# ARM 2257 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 October, 2026.**

**Artha Rin Suit No. 2257 of 2024.**

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

-Versus-

Mrs. Salina Akhter & One other----------Defendants

This case came up for final hearing on: 01.04.2026, 28.04.2026, 09.08.2026.

In presence of:
M Habibur Rahman (Sumon)----------Advocate for Plaintiff.
Md. Shamim Miah----------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. 5,36,121.62/- (Taka Five Lac Thirty Six Thousand One Hundred Twenty One Point Sixty Two) as on 30.04.2024.**

**Plaintiff's Case in Brief:**

The plaintiff, **Lankabangla Finance PLC**, is a duly incorporated non-banking financial institution carrying on business under the applicable laws of Bangladesh and is legally competent to institute the present suit. Defendant No.1 is the principal borrower and proprietor of the borrowing concern, while Defendant No.2 is the borrower and personal guarantor. Thus, both defendants are jointly and severally liable for repayment of the outstanding loan liability.

That upon an application dated **17.09.2017** submitted by Defendant No.1, the plaintiff sanctioned an **Auto Loan/Lease Facility of Tk.18,00,000.00** for purchasing one unit of reconditioned **Toyota Axio X-CC-1000, Model-2011**, vide Sanction

Letter dated **09.10.2017**, for a period of **60 months**. The defendants duly availed and enjoyed the said facility in full under **Account No. 001370100000366**.

That the said facility was secured by execution and delivery of the requisite charge documents and securities, including Letter of Personal Guarantee, Demand Promissory Note, Letter of Continuation, Letter of Hypothecation by way of Floating Charge, IGPA and other documents stipulated in the sanction letter. Defendant No.2 also furnished his personal guarantee in favour of the plaintiff.

That the defendants subsequently became irregular in payment of instalments and failed to repay the loan liability in accordance with the agreed repayment schedule. Despite repeated demands, they failed to regularize the account. The plaintiff consequently issued and served a **Legal Notice dated 25.07.2024**, but the defendants failed to pay the outstanding dues.

According to the statement of account maintained by the plaintiff in the ordinary course of business, a sum of **Tk.5,36,121.62** remained outstanding as on **30.04.2024**. Hence, the plaintiff instituted the present suit for realization of the said outstanding dues together with interest, costs and other lawful charges under the **Artha Rin Adalat Ain, 2003**.

**On the other hand, Defendant No.1 contested the suit by filing a written statement, contending that** the suit is not maintainable in its present form and manner and that the plaintiff has no valid cause of action to institute the same. The defendant states that, being a simple, honest and law-abiding person, he became acquainted with an officer of the plaintiff financial institution, who requested him to avail a loan facility for purchasing a reconditioned private car. Being satisfied with the conduct of the said officer, Defendant No.1 applied on 17.09.2017 for a term loan of Tk.18,00,000/-. The plaintiff sanctioned the loan on 09.10.2017 vide Sanction Letter Ref. No. 021/002344/PL-62848/2017 for a tenure of 60 months, repayable by monthly instalments of Tk.39,137/-. Pursuant thereto, the plaintiff disbursed the loan for purchase of a reconditioned private car under Purchase Order No. 01664/2017 dated 09.10.2017.

After purchasing the vehicle, Defendant No.1 entrusted it to another person for operation on hire and regularly repaid the instalments from the income derived from the vehicle and house rent. Subsequently, due to the COVID-19 pandemic and mechanical problems in the vehicle’s engine, the vehicle remained inoperative for a considerable period, causing arrears in repayment.

According to the plaintiff's own statement of account, Defendant No.1 paid Tk.12,60,750.25 up to 14.07.2022. Thereafter, the plaintiff repossessed the vehicle in 2023 and sold it by auction to one Rezaul on 23.08.2023 for Tk.15,50,000/-, as evidenced by Auction Memo No. AOS-06/23/0064 dated 20.08.2023. Thus, the plaintiff received a total of Tk.28,10,750.25 from Defendant No.1, whereas its Financing Arrangement Letter allegedly required payment of only Tk.23,48,220/-. Therefore, Defendant No.1 claims to have overpaid Tk.4,62,530.25 and asserts that nothing remains due. The defendant further contends that the plaint discloses no valid cause of action in compliance with Section 8(2)(ক), (খ) and (গ) of the Artha Rin Adalat Ain, 2003, nor does it properly disclose where and when the cause of action arose. Accordingly, the suit is liable to be dismissed outright.

**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:-

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|---|---|
| 1) Letter of Authority | **Exhibit-1** |
| 2) Application of loan, sanction 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 examined 01 witnesses namely **Mrs. Salina Akhter as D.W.1** before this court. But she did not produce any documents.

**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 non-banking financial institution 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 **5,36,121.62/- (Taka Five Lac Thirty Six Thousand One Hundred Twenty One Point Sixty Two) as on 30.04.2024.**

Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on **25.07.2024**, 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 **25.07.2024**, and the instant suit having been filed on **30.09.2024**, 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 is a duly incorporated 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 **Mrs. Salina Akhter is** the borrower, while Defendant No.2 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. 18,00,000/- (Taka Eighteen 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 **30.04.2024** the total outstanding dues stood at **Tk. 5,36,121.62/-** 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. 18,00,000/-** from the plaintiff institution. 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.

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. 5,36,121.62/- (Taka Five Lac Thirty Six Thousand One Hundred Twenty One Point Sixty Two) 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 and ex-party against the other defendant with costs for an amount of Tk. 5,36,121.62/- (Taka Five Lac Thirty Six Thousand One Hundred Twenty One Point Sixty Two) 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 30.09.2024, 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.