HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 25796 of 2025

Mohammed Farouk

.....Petitioner(s)

Versus

Union Of India And 2 Others

.....Respondent(s)

Counsel for Petitioner(s)	:	Nisheeth Yadav, Rupesh Sharma, Sr. Advocate
Counsel for Respondent(s)	:	A.S.G.I., Anadi Krishna Narayana, Manoj Kumar Singh

Court No. - 35

HON'BLE ATUL SREEDHARAN, J.
HON'BLE ANISH KUMAR GUPTA, J.

1. Heard Sri C.B. Yadav, learned Senior Advocate assisted by Sri Nisheeth Yadav, learned counsel for the petitioner, learned counsel for respondent-Bank of Baroda and learned counsel for Union of India.

2. Learned counsel for the respondent-Bank of Baroda prays for time to seek instructions from his client. The specific instructions that this Court requires is with regard to the documents relating to the value of warehouse that was mortgaged to the Bank of Baroda at Dubai and why the loan amount of Rs.55 crores could not be made good by selling of the same, also details relating to the purchaser of the warehouse.

3. Learned counsel for the petitioner submits that the warehouse has been sold out in Dubai, but it did not cover the full cost of the loan amount.

4. Learned counsel for the respondent-bank states that including interest and the principal amount today, the loan amount due to the petitioner stands out in excess of Rs.104 crores. The outline of this case is that the bank has given loan to M/s Farlin Timbers, which is not an Indian company, had its main branch in U.A.E. The petitioner before this Court is an Australian citizen, who has stood as a guarantor for M/s Farlin Timbers at Dubai and has given as collateral security the warehouse, which is also situated at Dubai. It is also alleged that a blank cheque that was given to the bank at the time of accepting the petitioner as a collateral in favour of M/s Farlin Timbers. That cheque has also bounced, but in U.A.E., and a criminal proceedings related

to that is pending before the U.A.E. Court. The short point is nothing has happened in India, the persons concerned but for the bank, are not Indian citizens and neither, prima-facie they are amenable to the Indian law.

5. Under the circumstances, the respondent-Bank of Baroda is requested to place the information required as herein above on the next date of hearing.

6. The Union of India is requested to place before this Court the Reserve Bank of India guidelines for banks to observe and follow when loans of this nature are to be given to a foreign company on foreign soil and where the collateral security is from a foreigner. The Court would also expect instructions of the Union of India on the next date of hearing after having taken necessary instructions from the Reserve Bank of India.

7. List this case under the same head in the first week of January, 2026 at 2:00 p.m.

8. Learned counsel for the respondent-Bank of Baroda shall also states on the next date of hearing the amount at which the warehouse was sold in Dubai.

December 8, 2025
Saif

(Anish Kumar Gupta,J.) **(Atul Sreedharan,J.)**