ARM 2529 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 : 9th day of September, 2026.

Artha Rin Suit No.2529 of 2024.

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

-Versus-

Md. Zakir Hossain & others----------Defendants

This case came up for final hearing on: 31.03.2026 & 18.06.2026.

In presence of :
Mr. M. Habibur Rahman (Sumon)----------Advocate for Plaintiff.
Mr. Md. Sahed Kamal Netu----------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. 7,03,920.71/- (Taka Seven Lac Three Thousand Nine Hundred Twenty Point Seventy One) as on 30.06.2024.**

Plaintiff's Case in Brief:

The plaintiff, Lankabangla Finance PLC, is a duly incorporated and licensed non-banking financial institution carrying on business under the laws of Bangladesh and is legally competent to institute the present suit. Defendant No. 1 is the principal borrower, while Defendant Nos. 2 -5 executed personal guarantees and are jointly, severally, and personally liable for repayment of the outstanding dues.
Upon the application of Defendant No. 1 dated 28.02.2023, the plaintiff sanctioned a Personal Loan Facility of Tk. 10,00,000/- vide Sanction Letter dated 14.03.2023. Pursuant thereto, the parties executed a Loan Agreement on 14.03.2023 setting out the terms and conditions governing the facility. To secure repayment, Defendant No.

1 executed the requisite loan and security documents in favour of the plaintiff, while Defendant Nos. 2-5 furnished irrevocable personal guarantees undertaking to discharge the liability in the event of default by the principal borrower.

After disbursement, Defendant No. 1 duly availed the loan facility but failed to repay the installments in accordance with the agreed repayment schedule and became a chronic defaulter. Despite repeated demands and reminders, the defendants neither regularized the loan account nor liquidated the outstanding liability. Consequently, the plaintiff issued a legal notice dated 05.09.2024 demanding payment of the outstanding dues. Although the notice was duly served, the defendants failed to respond or make any payment. According to the statement of account maintained by the plaintiff in the ordinary course of business, a sum of Tk. 7,03,920.71 remained outstanding as on 30.06.2024. Having exhausted all amicable means of recovery, the plaintiff was left with no alternative but to institute the present suit for realization of the outstanding dues together with interest and other reliefs as provided by law.

The Defendant Nos. 1-5 entered appearance and contested the suit by filing a written statement, contending that the suit is not maintainable in its present form and manner, is without any lawful cause of action, and suffers from defect of parties. On merits, the defendants have never applied for any credit facility before the plaintiff bank. Those defendants never take any credit facility from the plaintiff bank. That some officer of the plaintiff bank in conjunction with some other persons issued forged credit facility and enjoyed the credit facility. Thus question does not even arise to repay the credit facility in question. The defendants alleged that the loan documents were vague, unacceptable and incomplete as the same were not executed personally by the defendants As such those documents are not binding upon the defendants. Fact remains that some officer of the plaintiff bank with malafide intention collected those blank charge documents and Thereafter with ill intention inserted manipulated, signature, date and amount as their wish. Defendants never signed any application or accepted any sanction letter. If those documents are examined by the Handwriting Expert, it will be proved that the said deeds/documents are forged and manipulated. The alleged claimed amount is completely vague, manipulated and exaggerated which stands no wrong calculation of interest and other charges. The charge documents are forged and created. As such those documents and the same are not binding upon these defendants. Under the above circumstances, the learned Court may graciously be pleased to dismiss the suit summarily with cost against the defendants and/or pass such further order or orders as the Court may deem fit and proper.

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 plaintiffs have any cause of action for filing the suit?

3) Whether the suit is bared by defect of parties?

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 witnesses 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 Authority	**Exhibit-1**
2) Application of loan, Sanctioned Letter & Loan Agreement	**Exhibit-2 Series**
3) Charge Documents	**Exhibit-3 Series**
4) Legal Notice with Postal Receipt	**Exhibit-4 Series**
5) Account statement	**Exhibit-5**

On the other hand, the defendants did not examine any witness and did not produce any documents before the court.

Decision with Reasons

Issue nos. 1-3: 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 defect of parties?

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 banking company duly incorporated under the Companies Act of Bangladesh which is lawfully entitled to institute a suit for recovery of its dues under the provisions of the Artha Rin Adalat Ain, 2003. The plaint has been presented by way of affidavit as mandated under **Section 6(4) of the said 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.

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 **7,03,920.71/- (Taka Seven Lac Three Thousand Nine Hundred Twenty Point Seventy One) as on 30.06.2024.**

Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on 05.09.2024, 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 05.09.2024, and the instant suit having been filed on 05.11.2024, 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. All the aforesaid issues are therefore answered in favour of the plaintiffs.

Issue No: 4 & 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 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. Zakir Hossain**, is the principal borrower, while Defendant Nos.2-5 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 **14.03.2023**, it clearly transpires that upon application and request of Defendant No.1, the plaintiff sanctioned a term loan facility amounting to **Tk. 10,00,000/- (Taka Ten 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 legal notice with postal receipt 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 **30.06.2024** the total outstanding dues stood at **Tk. 7,03,920.71/- (Taka Seven Lac Three Thousand Nine Hundred**

Twenty Point Seventy One), 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 defendants contested the suit by filing written statement wherein they admitted availing the loan facility of **Tk. 10,00,000/-** from the plaintiff institution. Their principal defence is 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 oral or documentary 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. 2-5, 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. 7,03,920.71/- (Taka Seven Lac**

Three Thousand Nine Hundred Twenty Point Seventy One) as on 30.06.2024 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. 1-5 with costs for an amount of **Tk. 7,03,920.71/- (Taka Seven Lac Three Thousand Nine Hundred Twenty Point Seventy One) as on 30.06.2024.**

The Plaintiff shall be entitled to receive the said amount **together with interest or profit as applicable under the prevailing laws or rules from 05.11.2024**, 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.