2026:MHC:4432

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.11.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.3362 of 2026
CNR:{HCMA012651622026}
and C.M.P.No.30001 of 2026

Case QR

1.The Secretary to Government
Government of Tamil Nadu,
Municipal Administation and Water Supply
Department, Fort St. George,
Chennai - 600009.

2.The Director of Municipal Administration
Tamil Nadu Municipal Administration
Department, Chepauk, Chennai - 600005.

Appellant(s)

Vs

Waste Management Operators Association
of South India, Rep. by its Secretary, Senthil,
No.5H, 5th Floor, Gee Gee Emerald,
Valluvarkottam High Road, Nungambakkam,
Chennai-600 034.

Respondent(s)

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PRAYER: Appeal filed under Clause 15 of the Letters Patent to set aside the order dated 30.10.2026 passed by the learned Single Judge in W.M.P.No.50214 of 2026 in W.P.No.44715 of 26.

For Appellant(s): Mr.Vijay Narayan, Advocate General
and Mrs.Kavitha Nithyanandan Rameshwar
Additional Advocate General
assisted by Mr.L.Gokulraj
Additional Government Pleader

For Respondent(s): Mr.T.Mohan, Senior Counsel
for Mr.M.Santhanaraman

JUDGMENT
(Delivered by the Hon'ble Chief Justice)

The present intra-court appeal under Clause 15 of the Letters Patent has been preferred by the State assailing the interlocutory order dated 30.10.2026 passed by the learned Single Judge in W.M.P.No.50214 of 2026 in W.P.No.44715 of 2026. By the said interim order, the learned Single Judge granted an omnibus stay of G.O. (Ms.) No.181, Municipal Administration and Water Supply (ME.3) Department, dated 09.10.2026, relating to the restructuring and execution of Solid Waste Management operations under "Category II" across 147 Urban Local Bodies.

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2. The core issue that falls for narrow consideration in this appeal is whether the learned Single Judge was legally justified in granting an expansive interim order on 30.10.2026 that effectively granted the final relief sought in the writ petition, namely, halting a major executive policy framework concerning public health and municipal conservancy on the very eve of the expiration of transitional contract extensions, without satisfying the foundational tests governing interlocutory orders.

3.1. Learned Advocate General submitted that the impugned interim order is *ex-facie* unsustainable, having been rendered in complete disregard of the well-settled jurisdictional parameters governing judicial review of executive policy decisions. The formulation of an administrative model for municipal solid waste management falls squarely within the executive domain of the State and the constitutional competence of Urban Local Bodies under Article 243W read with Entry 6 of the Twelfth Schedule to the Constitution of India.

3.2. Learned Advocate General further submitted that G.O.

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(Ms.) No.181 was promulgated to ensure strict and scrupulous compliance with the statutory mandates of the Solid Waste Management Rules framed under the Environment (Protection) Act, 1986. Field experience revealed that commercial intermediaries frequently compromised environmental standards and exploited workers by deducting EPF and ESI contributions without depositing them with statutory authorities. The new hybrid direct-management model eliminates commercial profiteering by ensuring direct electronic bank transfers, biometric attendance authentication to prevent "ghost workers", and direct statutory remittances.

3.3. Relying on the foundational pronouncements of the Supreme Court in *Erusian Equipment & Chemicals Ltd. v. State of West Bengal*[1] and *Association of Registration Plates v. Union of India*[2], it was argued that commercial contractors possess no vested, fundamental, or statutory right to demand perpetual contract renewals or to dictate that the State must continue an outsourcing model rather than manage utilities departmentally or through community federations.

[1] *(1975) 1 SCC 70*
[2] *(2005) 1 SCC 679*

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3.4. Learned Advocate General severely opposed the omnibus interim order passed at the behest of an association whose *locus standi* is profoundly flawed. It is submitted that the respondent is an unregistered or loosely formed association representing only seven private waste management operators, who have no subsisting contractual relationship with any Urban Local Body. To grant a blanket injunction freezing a Rs.616.28 Crore public health architecture across 147 Urban Local Bodies, when 140 ULBs had zero subsisting contracts, violates every canon governing the grant of interlocutory relief.

3.5. Furthermore, it was submitted that the balance of convenience heavily favoured the State, whereas the interim order stayed sanitation operations across 147 Urban Local Bodies on the eve of the expiry of transitional extensions, threatening to plunge towns into complete sanitation paralysis and exposing millions to epidemiological hazards.

4.1. Per contra, learned Senior Counsel for the respondent

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association vigorously defended the interim order, contending that the learned Single Judge acted with utmost propriety to prevent arbitrary and wholesale displacement of established private operators.

4.2. It was submitted that G.O.(Ms.) No.181 suffers from manifest arbitrariness and procedural irrationality, violating Article 14 of the Constitution of India, by artificially bifurcating Urban Local Bodies into Category I and Category II without any intelligible differentia.

4.3. It was contended that under the erstwhile 2022 policy, private contractors were induced to make massive capital investments in procuring compactor trucks, hook loaders, battery-operated vehicles (BOVs), and mechanized sorting equipment under tender specifications containing long-term operational Key Performance Indicators (KPIs). To abruptly terminate this framework without stakeholder consultation or hearing constitutes an unreasonable infringement of the legitimate expectation of the contractors and their right to carry on trade under Article 19(1)(g)

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of the Constitution of India.

4.4. An objection was also raised regarding the maintainability of the writ appeal under Clause 15 of the Letters Patent against an ad-interim order, arguing that the State ought to have sought to vacate the stay before the learned Single Judge.

5. At the threshold, we must address the respondent's preliminary objection regarding the maintainability of this intra-court appeal. It is trite law that while routine, purely procedural interlocutory orders are not appealable under Clause 15 of the Letters Patent, an order which possesses the characteristics and consequences of a "judgment", by deciding a vital issue, altering legal rights or causing immediate, substantial and irreversible prejudice to public interest, is amenable to appellate scrutiny.

6. The Supreme Court in *Midnapore Peoples' Coop. Bank Ltd. v. Chunilal Nanda*[3], held that interim/interlocutory orders passed during the pendency of a case, broadly fall into the following

[3] *(2006) 5 SCC 399*

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distinct classes:

> *"15. Interim orders/interlocutory orders passed during the pendency of a case, fall under one or the other of the following categories:*
>
> *(i) Orders which finally decide a question or issue in controversy in the main case.*
> *(ii) Orders which finally decide an issue which materially and directly affects the final decision in the main case.*
> *(iii) Orders which finally decide a collateral issue or question which is not the subject-matter of the main case.*
> *(iv) Routine orders which are passed to facilitate the progress of the case till its culmination in the final judgment.*
> *(v) Orders which may cause some inconvenience or some prejudice to a party, but which do not finally determine the rights and obligations of the parties."*

The Supreme Court further held that, while orders falling under the first three categories constitute "*judgments*" and are appellable, the orders falling under the categories (iv) and (v) are not.

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7. Upon a careful examination of the preliminary objection regarding maintainability, this Court holds that the impugned interim order is not a routine or procedural ruling falling under categories (iv) or (v) postulated in the decision in *Midnapore Peoples' Coop. Bank Ltd* (supra). Instead, by paralyzing essential municipal sanitation operations across 147 urban centres and altering vital legal rights, the order possesses the direct characteristics and consequences of a "judgment" amendable to appellate scrutiny under Clause 15 of the Letters Patent.

8. It is a well-settled principle of law reiterated by the Supreme Court in *N.G. Projects Ltd. v. Vinod Kumar Jain*[4] and *National High Speed Rail Corp. Ltd. v. Montecarlo Ltd*[5] that courts must exercise extreme circumspection and refrain from issuing mechanical interim stays that halt essential public works, infrastructural frameworks, or public utilities. When private commercial expectations are pitted against overwhelming public interest, public interest must decisively prevail. In the instant case, the balance of convenience lay overwhelmingly in favour of the

[4] *(2022) 6 SCC 127*
[5] *(2022) 6 SCC 401*

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State, as the interim stay risked plunging 147 municipal jurisdictions into catastrophic epidemiological and public health hazards.

9. In the larger public interest and to ensure the seamless continuation of public conservancy services, this Court deems it fit and proper to set aside the interlocutory order dated 30.10.2026 passed in W.M.P.No.50214 of 2026 in W.P.No.44715 of 2026.

10. The writ appeal is, accordingly, allowed and the order dated 30.10.2026 is hereby set aside. The appellants are granted full liberty to implement G.O. (Ms.) No.181 dated 09.10.2026 in terms of the operational directions specified herein. There shall be no order as to costs. Consequently, connected miscellaneous petition stands closed.

It is made abundantly clear that all observations and findings recorded in this judgment are strictly *prima facie* in nature and are confined solely and exclusively to the determination of the present intra-court appeal concerning interlocutory relief. All other

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submissions, contentions, pleadings and arguments touching upon the merits of the main challenge to G.O. (Ms.) No.181 shall be considered, evaluated, and adjudicated independently by the learned Single Judge. The appellants are directed to file their comprehensive counter-affidavits in the writ petition within a period of three (3) weeks from today. In view of the public importance and State-wide ramification of the issues involved, we request the learned Single Judge to expedite the final hearing and endeavour to dispose of W.P.No.44715 of 2026 as expeditiously as possible.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN,J)

03.11.2026

Index : Yes
Neutral Citation : Yes
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https://www.mhc.tn.gov.in/judis

2026:MHC:4432

WEB COPY

Order QR

THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

(sasi)

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