default, prepared a balance statement showing an allegedly substantial outstanding liability without giving due credit to the instalments already paid by the defendant. According to the defendant, the said statement is erroneous, misleading and baseless.

The defendant repeatedly approached the plaintiff requesting rescheduling of the loan, remission/waiver of interest on the overdue instalments and issuance of a fresh and accurate statement of accounts. The plaintiff allegedly paid no heed to such requests and, instead, instituted the instant suit.

The defendant further contends that Bangladesh Bank issued various circulars during the COVID-19 pandemic directing financial institutions to provide

relaxation in loan repayment and restricting imposition of additional charges or penalties. He therefore claims that the plaintiff's claim is excessive and legally unsustainable.

Accordingly, the defendant prayed for dismissal of the suit, considering his substantial repayment, bona fide efforts to settle the dues, the financial difficulties caused by the pandemic, and the relevant Bangladesh Bank directives.

That the plaintiff, for making wrong full gains, has initiated this wild, frivolous, deceptive and baseless allegation against the defendant and thus this claim is not maintainable in law and as such calling for dismissal of the suit.

Issues:

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:

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 Suit is barred by Limitation?
4) Whether the plaintiff institution is entitled to recover the claimed amount from the defendants?
5) Whether the plaintiff is entitled to obtain a decree as prayed for?

Discussions and Decisions:

To prove the plaint case, the plaintiff examined 01 witness namely **Omar Faruk 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 Authorization	**Exhibit-1**
2) Loan of Application & Sanctioned Letter	**Exhibit-2 series**
3) Charge Documents	**Exhibit-3 series**
4) Legal Notice with P.R	**Exhibit-04 series**
5) Account statement	**Exhibit-05**

On the other hand, to prove the defendant's case, the defendant examined a witness namely Most. Aklima Islam **as D.W.1, but he did not produce any evidence** in support of such objection.

Decision with Reasons

Issue no. 1, 2 & 3:

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

Upon careful consideration of the plaint, written statement and evidence on record, it appears that although the defendants challenged the maintainability of the suit, they adduced no evidence in support thereof. The plaintiff, Lankabangla Finance PLC, being a non-banking financial institution duly incorporated under the relevant laws, is competent to institute the instant suit for recovery of its dues under the Artha Rin Adalat Ain, 2003. The plaint has been duly presented on affidavit in compliance with section 6(4) of the Ain, accompanied by requisite ad valorem court-fees and relevant charge documents. No legal infirmity is found in its presentation. Accordingly, the suit is maintainable.

As to cause of action, the plaint discloses that, upon the application of defendant No.1, the plaintiff sanctioned credit facilities, secured by charge documents and personal guarantees. The defendants defaulted in repayment, resulting in outstanding dues of Tk.16,81,152.00 as on 31.10.2023. Despite repeated demands and legal notice dated 27.11.2023, the dues remained unpaid, compelling the plaintiff to institute the suit. The cause of action arose from the sanction and subsequent default, and the suit filed on 08.04.2024 is within limitation. Accordingly, the issues are decided in favour of the plaintiff.

Issue Nos: 4 and 5 :

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.

It is admitted and undisputed that the plaintiff is a duly incorporated scheduled non-banking financial institution, legally competent to institute and maintain the present suit for realization of financial claims arising out of sanctioned credit facilities advanced in the ordinary course of its business. It further appears from the record that Defendant No.1, namely **Md. Monsur Alam**, 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 Omar Faruk**, 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.

From **Exhibit-2/1**, being the sanction letter dated **22.01.2018**, it clearly transpires that upon application and request of Defendant No.1, the plaintiff sanctioned a term loan facility amounting to **Tk. 15,00,000/- (Taka Fifteen 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.

The reminder letters and legal notice marked **Exhibit-4 series** 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.

The statement of account marked **Exhibit-5**, maintained in the ordinary course of financial business, clearly reveals that as on **31.10.2023** the total outstanding dues stood at **Tk.** 23,44,266.55 (Taka Twenty Three Lac Forty Four Thousand Two Hundred Sixty Six Point Fifty Five) inclusive of accrued interest. Such statement of account carries presumptive evidentiary value, particularly when regularly maintained in course of business, and in the present case the defendants failed to produce any contrary statement, independent audit, payment reconciliation, or

documentary material capable of dislodging the correctness of the plaintiff's financial claim.

On the other hand, the defendant No.3 contested the suit by filing written statement wherein they admitted availing the loan facility of **Tk. 15,00,000/-** from the plaintiff institution. Their principal defence is that Defendant No.1 was regular in repayment and allegedly paid a total sum of **Tk. 19,92,275/-** towards loan installments. They further contended that the suit was instituted before expiry of the loan tenure and that the plaintiff's present claim is exaggerated and based on incorrect statement of account. However, although such assertions were made in the written statement, no documentary evidence such as money receipts, account reconciliation statements, bank deposit slips, or other financial records were produced to substantiate those claims.

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.
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.
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.

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.16,81,152.00** ((Taka Sixteen

Lac Eighty One Thousand One Hundred Fifty Two) **as on 31.10.2023** from the Defendants.

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.3 and ex-party against the other defendants with costs for an amount of **Tk. 16,81,152.00** ((Taka Sixteen Lac Eighty One Thousand One Hundred Fifty Two) **as on 31.10.2023.**

The Plaintiff shall be entitled to receive the said amount **together with interest or profit as applicable under the prevailing laws or rules from 08.04.2024**, 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

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Artha Rin Adalat No-1,
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