IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)

MONDAY, THE TWELFTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SMT JUSTICE TANGIRALA MADHAVI DEVI

WRIT PETITION NO: 12687 OF 2026

Between:

Muthoot Finance, Regd. Office at NH Bypass Palarivattom, Kochi-682028, Branch office at- No.35/36, GF, Vasavi Nagar Colony, Cantoment Area, Karkhana, Secunderabad, Telangana-500015. Represented by its Authorised Representative, D.Naganna, S/o. Somaiah, Age- 33 years, Occu.- Branch Manager,

...PETITIONER

AND

1. State of Telangana, Represented by Principal Secretary, Home Department, Secretariat, Hyderabad.
2. The Station House Officer, P.S. MalkajGiri, Medchal Malkajgiri, Telangana
3. Krishna Agarwal, S/o Guru Govind Agarwal, R/o. H.No.17-28/3, Jyothi Nagar, Anumanpet, Malkajgiri, N/o D-405, Satyam Apartment, Vijay Nagar SO,Dist. Gaziabad, Uttar Pradesh-201009

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue Writ, Order or Orders, Direction or Directions more particularly one in the nature of Writ of mandamus declaring the action of the Respondent Nos. 1 and 2 in demanding the custody and seizure of the property i.e. gold ornaments pledged towards security of loan amounts towards the respective Scheme/Loan Accounts of Respondent No. 3 without following due process of law contemplated under BNSS for seizure of property as illegal and arbitrary the same.

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the Respondent No. 2 to not to harass the Petitioner and seek and demand the custody of the property i.e. gold ornaments from the Petitioner pledged towards security of loan amounts towards the respective Scheme/Loan Accounts of Respondents No. 3 in view of Cr.No. 264/2026 P.S.Malkajgiri without following due process of law contemplated under BNSS for seizure of property pending the Writ petition.

Counsel for the Petitioner: SMT POLE MONICA PRADEEPKUMAR

Counsel for the Respondent Nos.1 & 2: AGP FOR HOME

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HONOURABLE SMT.JUSTICE TANGIRALA MADHAVI DEVI

WRIT PETITION No. 12687 of 2026

(CNR No. HBHC010268502026)

DATE: 12.10.2026

Between:

Muthoot Finance,
Rep. by its Authorized Representative Mr.D.Naganna.

...Petitioner

AND

The State of Telangana and Two others.

...Respondents

ORDER

This Writ Petition is filed seeking the following relief:

> *"...to issue Writ Order or Orders Direction or Directions more particularly one in the nature of Writ of mandamus declaring the action of the Respondent Nos.1 and 2 in demanding the custody and seizure of the property i.e., gold ornaments pledged towards security of loan amounts towards the respective Scheme/Loan Accounts of Respondent No.3 without following due process of law contemplated under BNSS for seizure of property as illegal and arbitrary the same and pass and pass..."*

2. Heard learned counsel for the petitioner and learned Assistant Government Pleader for Home, appearing for respondents No.1 and 2.

3. Learned counsel for the petitioner submitted that respondent No.2 is interfering with the petitioner's business operations without any lawful authority, particularly in relation to the gold ornaments pledged with the petitioner by respondent No.3. who has availed a loan by creating a pledge over the said ornaments and subsequently defaulted in repayment of the loan amount. Aggrieved by such interference, the present petition has been filed seeking appropriate directions to protect the petitioner's legitimate business interest and possession over the pledged property. Learned counsel for the petitioner submitted that, in similar circumstance, this Court, in W.P.No.14681 of 2018, granted appropriate protection to the petitioner and therefore, prayed that similar relief be granted in the present case as well. Learned counsel also submitted that the petitioner is willing to produce the pledged ornaments as and when directed by the Investigating Officer or the Trial Court and undertakes not to alienate, part with possession of, or otherwise

deal with the pledged ornaments during the pendency of the criminal proceedings.

4. Learned Assistant Government Pleader for Home has submitted that a complaint was received from Vaishnavi Tiwari against respondent No.3 and others, pursuant to which Crime No.264 of 2026, dated 30.03.2026 on the file of Malkajgiri Police Station, Malkajgiri, was registered for the offences punishable under Section 75, 318(2), 127(2), 352 r/w 3(5) of Bharatiya Nyaya Sanhita, 2023 and during interrogation respondent No.3 confessed and stated that he pledged the gold ornaments with the petitioner. It is further submitted that respondent No.2 issued notices dated 04.04.2026 and 09.04.2026, requiring the petitioner to produce the pledged ornaments before the Investigation Officer for the purpose of investigation and for producing the same before the jurisdictional Court. Instead of complying with the said notice, the petitioner has filed the present Writ Petition. It is further submitted that the investigation is in progress and that, upon completion of the investigation, an appropriate final report shall be filed before the competent Court in accordance law. It is further submitted that,

except for conducting the investigation in accordance with law, the respondent police are not interfering with the day to day business activities of the petitioner.

5. In view of the above submissions, this Court deems it fit and proper to extend similar protection as recognized by the Hon'ble Supreme Court in the case of ***Muthoot Fincorp Limited v. The Station House Officer, Criminal Appeal No. 1026 of 2024 (arising out of SLP (Crl.) No. 9539 of 2023)***. In the said decision, the Hon'ble Supreme Court held that when pledged articles are retained by a financial institution as part of its ordinary business and are subject to criminal proceedings, the institution may be permitted to retain possession upon filing an undertaking before the Trial Court to produce such property as and when directed, thereby safeguarding both the investigation and ownership rights until adjudication.

6. Accordingly, the petitioner is directed to file an affidavit of undertaking before the Trial Court within four (4) weeks from the date of receipt of a copy of this order, incorporating the following terms:

(i) The petitioner shall produce the pledged ornaments as and when called upon by the Investigating Officer or the Trial Court for inspection, photography, or preparation of panchanama, if required;

(ii) The petitioner shall produce the pledged ornaments before the concerned Court as and when directed during the pendency of the trial in Crime No.264 of 2026, on the file of Malkajgiri Police Station, Malkajgiri;

(iii) The petitioner shall not hand over, release, or permit redemption of the pledged ornaments in favour of respondent No.3 or any other person without prior permission of the concerned Court; and

(iv) The petitioner shall not sell, dispose of, or part with possession of the pledged ornaments without prior permission of the concerned Court trying in Crime No.264 of 2026.

7. Upon filing of the said affidavit, the Investigating Officer shall proceed with the investigation and file charge sheet before the

competent Trial Court and after filing the charge sheet, the Trial Court shall proceed with the matter expeditiously and take all necessary steps for effective adjudication in accordance with law, while ensuring that the pledged ornaments remain duly protected as per the undertaking filed by the petitioner.

8. With the above directions, this Writ Petition is disposed of. There shall be no order as to costs.

Miscellaneous applications, if any, pending shall stand closed.

SD/- C.DEEPIKA
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

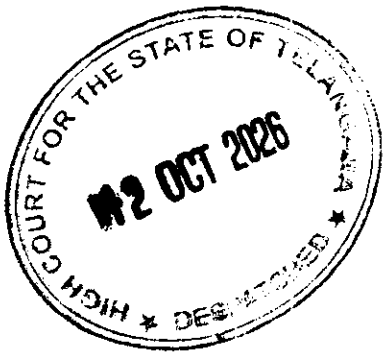
1. The Principal Secretary, Home Department, Secretariat, Hyderabad, State of Telangana.
2. The Station House Officer, P.S. MalkajGiri, Medchal Malkajgiri, Telangana
3. One CC to SMT POLE MONICA PRADEEPKUMAR, Advocate [OPUC]
4. Two CCs to GP FOR HOME, High Court for the State of Telangana, at Hyderabad [OUT]
5. Two CD Copies

BSR

CC TODAY

HIGH COURT

DATED: 12/10/2026



ORDER

WP.No.12687 of 2026

DISPOSING OF THE WRIT PETITION,

WITHOUT COSTS

12/10/26