ARM 1981 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: 18th day of October, 2026.

Artha Rin Suit No. 1981 of 2024.

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

-Versus-

Md. Mojubur Rahman & Others----------Defendants

This case came up for final hearing on: 14.05.2026, 30.06.2026. 27.08.2026.

In presence of:
M Habibur Rahman (Sumon)----------Advocate for Plaintiff.
Mohammad Din 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. 6,27,442.93/- (Taka Six Lac Twenty Seven Thousand Four Hundred Forty Two Point Ninety Three) 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 Defendants No. 2 and 3 are the personal guarantors who undertook to be jointly and severally liable for repayment of the loan.

Upon an application dated 03.04.2023 submitted by Defendant No. 1, the plaintiff sanctioned a Term Loan of Tk. 10,00,000/- under the CMSME Finance Facility vide Sanction Letter dated 17.04.2023 for business expansion, repayable within 24 months. Accordingly, a loan agreement was executed on the same date, whereby the defendants agreed to abide by the terms and conditions of the Sanction Letter and

Agreement. The defendants duly availed themselves of the entire sanctioned loan amount.

The said loan facility was secured by various charge documents and securities, including standard charge documents, Personal Guarantees, Demand Promissory Note, Letter of Continuation, Letter of Hypothecation by way of Floating Charge and Irrevocable General Power of Attorney (IGPA). Mst. Jhohora Begum and Mr. Ashraful Haque also furnished personal guarantees in favour of the plaintiff.

However, the defendants became irregular in paying the monthly instalments from the very beginning and failed to repay the loan in accordance with the stipulated repayment schedule. Despite repeated demands, they failed to regularise or adjust the outstanding liability. Consequently, the plaintiff issued a legal notice dated 02.07.2024, but the defendants did not respond by making payment.

Finally, relying upon the statement of account maintained in its ordinary course of business, the plaintiff instituted the suit claiming a decree for Tk. 6,27,442.93 as outstanding dues as on 30.04.2024, in accordance with the provisions of the Artha Rin Adalat Ain, 2003.

Defendant Nos. 1–3 jointly contested the suit by filing a written statement, contending, inter alia, that the suit, in its present form and manner, is not maintainable and that the plaintiff has no valid cause of action. In their version, Defendant No. 1 is an honest and law-abiding person who had been running a business under the name and style of “Ma Tailors and Fabrics”. An officer of the plaintiff institution, namely Mr. Shamsul Haque, frequently visited his shop and persuaded him to obtain a loan of Tk. 10,00,000/- from the plaintiff for business development. Accordingly, the loan was obtained, and at the time of disbursement, the plaintiff obtained signatures of Defendant Nos. 2 and 3 and 24 blank cheques from the defendants. The defendants claimed to have repaid Tk. 5,66,423.49 in 18 instalments from 17.04.2023 onwards but failed to repay the remaining amount due to business losses, economic recession and financial hardship. They further alleged that the plaintiff instituted a criminal case under Section 138 of the Negotiable Instruments Act, bearing C.R. Case No. 3629/2024 and Sessions Case No. 3723/2025, on the basis of dishonoured cheques, alongside the present suit, which they claimed to be impermissible under Article 35 of the Constitution. Relying on photocopies of four pages of bank statements, they prayed 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 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 & 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 **Md. Mojubur Rahman as D.W.1** before this court. But he 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 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 **6,27,442.93/- (Taka Six Lac Twenty Seven Thousand Four Hundred Forty Two Point Ninety Three) as on 30.04.2024.**

Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued Legal notice on **02.07.2024**, 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 **02.07.2024**, and the instant suit having been filed on **18.08.2024**, 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 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 **Mojubur Rahman is** the borrower, while Defendant No.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. 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 **30.04.2024** the total outstanding dues stood at **Tk. 6,27,442.93/-** 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. 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 No.2-3, 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. 6,27,442.93/- (Taka Six Lac Twenty Seven Thousand Four Hundred Forty Two Point Ninety Three) 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. 6,27,442.93/- (Taka Six Lac Twenty Seven Thousand Four Hundred Forty Two Point Ninety Three) 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 18.08.2024**, i.e., the date of filing of the suit, until full realization.

The Defendants are permitted to satisfy the decretal amount, together with interest or profit as awarded under this judgment, within a period of **one (01) year** from the date of this judgment in six (06) equal consecutive installments. The first installment shall be paid within sixty (60) days from the date of this judgment, and the remaining five (05) installments shall be paid at regular intervals so that the entire decretal amount is fully liquidated within the aforesaid period of one (01) year.

In the event of default in payment of any two installment on its due date, the benefit of installment shall stand withdrawn automatically, and the entire outstanding decretal amount, together with accrued interest or profit, shall become immediately due and recoverable by the Plaintiff through execution of this decree in accordance with law, after giving credit for any amount already paid.

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.