**ARM 3379 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: 6th day of September, 2026.**

**Artha Rin Suit No. 3379 of 2024.**

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

-Versus-

Alhaz Md. Nurul Huda and Others---------------------------------Defendants

This case came up for final hearing on: 13.05.2026, 22.06.2026, 23.07.2026 & 24.08.2026.

In presence of :
Mr. M Habibur Rahman (Sumon)---------------------Advocate for Plaintiff.
Mr. Sheikh Kamruzzaman ------------------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. 5,60,123.07 (Taka Five Lac Sixty Thousand One Hundred Twenty Three Point Zero Seven) **as on 31.07.2024.**

**Plaintiff's Case in Brief**

1. The plaintiff, **LankaBangla Finance PLC**, is a duly incorporated and licensed non-banking financial institution carrying on business under the laws of Bangladesh. The defendant No. 1 is the principal borrower, while defendant Nos. 2-4 stood as personal guarantors for the due repayment of the loan facility availed by defendant No. 1. Accordingly, all the defendants are jointly and severally liable to satisfy the outstanding dues of the plaintiff.
2. It appears that defendant No. 1, by submitting an application dated 06.04.2017, approached the plaintiff for a personal loan facility. Upon consideration

of the said application, the plaintiff sanctioned a Personal Loan Facility in the sum of Tk. 20,00,000.00 (Taka Twenty Lakh only) vide Sanction Letter dated 22.05.2017. Pursuant thereto, a Loan Agreement of even date, i.e., 22.05.2017, was duly executed between the parties incorporating the terms and conditions governing the said facility. In order to secure repayment of the loan, defendant No. 1 executed the requisite charge documents in favour of the plaintiff, and defendant Nos. 2-4 executed personal guarantees undertaking to repay the outstanding dues in the event of default by defendant No. 1.

3. Thereafter, defendant No. 1 availed and utilized the said loan facility. However, the defendants failed to repay the loan in accordance with the stipulated repayment schedule and became irregular in payment of the installments from the very inception of the facility. Despite repeated requests and reminders from the plaintiff, the defendants neglected and failed to regularize the loan account or liquidate the outstanding liabilities.

4. Finding no other alternative, the plaintiff caused a legal notice dated 06.10.2024 to be issued and duly served upon the defendants demanding payment of the outstanding dues. Notwithstanding receipt of the said notice, the defendants neither responded thereto nor made any payment towards adjustment of the loan liability.

5. The evidence on record further reveals that despite repeated demands and service of legal notice, the plaintiff was unable to realize its legitimate dues from the defendants. The conduct and communications of the defendants clearly indicated their unwillingness to discharge the liability unless compelled by an order of the Court.

6. As per the statement of account maintained by the plaintiff in the ordinary course of business, the total outstanding liability of the defendants stood at Tk. 5,60,123.07 (Taka Five Lac Sixty Thousand One Hundred Twenty Three Point Zero Seven) as on 31.07.2024. Having failed in all endeavors to recover the outstanding dues amicably, the plaintiff was constrained to institute the present suit.

## <u>Defendant's Case :</u>

7. Defendant No. 1-4 entered appearance in the suit and contested the same by filing a written statement denying the material allegations made in the plaint, except those expressly admitted herein. The defendant admits that he availed a Personal Loan Facility in the sum of Tk. 20.00 Lacs from the plaintiff financial institution. However, he contends that after disbursement of the said facility, he remained regular in making repayment of the loan installments in accordance with the terms

and conditions of the loan agreement. The Loanee paid his entire dues. But the plaintiff claiming the suit money surprised him. After receiving the outstanding dues the plaintiff instead of handing over the security documents mala fide way filed this instant suit. It is further claimed by the defendants that the said claim is wholly false, exaggerated, and based upon an incorrect and untrue statement of account. The defendant further denies any allegation of mala fide intention, deliberate default, or any attempt to misappropriate the loan amount, and asserts that he has acted bona fide and has made substantial repayments towards liquidation of the loan liability. On the above grounds, the defendant submits that the plaintiff is not entitled to the reliefs sought in the plaint and accordingly prays for dismissal of the suit with costs.

## Issues:

**11. The following issues has 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:

12. 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** |

13. On the other hand, to prove the defendant's case, the defendants examined a witness namely **Md. Nurul Huda as D.W.1,** but he did produce no documents before the court.

**Decision with Reasons**

14. 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 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 duly incorporated non-banking financial Institution 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. These issues are thus decided in favour of the plaintiff.

15. 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 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 **5,60,123.07/-.** Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on 06.10.2024, 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 and from 06.10.2024, and the instant suit having been filed on 28.11.2024, 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.

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

17. 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. Nurul Huda** , is the principal borrower, while Defendant Nos.2-4 executed deeds of personal guarantee securing repayment of the said loan facility and thereby assumed co-extensive liability with the borrower in accordance with law.

18. 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 Md. Omor Faruque**, 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.

19. From **Exhibit-2/1**, being the sanction letter dated **22.05.2017**, it clearly transpires that upon application and request of Defendant No.1, the plaintiff sanctioned a term loan facility amounting to **Tk. 20,00,000/- (Taka Twenty Lac only)** in favour of Defendant No.1 subject to specified terms and conditions. The charge documents marked **Exhibit- 2/2 and 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.

20. 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.

21. The statement of account marked **Exhibit-5**, maintained in the ordinary course of financial business, clearly reveals that as on **31.07.2024** the total outstanding dues stood at **Tk. 5,60,123.07/-**, 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.

22. On the other hand, the defendants contested the suit by filing written statement wherein they admitted availing the loan facility of **Tk. 20,00,000/-** from the plaintiff institution. Their principal defence is that Defendant No.1 was regular in repayment and allegedly paid entire outstanding dues towards loan installments. Even pendency of suit the defendant paid 78,000/- Tk against the loan account. They further contended 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.

23. 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.

24. 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.

25. 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.2-4, having voluntarily

executed guarantee obligations, are jointly and severally liable together with Defendant No.1 for repayment of the decretal dues.

26. 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. 11,89,393.84/-** 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 and ex-party against the other defendants with costs for an amount of **Tk. 5,60,123.07/-**, (Taka Five Lac Sixty Thousand One Hundred Twenty Three Point Zero Seven) **up to 31.07.2024**. The Plaintiff shall be entitled to receive the said amount **together with interest or profit as applicable under the prevailing laws or rules from 28.11.2024**, 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

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Judge (Joint District Judge)
Artha Rin Adalat No-1, Dhaka.