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. 2398 of 2024

The City Bank Limited, Foreign Exchange Branch, Dhaka
……Plaintiff
-Versus-
Litun Febrics Limited and 04 others ……Defendants

This case came up for final hearing on : 09.05.2010; 20.06.2010; 14.03.2022; 20.09.2022; 30.04.2025 and 02.04.2026.

In presence of :
Mr. Mafizul Islam .....Advocate for Plaintiff.
Mr. Khorshed Alam …….....Advocate for Defendants.

And having stood for consideration to this day, the court delivered the following judgment:-

The plaintiff Bank filed this present suit under the **Artha Rin Adalat Ain, 2003** for recovery of **Tk. 15,81,30,514.38/- (Taka Fifteen Crore Eighty-One Lac Thirty Thousand Five Hundred Fourteen point Thirty-Eight only) as on 31.10.2007.**

The suit was filed on 29.11.2007 before the **Artha Rin Adalat No. 3**, Dhaka, being registered as **Artha Rin Suit No. 24 of 2007**. Subsequently, by order dated 19.11.2023 passed by the learned District Judge, Dhaka the said suit was transferred to this Court, where it has been re-registered as **Artha Rin Suit No. 2398 of 2024**.

Plaintiff's Case in Brief

1. The plaintiff's case, in brief, is that the plaintiff, **City Bank Limited**, is a banking company duly incorporated under the Companies Act, 1994 and governed by the provisions

of the Bank Companies Act, 1991. Defendant No. 2, being the Managing Director of M/s. Ilat Composite Limited, maintained Current Deposit Account No. 11010353 with the plaintiff bank since 30.11.2002 and conducted banking transactions on behalf of the said business concern through the aforesaid account.

2. For the purpose of financing the working capital requirements and export business of **M/s. Ilat Composite Limited**, defendant No. 2, in his capacity as Managing Director, applied to the plaintiff bank on 21.06.2004 for credit facilities. Upon consideration of the application, the plaintiff bank opened two Back-to-Back Letters of Credit (BTB L/Cs), being Nos. 074404040392 and 074404040393, both dated 21.06.2004, for USD 116,100.00 and USD 43,000.00 respectively, against Export L/C No. 046771002378 dated 08.04.2004 for USD 213,990.00. However, the defendants failed to execute the requisite shipments against the said Export L/C. Consequently, in compliance with the applicable provisions of UCP 500, the plaintiff bank discharged its payment obligations under the aforesaid BTB L/Cs by creating Demand Loan No. 62201643 on 21.12.2004 for USD 159,100.00, equivalent to Tk. 1,20,00,000.00.

3. Thereafter, at the request and for the benefit of the defendants, the plaintiff bank opened several other Back-to-Back Letters of Credit against different Export L/Cs on various dates. The defendants, however, repeatedly failed to execute the corresponding export shipments and discharge their liabilities. As a result, the plaintiff bank was compelled to make payments against the respective BTB L/Cs in accordance with UCP 500 and subsequently converted the unpaid liabilities into Demand Loans. In this connection, the plaintiff bank created Demand Loan No. 62201964 on 19.05.2005 for USD 99,050.00, equivalent to Tk. 60,00,000.00; Demand Loan No. 62202381 on 08.12.2005 for USD 48,600.00, equivalent to Tk. 45,00,000.00; Demand Loan No. 62202442 on 15.12.2005 for USD 78,875.00, equivalent to Tk. 70,00,000.00; Demand Loan No. 62202541 on 30.01.2006 for USD 184,350.00, equivalent to Tk. 1,75,00,000.00; Demand Loan No. 62202558 on 02.02.2006 for USD 189,120.00, equivalent to Tk. 1,50,00,000.00; Demand Loan No. 62202572 on 08.02.2006 for USD 62,400.00, equivalent to Tk. 60,00,000.00; and Demand Loan No. 62202589 on 08.02.2006 for USD 46,000.00, equivalent to Tk. 45,00,000.00.

4. The plaintiff further contends that it opened another 29 Back-to-Back Letters of Credit in favor of the defendant, as specifically described in paragraph No. 8 of the plaint, against various Export L/Cs. Owing to the defendants' failure to execute the corresponding shipments and settle the liabilities, the plaintiff bank made payments against those L/Cs and created Demand Loan No. 62203005 on 11.10.2006 for USD 899,302.66, equivalent to Tk. 6,41,95,000.00.

5. Apart from the aforesaid BTB L/C facilities, the defendants also availed themselves of Packing Credit (PCC) facilities against three Letters of Credit, being Nos. 6011017/ES/LC, 6011024/ES/LC and 6011023/ES/LC, for Tk. 4,50,000.00, Tk. 26,00,000.00 and Tk. 10,00,000.00 respectively. The defendants further availed loans against cash incentives under different Back-to-Back L/Cs amounting to Tk. 35,99,465.00 and incurred Foreign Documentary Bills Purchased (FDBP) liabilities amounting to Tk. 13,00,000.00.

6. Subsequently, upon the defendants' requests made through letters dated 04.05.2006, 30.07.2006 and 13.08.2006, the plaintiff bank sanctioned a Demand Loan facility amounting to Tk. 6,41,95,000.00 for adjustment of the outstanding PCC and Back-to-Back L/C liabilities vide Sanction Letter No. CD/THM/06/1910/CD-20135 dated 04.10.2006.

7. To secure repayment of the aforesaid credit facilities, the defendants executed various security and charge documents in favour of the plaintiff bank, including a Memorandum of Deposit of Title Deeds, deposit of six title deeds and related documents, Letter of Disbursement, Letter of Arrangement, Demand Promissory Note, Letter of Continuity, Letter of Trust Receipt, Letter of Personal Guarantee, Third-Party Guarantee and Letter of Authority. By executing the aforesaid documents, the defendants undertook to discharge their respective contractual obligations towards the plaintiff bank.

8. It is further stated that, despite availing the aforesaid credit facilities and executing the relevant security documents, the defendants failed and neglected to repay the outstanding liabilities in accordance with the agreed terms and conditions. The plaintiff bank repeatedly requested the defendants to regularise their accounts and liquidate the outstanding dues, including by issuing reminder letters dated 07.07.2006. Subsequently, the plaintiff bank issued a final demand notice dated 19.09.2006, calling upon the defendants to settle their entire outstanding liabilities. Nevertheless, the defendants failed to comply with the said demand and continued to default in repayment.

9. According to the statement of accounts maintained by the plaintiff bank, a total sum of **Tk. 15,81,30,514.38 (Taka fifteen crore eighty-one lakh thirty thousand five hundred fourteen and paisa thirty-eight)** remained outstanding against the defendants as on 31.10.2007. The plaintiff asserts that the defendants are liable to repay the aforesaid outstanding amount together with applicable interest and other lawful charges. Having failed to recover its outstanding dues despite repeated demands, the plaintiff bank instituted the present suit before this Court seeking a decree for recovery of Tk. 15,81,30,514.38 against the defendants, together with applicable interest and costs of the suit.

Defendant's Case

10. **The defendants, by filing their written statement, have contested the suit, denying the material allegations made in the plaint and contending, inter alia,** that the suit is not maintainable in its present form and manner, that the plaintiff bank has no lawful cause of action, and that the amount claimed is arbitrary, inflated, erroneous and not legally recoverable. The defendants' case, in brief, is that defendant No. 1 is a private limited company duly incorporated and registered with the Registrar of Joint Stock Companies and Firms under the Companies Act, 1994. The defendant company is a modern, 100% export-oriented composite garments manufacturing concern, which had been contributing significantly to the national economy by earning valuable foreign exchange and providing employment opportunities to thousands of workers and employees. However, owing to the alleged non-cooperation, unlawful banking practices and professional negligence of the plaintiff bank, the defendant company was compelled to discontinue its business operations and consequently became burdened with substantial liabilities.

11. The defendants further contend that although the plaintiff bank initially maintained a cordial and professional banking relationship with the defendant company, the situation deteriorated from 2004 onwards when certain officials of the plaintiff bank allegedly demanded unlawful benefits, which the defendants refused to provide. Consequently, the concerned bank officials deliberately neglected their banking responsibilities and obstructed the normal business operations of the defendant company.

12. It is specifically alleged that the plaintiff bank failed to issue local Letters of Credit (L/Cs) within a reasonable time against the corresponding Master L/Cs, thereby seriously hampering the production and timely export of readymade garments. By way of illustration, against Master L/C No. D040480 dated 30.06.2004, the plaintiff bank issued the corresponding Local L/C only on 19.09.2004, after a delay of 79 days. According to the defendants, such unreasonable delay rendered it practically impossible to manufacture and export the garments within the stipulated shipment period. The defendants maintain that these repeated acts of non-cooperation caused substantial business losses and ultimately resulted in the company's financial difficulties and loan default.

13. The defendants further assert that the plaintiff bank has instituted the present suit claiming Tk. 15,81,30,514.38 without producing any corresponding sanction letter in support of the alleged loan liability. They specifically deny the plaintiff bank's entitlement to recover the alleged demand loan. It is further stated that, according to the plaintiff bank's own audit report, towards the end of 2006, the defendant company's factory contained finished goods valued at approximately Tk. 8,00,00,000 and raw materials valued at Tk. 4,50,00,000. Despite having such substantial assets, the defendant company was allegedly denied a Packing Cash Credit (PCC) facility of only Tk. 65,00,000. Subsequently, the

plaintiff bank unilaterally suspended all banking transactions, resulting in the closure of the defendant company's export-oriented industrial operations. The defendants maintain that the company had conducted banking transactions amounting to approximately Tk. 50,00,00,000 with the plaintiff bank between 2003 and 2006.

14. It is further contended that the Managing Director of the defendant company initially lodged verbal complaints against one Mr. Jaglul Abbas, an official of the plaintiff bank, before the higher banking authorities and subsequently submitted a written complaint on 10.07.2006. Following such complaint, the said official, allegedly in collusion with other bank officials, deliberately adopted various measures detrimental to the defendant company's business interests, ultimately causing the closure of an otherwise viable industrial enterprise.

15. The defendants also allege that the plaintiff bank obtained cheques amounting to Tk. 40,00,00,000 from the defendant company in connection with the proposed financial facilities and received certified copies of title deeds relating to the scheduled properties merely for examination and verification. According to the defendants, the original intention was never to create any mortgage over the said properties. Nevertheless, the plaintiff bank allegedly misused certain documents signed in blank and subsequently prepared a Memorandum of Deposit of Title Deeds without the defendants' lawful authorization. The defendants assert that such unlawful and unethical conduct caused financial losses amounting to at least Tk. 50,00,00,000, for which they have been contemplating appropriate legal proceedings seeking compensation against the plaintiff bank.

16. The defendants further dispute the correctness and authenticity of the plaintiff bank's statement of accounts. They contend that the plaintiff bank has included several export proceeds in its claim despite having already received the corresponding payments from the foreign importers. In particular, the defendants refer to nine L/C transactions, including L/C Nos. 074404040612, 074404040437, 074404040454, 074405040581, 074406040115, 074406040202, 074406040192, 074406040205 and 074406040385, involving various amounts in US dollars. According to the defendants, the proceeds of these transactions had already been realized by the plaintiff bank, but the same amounts were wrongfully included in the outstanding liabilities claimed in the suit. Consequently, the defendants maintain that the plaintiff bank's statement of accounts is inaccurate, misleading and unreliable.

17. The defendants also challenge the plaintiff bank's claim of Tk. 25,99,465 on account of cash incentive and Tk. 13,00,000 on account of FDBP, aggregating Tk. 38,99,465, as unlawful and unjustified. On the contrary, they assert that the defendant company itself is entitled to receive Tk. 35,00,000 from the plaintiff bank on account of outstanding cash incentives. It is further alleged that the plaintiff bank obtained the

defendants' signatures on certain blank documents on 19.05.2005, as referred to in paragraph No. 11 of the plaint, and subsequently filled in those documents without lawful authority to create an alleged loan liability of Tk. 12,63,101.44. The defendants characterize such conduct as fraudulent and constituting a criminal offence.

18. The defendants additionally contend that although the plaintiff bank has described certain properties in Schedules A, B and C under Schedule No. 2 of the plaint, it has failed to disclose their respective valuations as allegedly required under the Artha Rin Adalat Ain, 2003. The defendants therefore question the legal sustainability of the suit on that ground.

19. It is also the defendants' case that they had maintained banking relations with the plaintiff bank since 2001 and conducted transactions involving several crores of taka. Nevertheless, the plaintiff bank allegedly failed to furnish complete and accurate statements of accounts throughout the course of their banking relationship. The defendants maintain that the relevant banking records and supporting documents remain in the custody of the plaintiff bank and that production of such documents before the Court is necessary for the proper adjudication of the dispute.

20. Lastly, the defendants specifically deny the plaintiff bank's unilateral imposition of interest at the rate of 17.50% per annum, describing the same as arbitrary, excessive, unauthorized and contrary to law. They maintain that the plaintiff bank has failed to establish the actual outstanding liability through reliable documentary evidence and has instituted the suit on the basis of an inflated and incorrect calculation of dues. In view of the foregoing facts and circumstances, the defendants pray for dismissal of the suit with costs.

Issues:

21. 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 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:

22. To prove the plaint case, the plaintiff examined 03 witnesses namely **Md Mehedi Hasan, Jabed Akter and Mahmud Arbi Mim 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 and Sanctioned Letter	**Exhibit-2 Series**
3) Documents relating to LCs	**Exhibit- 3, 3(ka-Chandra bindu)**
4) Documents relating to LCs	**Exhibit- 3(Chandra bindu)(1-115)**
5) Charge Documents	**Exhibit- 4 ,4(Ka- Tha)**
6) Title Deed No.4503,4527,4561,2981,3968,4600	**Exhibit- 5 Series**
7) Memorendum of deposit of Title deeds	**Exhibit-6**
8) Final Notice	**Exhibit- 7**
9) Bank Statement	**Exhibit-8**

23. On the other hand, to prove the defendant's case, the defendants examined 01 witnesses namely **Md Saifuddin as D.W.1 on commission appointed by** this court**. During examination of D.W.1, no documents were produced on their behalf.**

Decision with Reasons

24. Issue no. 1, 2 and 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 duly incorporated banking company under the Companies Act, 1994 and,

being a financial institution, 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.

25. 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.2 on behlaf of Defendant No.1 company, the plaintiff institution sanctioned varous LC credit facilities in favour of the defendants. The said facilities were secured by execution of charge documents and personal guarrantees. 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 **Tk. 15,81,30,514.38/- as on 31.10.2007.** Despite repeated reminders, the defendants failed to discharge the said liabilities. Ultimately, the plaintiff issued a Final Notice on 19.09.2006 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 19.09.2007, and the instant suit having been filed on 29.11.2007, 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, and is not barred by limitation. All the aforesaid issues are therefore answered in favour of the plaintiffs.

26. **Issue No : 4 and 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 and convenience. At the outset, it is an admitted position that Defendant No.1, **ILAT Composit Limited,** is the principal borrower company; Defendant No.2, being its Managing Director, acted both as borrower and guarantor; and Defendant Nos.3 executed personal guarantees securing the loan facility. The relationship between the parties thus clearly establishes privity of contract as well as enforceable obligations arising out of the sanctioned credit facilities.

27. Upon careful examination of the documentary evidence on record, particularly the request letters by the defendant, sanction letters and Letters of Credit (L/C) documents exhibited as **Exhibit-2 Series, Exhibit-3, Exhibit-3(Ka-Chandra bindu); and Exhibit-3(Chandra bindu)(1–115)**, it transpires that, at the request of Defendant No. 2, acting on

behalf of Defendant No. 1 Company, the plaintiff Bank opened two Back-to-Back Letters of Credit (BTB L/Cs), bearing Nos. **074404040392 and 074404040393**, both dated 21.06.2004, for USD 116,100.00 and USD 43,000.00 respectively, against Export L/C No. 046771002378 dated 08.04.2004, valued at USD 213,990.00. However, the defendants failed to effect the requisite export shipments against the said Export L/C and consequently failed to meet their corresponding payment obligations. As a result, the plaintiff Bank, in discharge of its obligations under the aforesaid BTB L/Cs in accordance with the applicable provisions of UCP 500, made the requisite payments and subsequently created **Demand Loan No. 62201643 on 21.12.2004 for USD 159,100.00, equivalent to Tk. 1,20,00,000.00**, to accommodate the resultant outstanding liability. The documentary evidence further reveals that the plaintiff Bank, at the subsequent requests of the defendants, opened several other BTB L/Cs against different Export L/Cs on various dates. However, owing to the defendants' repeated failure to execute the corresponding export shipments and settle their liabilities, the plaintiff Bank had to honour its payment commitments under those BTB L/Cs and subsequently converted the unpaid amounts into Demand Loans.

28. In this connection, a scrutiny of the **Statement of Accounts [Exhibit-8]** reveals that, following the defendants' failure to adjust their outstanding BTB L/C liabilities, the plaintiff Bank created several Demand Loans on different dates. The particulars thereof are as follows:

(i) Demand Loan No. **62201964**, created on 19.05.2005 for USD 99,050.00, equivalent to Tk. 60,00,000.00;

(ii) Demand Loan No. **62202381**, created on 08.12.2005 for USD 48,600.00, equivalent to Tk. 45,00,000.00;

(iii) Demand Loan No. **62202442**, created on 15.12.2005 for USD 78,875.00, equivalent to Tk. 70,00,000.00;

(iv) Demand Loan No. **62202541**, created on 30.01.2006 for USD 184,350.00, equivalent to Tk. 1,75,00,000.00;

(v) Demand Loan No. **62202558**, created on 02.02.2006 for USD 189,120.00, equivalent to Tk. 1,50,00,000.00;

(vi) Demand Loan No. **62202572**, created on 08.02.2006 for USD 62,400.00, equivalent to Tk. 60,00,000.00; and

(vii) Demand Loan No. **62202589**, created on 08.02.2006 for USD 46,000.00, equivalent to Tk. 45,00,000.00.

Thus, the Statement of Accounts [Exhibit-8] provides documentary support for the creation of the aforesaid Demand Loans and the corresponding liabilities recorded against the defendants.

29. Furthermore, P.W.1 has deposed that the plaintiff Bank opened **29 additional Back-to-Back Letters of Credit** in favour of Defendant No. 1 Company against various Export L/Cs, the particulars of which have been specifically set out in paragraph No. 8 of the plaint. According to P.W.1, the defendants failed to execute the corresponding export shipments and adjust the resultant liabilities, compelling the plaintiff Bank to honour its payment obligations under those L/Cs. Consequently, the plaintiff Bank created **Demand Loan No. 62203005 on 11.10.2006 for USD 899,302.66, equivalent to Tk. 6,41,95,000.00**, to accommodate the outstanding liabilities arising therefrom. The testimony of P.W.1 in this regard finds corroboration in the Statement of Accounts [Exhibit-8], which records the creation of the said Demand Loan and the corresponding amount. Accordingly, the oral testimony of P.W.1, read together with the relevant documentary evidence, substantiates the plaintiff Bank's claim regarding the creation of the aforesaid Demand Loan.The evidence on record further discloses that, apart from the aforesaid BTB L/C facilities, the defendants also availed themselves of **Packing Credit (PCC) facilities** against three Letters of Credit, for Tk. 4,50,000.00, Tk. 25,00,000.00 and Tk. 10,00,000.00 respectively, aggregating to **Tk. 39,50,000.00**. The aforesaid sanction letter, considered alongside the testimony of P.W.1 and the Statement of Accounts **[Exhibit-8],** establishes the documentary basis upon which the plaintiff Bank sanctioned the said facility and recorded the resultant liability against the defendants.

30. **On an overall assessment of the oral and documentary evidence**, it is evident that the credit transactions between the plaintiff Bank and Defendant No. 1 Company were not confined to a single loan facility; rather, they comprised a series of Back-to-Back Letters of Credit, Packing Credit facilities, advances against cash incentives and Foreign Documentary Bills Purchased facilities. The materials on record demonstrate that the plaintiff Bank extended the aforesaid credit facilities at the requests of the defendants and subsequently created Demand Loans upon the defendants' failure to fulfil their corresponding export and repayment obligations. The request letters, sanction letters, L/C documents and Statement of Accounts, read together with the testimony of P.W.1, provide a consistent documentary foundation for the plaintiff Bank's claim regarding the sanction, utilisation and subsequent adjustment or conversion of the aforesaid credit facilities into Demand Loans.

31. The charge documents marked **[Exhibit-4 series] and Memorendam of Title deeds [Exhibit-6]** 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.

32. The Final notice marked **Exhibit-7** 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 Final notice also sufficiently establishes that the plaintiff demanded repayment before institution of the suit in accordance with law.

33. The statement of account marked **Exhibit-8**, maintained in the ordinary course of financial business, clearly reveals that as on **28.11.2007** the total outstanding dues stood at **Tk. 15,81,30,514.38/-**, 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.

34. On the other hand, the contesting defendants have attempted to resist the plaintiff's claim principally on the ground of their financial difficulties and subsequent business failure to the alleged negligence, non-cooperation and wrongful conduct of the plaintiff Bank. They have alleged delay in issuing Local L/Cs, refusal to provide additional Packing Credit facilities, suspension of banking transactions and other irregularities. However, the defendants have failed to establish a sufficient causal connection between the alleged conduct of the Bank and the entire outstanding liability. Mere allegations of banking negligence or business loss cannot, by themselves, discharge existing contractual obligations.

35. The defendants have also challenged the Demand Loans on the ground that separate sanction letters were not issued. However, the evidence, particularly the request letters, sanction letters and L/C documents marked as Exhibit-2 Series and Exhibit-3 Series, together with the Statement of Accounts [Exhibit-8] and the testimony of P.W.1, indicates that the Demand Loans were created in connection with the Bank's payment obligations under the previously issued Back-to-Back L/Cs. Therefore, the absence of separate sanction letters for each Demand Loan does not, by itself, invalidate the underlying liabilities.

36. The defendants have further disputed the correctness of the Statement of Accounts, alleging that export proceeds and cash incentives were not properly adjusted and that certain amounts were included more than once. They have also referred to nine particular L/C transactions in support of their objection. However, they have failed to produce a complete transaction-wise reconciliation showing the actual amounts received, adjusted or left uncredited by the Bank. It is well settled that a mere pleading or assertion, unsupported by evidence, cannot displace a claim established by cogent oral and documentary evidence. In the present case, the defendants, though they contested the suit, failed to establish by reliable evidence either that the bank actually received export proceeds and cash incentives. No material evidence was also brought on record to demonstrate any substantial payment during the pendency of the suit. Thus, the plea of exaggerated claim remains a mere assertion without evidentiary foundation.

37. Regarding the alleged invalidity of the mortgage and other securities, the defendants have claimed that the Bank misused documents obtained for examination purposes. However, the charge documents [Exhibit-4 Series] and Memorandum of Deposit of Title Deeds [Exhibit-6] are relevant evidence of the Bank's claimed securities. The validity and enforceability of those securities must be determined in accordance with law. Even if any particular mortgage is found unenforceable, that fact alone does not extinguish an independently established personal liability.

38. In view of the foregoing discussion and upon consideration of the evidence as a whole, this Court finds that the plaintiff Bank has established the creation and operation of the credit facilities extended to Defendant No.1 Company, including the Back-to-Back Letters of Credit, Packing Credit facilities and the Demand Loans subsequently created in connection with the unpaid documentary credit liabilities. The defendants have failed to establish any legally sufficient ground for complete discharge of the obligations arising from those transactions. Their allegations of negligence, non-cooperation, fraud and financial loss, in the absence of adequate supporting evidence, do not constitute a sustainable defence to the plaintiff's claim for recovery of the duly established outstanding debt.

39. The Statement of Accounts [Exhibit-8] records an outstanding balance of Tk. 15,81,30,514.38 as on 28.11.2007. Where the said balance is found to be duly supported by the underlying transaction records, to incorporate all appropriate credits and adjustments, and to include only lawfully recoverable interest, the plaintiff Bank is entitled to a decree for that amount. The defendants' general denial of the outstanding dues and their unsubstantiated allegations of irregularities are insufficient to defeat the claim proved by the plaintiff's oral and documentary evidence.

40. Accordingly, upon being satisfied from the evidence on record that the aforesaid sum of Tk. 15,81,30,514.38 represents the actual and legally recoverable outstanding liability, this Court holds that the plaintiff Bank has succeeded in proving its case on the balance of probabilities. The contesting defendants have failed to establish any defence sufficient to warrant dismissal of the suit. The suit is, therefore, liable to be decreed in favour of the plaintiff Bank for the established outstanding dues, together with such further interest and costs as may be permissible under the Artha Rin Adalat Ain, 2003 and the applicable law. Thus the issues are disposed of in favor of the plaintiff.

In result the case succeeded.

Court Fee paid is correct

Hence,

It is Ordered

That the present suit be decreed on contest against Defendants with costs for an amount of **Tk. 15,81,30,514.38/- (Taka Fifteen Crore Eighty-One Lac Thirty Thousand Five Hundred Fourteen point Thirty-Eight only) up to 31/10/2007**. The Plaintiff shall be entitled to receive the said amount together with interest or profit as applicable under the prevailing laws or rules from **29/11/2007**, 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.