ARM 2042 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: 15th day of October, 2026.

Artha Rin Suit No. 2042 of 2024.

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

-Versus-

Md. Talim Hossen & others----------Defendants

This case came up for final hearing on: 26.10.2025, 19.07.2026.

In presence of:
Arpita Roy---------- ----------Advocate for Plaintiff.
S.M. Ariful Islam----------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. 4,59,132.45/- (Taka Four Lac Fifty Nine Thousand One Hundred Thirty Two Point Forty Five) as on 30.04.2024.**

Plaintiff's Case in Brief:

The plaintiff, Lankabangla Finance PLC, is a non-banking financial institution duly incorporated under the laws of Bangladesh. Defendant No.1 is the principal borrower, while the defendants are liable for repayment of the loan as borrowers and guarantors, as applicable.
The plaintiff's case, in brief, is that upon an application dated 21.08.2022 submitted by defendant No.1, the plaintiff sanctioned a Term Loan Facility of Tk. 9,00,000/- under CMSME Finance vide sanction letter dated 07.09.2022 for a period of 15 months, for settlement of an existing loan with the plaintiff and business expansion. The defendants accepted the sanction upon agreeing to comply with its terms and conditions and availed themselves of the financial facility.

The loan was secured by standard charge documents, a Letter of Hypothecation, a notarized Irrevocable General Power of Attorney (IGPA), and personal guarantees executed by Ms. Khadijatul Cobra and Md. Abul Kashem, along with other stipulated securities.

It is further stated that the defendants became irregular in paying installments from the very beginning and failed to repay the loan in accordance with the agreed repayment schedule. Consequently, the plaintiff issued a legal notice dated 01.07.2024 demanding payment of the outstanding liabilities, but the defendants failed to comply.

According to the statement of account maintained by the plaintiff, Tk. 4,59,132.45, inclusive of interest, remained outstanding as of 30.04.2024. Hence, the plaintiff instituted the instant suit seeking a decree for the aforesaid amount against the defendants under the provisions of the Artha Rin Adalat Ain, 2003.

On the other hand, the defendant Nos. 1 and 3 jointly contested the suit by filing a written statement, contending that the suit is not maintainable in its present form and nature, that there is no cause of action for instituting the suit, and that the suit is barred by limitation. Their case, in brief, is that, according to the plaint, the plaintiff claimed an outstanding amount of Tk. 4,59,132.45 as of 30.04.2024. However, the defendants subsequently made payments of Tk. 10,000 on 29.04.2024, Tk. 10,000 on 28.05.2024, Tk. 15,000 on 30.06.2024, and another Tk. 10,000, totaling Tk. 45,000, thereby reducing the alleged outstanding liability.

The defendants further contend that defendant No. 1 suffered severe financial losses in his business during the COVID-19 pandemic. Moreover, his wife, defendant No. 2, was diagnosed with cancer, necessitating expensive medical treatment at various renowned hospitals in Bangladesh and Chennai, India. Consequently, the defendants incurred substantial medical expenses and suffered financial hardship, which seriously affected their ability to repay the loan. They therefore claim to deserve sympathetic consideration from the plaintiff.

It is further stated that defendant No. 2, Khadijatul Kobra, subsequently died of cancer. Since she was allegedly impleaded as a misjoined party, the defendants contend that her name is liable to be struck off from the suit.

The defendants also assert that, despite havi

ng repaid almost the entire loan amount, the plaintiff instituted the suit claiming an excessive and inflated amount. Accordingly, they contend that the suit is liable to be dismissed under Section 57 of the Artha Rin Adalat Ain, 2003.

Finally, the defendants deny the alleged cause of action as false, fabricated and baseless, and specifically deny all material allegations contained in the plaint except those expressly admitted in their written statement.

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 barred by limitation?

4) Whether the plaintiff Bank is entitled to recover the claimed amount from the defendants?

5) Whether the plaintiff Bank 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 &sanction Letter	**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, although the defendants contested the suit by filing written statement and cross-examined P.W.1, but he did not adduce any oral evidence nor produced any documentary evidence in support of his defence.

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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 barred by limitation?

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 **4,59,132.45/- (Taka Four Lac Fifty Nine Thousand One Hundred Thirty Two Point Forty Five) as on 30.04.2024.**

Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on **01.07.2024**, 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 **21.08.2022**, and the instant suit having been filed on 25.08.2024, 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 that the plaintiff, Lankabangla Finance PLC, instituted the present suit for realization of outstanding dues amounting to **Tk. 4,59,132.45/- (Taka Four Lac Fifty Nine Thousand One Hundred Thirty Two Point Forty Five)** inclusive of accrued interest calculated up to **30.04.2024**, against the defendants under the provisions of the Artha Rin Adalat Ain, 2003.

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. Talim Hossen is** the borrower, while Defendant Nos.2 & 3 executed deed 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, it clearly transpires that upon application and request of Defendant No.1, the plaintiff sanctioned an Auto loan facility amounting to **Tk. 9,00,000/-** 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 **30.04.2024** the total outstanding dues stood at **Tk. 4,59,132.45/-** 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. 9,00,000/-** from the plaintiff institution. They further contended 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 No.2, 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. 4,59,132.45/- (Taka Four Lac Fifty Nine Thousand One Hundred Thirty Two Point Forty Five) as on 30.04.2024 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 No.1 & 3 and ex-party against the other defendant with costs for an amount of **Tk. 4,59,132.45/- (Taka Four Lac Fifty Nine Thousand One Hundred Thirty Two Point Forty Five) as on 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 25.08.2024, 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.