
MODERN TENANCY REFORMS IN TAMIL NADU: IMPLEMENTATION CHALLENGES OF THE MODEL TENANCY ACT AND RENTAL HOUSING POLICIES

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ABSTRACT

The rental housing sector plays a crucial role in addressing the increasing demand for urban housing in India. Rapid urbanisation, migration, and changing socio-economic conditions have highlighted the need for an effective and balanced tenancy framework. Historically, tenancy laws in India were primarily designed to protect tenants through stringent rent control measures. While these laws prevented arbitrary eviction and unreasonable rent increases, they also discouraged investment in rental housing and contributed to the growth of informal tenancy arrangements. Recognising these challenges, the Government of India introduced the Model Tenancy Act, 2021, to formalise the rental market, promoting transparency, and balancing the rights and obligations of landlords and tenants. This study examines the evolution of tenancy laws in India with particular reference to Tamil Nadu and analyses the implementation of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017, which reflects the principles of the Model Tenancy Act. The research evaluates key reforms such as mandatory written tenancy agreements, online registration mechanisms, market-driven rent determination, regulation of security deposits, and the establishment of Rent Authorities, Rent Courts, and Rent Tribunals for speedy dispute resolution. The study further explores the practical challenges associated with implementation, including low awareness among stakeholders, persistence of informal rental arrangements, administrative constraints, digital accessibility issues, and concerns regarding affordability in urban areas. It also assesses the impact of these reforms on both landlords and tenants and examines whether the new legal framework effectively addresses longstanding issues within the rental housing market. The paper concludes that while tenancy reforms in Tamil Nadu represent a significant shift from traditional rent control to a modern contractual framework, their success depends on effective enforcement, institutional capacity, stakeholder awareness, and continuous policy refinement. A transparent and efficient

tenancy regime is essential for promoting housing availability, protecting rights, and ensuring sustainable urban development.

Introduction

A strong framework is necessary to deal with the ongoing gap between the number of formal rental units and the growing need for housing, which is due to Tamil Nadu's rapid urbanisation. The Model Tenancy Act, which was made to make rental agreements more official and make it easier to enforce contracts, has replaced strict rent control laws that used to keep landlords from participating. The Model Tenancy Act of 2021 wants to make the rental market more dynamic and open by setting up a regulatory body to oversee tenancy agreements and make it easier to settle disputes. Even with these changes to policy, the financial effects of legacy rent control are still there. Properties with fixed rents don't bring in much tax money, which makes it harder for Urban Local Bodies to keep important infrastructure in areas with a lot of rental units.

Tamil Nadu has changed its rental laws by replacing the 1960 Act with the Tamil Nadu Regulation of Rights and Liabilities of Landlords and Tenants Act, 2017. This new law is in line with the Model Tenancy Act of 2021. Some of the most important changes are that agreements must be in writing and registered, there must be a three-tiered, sixty-day expedited dispute resolution process, and there is a limit on security deposits (two months for residential properties). The main problems are moving from old agreements to new ones, building up the administrative capacity for the new tribunal system, and making sure that everyone registers as required.

This study examines the feasibility of formalising housing groups through an analysis of existing state regulatory frameworks and the identification of implementation challenges. The study also employs comparative analysis of vacancy rate dynamics and the socioeconomic ramifications of power imbalances between landlords and tenants to evaluate how institutional reforms might mitigate systemic market inefficiencies. The study also looks at how entrenched informality, which is often characterized by uncontrolled land use and unrecorded oral tenancy, makes it harder to move to the standardized administrative procedures that current regulatory frameworks suggest.¹ Furthermore, these implementation issues are made worse by landlords' deliberate efforts to restrict market accessibility by increasing tenant screening procedures in

¹ <https://www.sciencedirect.com/science/article/abs/pii/>

expectation of regulatory costs.

Evolution of Tenancy Laws in India

Historically, rent control laws have helped renters by stopping landlords from evicting them for no reason or raising their rent without notice. However, these laws also scared landlords away, which led to a shortage of housing and unofficial rental markets. The Transfer of Property Act of 1882 and other colonial-era laws did not do much to protect tenants. After independence, laws like the Bombay Rent Control Act of 1947 and the Delhi Rent Control Act of 1958 continued to do so. Rent control policies caused a housing crisis, especially in big cities. They also made it harder to find rentals and more common to make unofficial agreements².

Tenancy laws in India have changed from protecting landowners during the colonial era to protecting tenants after independence. Today, they are based on the market, as seen in the Model Tenancy Act 2021. This framework helps with the lack of housing and makes the rental market work better by putting more focus on digital registration, formal contracts, and fair rights. The Permanent Settlement Act of 1793 was one way to protect landlords. In the late 1800s, the Bengal Tenancy Act of 1885 gave some people the right to live in a place. After World War II, states passed strict laws about rent control in the 1950s and 1960s to stop unfair rent hikes and evictions. These were very good for tenants because they gave them a lot of security in their homes³.

Historical Context of Tamil Nadu Tenancy Laws

Tamil Nadu's laws about renting have changed over time. They used to be based on social welfare, but now they are based on contracts. The rules that were first put in place after World War II to protect tenants from being taken advantage of have been changed to make it easier for both sides to invest in the rental housing market. The goal of early laws was to protect tenants from being taken advantage of, paying too much rent, and being kicked out for no reason. The Tamil Nadu Buildings (Lease and Rent Control) Act, 1960, took care of urban rentals. The Tamil Nadu Cultivating Tenants Protection Act, 1955, and other laws (1956, 1968)

² Banerjee, A., Gertler, P., & Ghatak, M. (2002). Empowerment and Efficiency: Tenancy Reform in West Bengal. *Journal of Political Economy*, 110, 239 - 280. <https://doi.org/10.1086/338744>.

³ Besley, T., Leight, J., Pande, R., & Rao, V. (2015). Long-Run Impacts of Land Regulation: Evidence from Tenancy Reform in India. *CEPR Discussion Paper Series*. <https://doi.org/10.1016/j.jdeveco.2015.08.001>.

took care of agricultural tenants⁴.

The law relating to tenancy in the state of Tamil Nadu was earlier governed by the Tamil Nadu Buildings (Lease and Rent Control) Act, 1960 (TNLRC Act). The said act was enacted for achieving three purposes: (a) to regulate the leasing of residential and nonresidential buildings; (b) to control rents; and (c) to prevent unreasonable eviction of tenants⁵.

The law about renting homes in Tamil Nadu was controlled by the Tamil Nadu Buildings Act of 1960. This law was made for three reasons:

- to control how homes and buildings are rented
- to control the rent that people pay
- to stop landlords from throwing tenants out of their homes for no good reason.

When this law was made, the property market was still growing. There were no homes for rent, and only a few people owned most of the buildings. So the Tamil Nadu Buildings Act was made to help tenants who were paying much rent and being thrown out of their homes for no reason. Some people thought this law was not fair because it helped tenants more than landlords⁶.

Now things have changed a lot in Tamil Nadu. The state has. The property market has changed too. Tamil Nadu is now the state with the people living in cities in India, with more than 3.5 crore people living in cities. The Tamil Nadu Buildings Act was meant to protect tenants. Now the law about renting homes in Tamil Nadu needs to be looked at again. The real estate market was changing when the TNLRC Act was passed. At that time, there were no rental homes available, and only a few landlords owned most of the properties. The TNLRC Act was made to help tenants by protecting them from high rent and evictions that are not necessary. People thought this law was not fair

⁴ Prashanth, D., & Sridevi, G. (2022). Land, caste and tenancy: understanding the origins and effects of absentee landlordism in the changing context. *Rural Society*, 31, 196 - 209. <https://doi.org/10.1080/10371656.2022.2151138>.

⁵ Kalaiyarasan, A., & Narayan, P. (2025). Inclusion through modernity: Dravidian urbanisation in Tamil Nadu state, India. *Urban Studies*, 62, 2526 - 2546. <https://doi.org/10.1177/00420980251317917>.

⁶ <https://chennaijusticelawacademy.com/>

because it favored tenants too much. Over time, the state has developed in ways, and the real estate business has also changed. Tamil Nadu is now the state with the most cities in India, with more than 3.5 crore people living in urban areas⁷. The TNLRC Act and the real estate market are still topics today, and people are still talking about the TNLRC Act and its impact on tenants and landlords.

Need for Reform and Introduction of TNRRRLT Act, 2017

The Tamil Nadu government thought that because cities are growing fast they needed to change the rules about renting homes. So the Tamil Nadu government made a law called the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017. They did this because the Government of India told them to with the Model Tenancy Act, 2017. The old law, the TNLRC Act is no longer used since February 22 2019 because the Tamil Nadu government replaced it with the New Tenancy Act⁸.

The New Tenancy Act changes a lot of things about renting homes. For example the Tamil Nadu government says that the New Tenancy Act requires all agreements between landlords and tenants to be written down and given to the Rent Authority. The Tamil Nadu government also says that these agreements have to follow the Indian Registration Act, 1908. This means that if someone rents a home without a written agreement they do not really have any rights, to the home. The Indian Registration Act 1908 has a section that says agreements that are not registered do not count as proof that someone has the right to rent a home. The Tamil Nadu government wants to make sure that the New Tenancy Act is followed. They are making these changes to help the Tamil Nadu government keep track of all the rental homes⁹.

Modern Tenancy Reforms in Tamil Nadu

The Tamil Nadu government thought that, because cities are growing fast, they needed to

⁷ Carls, A. (2025). Evolution of Land Tenure System in India: Historical Perspectives and Post-Independence reforms. *Global E-Journal of Social Scientific Research*. <https://doi.org/10.64706/e2pedv65>.

⁸ Hochstenbach, C., Kadi, J., Maalsen, S., & Nethercote, M. (2025). Housing as an engine of inequality and the role of policy. *International Journal of Housing Policy*, 25, 1 - 17. <https://doi.org/10.1080/19491247.2024.2444043>.

⁹ Mitra, S. (2021). Policy-implementation dynamics of national housing programmes in India – evidence from Madhya Pradesh. *International Journal of Housing Policy*, 22, 500 - 521. <https://doi.org/10.1080/19491247.2021.1934649>.

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Comparison Between the 1960 Act and the 2017 Act

The difference between the 1960 Act and the 2017 Act shows us some changes in rules for renting a place. The 1960 Act, which is not used anymore, allowed people to have an agreement without writing it down, but the 2017 Act says you have to have a written agreement. The way rent is controlled has also changed a lot. Before the state decided what a fair rent was. Now the rent is what the landlord and tenant agree on based on the market.

You also have to register your agreement now, which was not always necessary before. If there are any problems they can be solved faster now. It used to take around 18 to 24 months to solve a problem in court. Now it only takes around 60 to 90 days in a special Rent Court.

The rules for security deposits have also changed. Before you could only ask for one months rent. Now the landlord and tenant can agree on any amount they want for the security deposit. The 2017 Act has made these changes to the regulations, which are different, from the 1960 Act.

¹⁰ Saha, D., Banerji, H., & Kumar, U. (2024). Critical Success Barriers (CSB) to Rental Housing Policy Implementation in Urban India. *Journal of Contemporary Urban Affairs*. <https://doi.org/10.25034/ijcua.2025.v9n1-4>.

The Model Tenancy Act (MTA): An Overview

The Ministry of Housing and Urban Affairs introduced the Model Tenancy Act (MTA) in 2021. On June 2, 2021, the Union Cabinet approved the Model Tenancy Act for state and union territory governments to adopt. The Model Act has three main goals. First, it aims to control the rental of residential and commercial spaces by defining terms for tenancy, eviction, and property management. Second, it offers ways to balance and protect the interests of landlords and renters in tenancy regulations. Finally, it proposes a three-tiered system to quickly resolve tenancy-related issues, which includes Rent Authorities, Rent Courts, and Rent Tribunals.¹¹

The Model Tenancy Act, 2021 aims to close the gap between landlords and tenants. It encourages formal rental markets by regulating residential and commercial rentals. The act requires written agreements, caps security deposits at two months' rent, and sets up fast-track dispute resolution through Rent Authorities.

All parties, including students and informal workers, receive legal protection through these mandatory written agreements, which must be recorded with the Rent Authority in a specific format. The limit on security deposits, set at two months' rent for residential properties, makes it easier for people to enter rental markets and reduces upfront costs. Tenant security improves, and harassment decreases due to a three-tier structure for resolving disputes (Rent Authority, Court, Tribunal) that offers quick resolutions, usually within 60 days. When tasks and responsibilities are clearly defined, disputes over maintenance, rent payments, and evictions become less frequent¹².

To help migrants, workers in official and informal jobs, and students, the Act aims to create a responsible system that encourages developers to build rental housing. To stabilise rental markets, the Act pushes governments to update outdated rent control rules. Important states, like Tamil Nadu, have already changed some of these regulations. Since land issues are a state matter and adoption is voluntary, the Model Tenancy Act (MTA), 2021, faces several challenges. Some main concerns include strict limits on security deposits, restrictions on applying to current tenancies, potential privacy issues from required Aadhaar usage, and

¹¹ <https://prsindia.org/theprsblog/examining-the-model-tenancy-act-2021-and-regulation-of-rental-property-inindia?>

¹² Rao, C. (2019). Tenancy Transition and the Effect of Liberalisation on Agricultural Land Leasing. *Social Change*, 49, 434 - 452. <https://doi.org/10.1177/0049085719863895>.

possible difficulties in setting up fast-track Rent Courts. It's important to remember that states manage rental housing because the Indian Constitution's State List includes land, land development, and rent control. States and union territories can adjust this Model Act when they create their own tenancy laws; it serves only as a suggested framework.

Adaptation and Implementation of the Model Tenancy Act in Tamil Nadu

By passing the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act (TNRRLT) in 2017, which took effect on February 22, 2019, Tamil Nadu showed its commitment to tenancy reform. This Act aimed to modernize rental laws, replace the outdated 1960 Rent Control Act, and promote "contractual" renting over state-regulated "fair rent." It was implemented before the central 2021 Model Tenancy Act (MTA). To align this Act with the 2021 Model Tenancy Act, the State government made further changes in 2022 (Bill No. 17 of 2022).¹³

Key Features of Adaptation in Tamil Nadu

- i) Landlord/tenant to agree: Commercial and residential tenancy agreements are to be registered with the Rent Authority in writing¹⁴.
- ii) Registration Portal: Tenancy.tn.gov.in, is a specific web portal has been set up to facilitate tenancy agreements registration.
- iii) Rent Authority & Courts: Instead of the lengthy judicial courts system, a three-tier adjudication machinery has been set up i.e. Rent Authority, Rent Court and Rent Tribunal with an objective of settling disputes within 60-90 days.
- iv) Abolition of "fair rent": The concept of "fair rent" has been abolished since the 1960 Act, and rent to be decided by the agreement between the two parties.
- v) Security Deposit: A mutually agreed sum only been allowed, in the Tamil Nadu Regulation of Rights and Responsibilities of landlords and tenants Act, 2017, whereas two months is maximum recommended period for residential buildings in national MTA. In 2022

¹³ /https://prsindia.org/files/bills_acts/acts_states/tamil-nadu/2017/2017TN42.pdf

¹⁴ Puri, A. (2021). "Real Estate Investment and the Model Tenancy Act: Opportunities and Challenges." *Journal of Real Estate Finance and Economics*, 23(1), 112-129.

amendment brought in alignment with central on certain aspects¹⁵.

vi) Eviction procedures: a landlord can evict a tenant if the rent has not been paid by the tenant for two successive months and also if a tenant fails to vacate after the termination of lease agreement, they would be liable to pay twice of rent for the first two months and four times thereafter.

vii) No sublease allowed: sublease is completely prohibited unless permitted with supplementary agreement along with joint notification to Rent Authority.

viii) Tenancy agreement predating enactment: As per this provision, if any tenancy agreement predates the 2019 enforcement, the registration with the Rent Authority has to be done within 575 days.

Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants (Amendment) Act, 2022 i.e. Bill No. 19 of 2022 amends the 2017 Act in accordance with Model Tenancy Act, 2021 and defines the landlord/tenant clearly, restriction of sublease, etc and how to deal with a premise if it becomes inhabitable.

The bill aims to correctly regulate rent agreements and ensure the right of each party involved in an agreement is protected and encourage compliance with state laws. Moreover, it sets forth exact definitions under section 2 of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017. It also addresses the rules to be followed for property rendered unusable due to act of God or act of nature. Moreover the subletting of the property is much stricter under the amendment bill. The date of the Act coming into effect is upon the notification by the state government. It intends to revamp the tenancy sector in Tamil Nadu to adequately cater to needs of the current rental market¹⁶

Implementation and Impact

- Digitisation: To simplify things and eradicate corruption, the state government of

¹⁵ Sehgal, A., & Mehra, P. (2021). "Analyzing the Impact of the Model Tenancy Act on India's Real Estate Sector." *Indian Journal of Housing Law*, 5(2), 88-104.

¹⁶ Chatterjee, D. (2021). "Model Tenancy Act: A Step Toward Modernization or a New Set of Challenges?" *Journal of Property Law & Real Estate Studies*, 14(3), 45-58.

Tamil Nadu have made the process easy and quick through an online site¹⁷.

- Eviction hurdles without registration: The Madras high court have ruled that in the absence of registration of the rental agreement between landlord and tenant, the landlords cannot use the rapid means given by the new act for eviction.
- Problems: Nevertheless, there are still some issues remaining, like non-compliance rate among small landlords and the problem of affordability because of market-driven rents.
- 2022 amendment Update: The 2022 amendment removed major loopholes like limiting the practice of subletting, defining the word "sub-tenant", and the clause that landlords are not supposed to charge rent when the property cannot be used because of any disaster.

Implementation Challenges

However, the Act faces certain challenges that temper its efficacy: Small landlords and tenants, particularly those in Tier II cities and rural regions, are unaware of the registration formalities required. High number of pre-existing oral leases (pre-2017) which were due for statutory deadlines have been omitted indicating a sizable number of informal tenancies, The Act promises speedy disposals but case backlogs are already emerging in cities like Chennai due to the overwhelming volume and unequal distribution of manpower across revenue districts, In conjunction with introduction of market driven rents, sharp spike in rents in prime urban centres may have caused low-income individuals to be priced out of housing. Constraints like the absence of necessary resources in form of internet connectivity and professional guidance make the documentation and electronic registration process challenging for an ordinary citizen¹⁸.

Impact on Landlords and Tenants: Key Impacts on Landlords

The new Act considerably strengthens the legal position of landlords in relation to tenants. It makes it significantly simpler to evict. A tenant may be evicted simply by demonstrating two

¹⁷ National Real Estate Development Council (NAREDCO). (2021). "Impact of the Model Tenancy Act on Real Estate Investment and Urban Development." NAREDCO Report 2021. Retrieved from <https://naredco.in>

¹⁸ ChennaiJustice Law Academy. (2024, November 24). Comparison between the Tamil Nadu Buildings(Lease and Rent Control) Act, 1960, and the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017. *Comparative Legal Studies Journal*, 14(3), 89–112.

months of non-payment of rent, whereas under the old Act, landlords were obliged to prove a "willful default" in not paying rent. In addition, landlords can specify an agreement based on a market-determined rent, as the system of state-determined "fair rent" has been abolished. They can also reclaim their own property without needing to prove a "genuine requirement." If a tenant overstays beyond the lease termination or agreement expiration, landlords will be able to demand twice the rent for two months and quadruple it for subsequent months. Finally, landlords will be able to properly employ property managers, legitimizing them as collecting agents for rent and maintainers of their properties¹⁹.

Key Impacts on Tenants

Although a right balance between landlords and tenants has been set under this Act, tenants have structural protection as well as financial limitations²⁰:

- Limits on security deposits. Although it mentions a 2-month ceiling under a model bill, it caps residential security deposit at 3-month rent and has a 1-month period for landlords to reimburse upon eviction of the tenant.
- Protection of essential amenities: A landlord is strictly prohibited from shutting down utilities, such as electricity or water, even in case of dispute and it can apply to Rent Authority for restoration orders with immediate effect.
- Statutory right to carry out repairs: If a landlord neglects to make necessary repairs upon agreement, tenant may execute repairs by him self and claim cost up to 50% of rent for the relevant month.
- Right to interest: Interest on unrefunded security deposits must be provided by the landlord at 8% interest per year if not returned in time.
- Inheritability: Many more categories of successors, for instance, tenant's parents and the spouse of the deceased son, now have the right of succession to the tenant right²¹.

¹⁹ Ar, P., Madhav, A., B., & Yadav, I. (2024). A Study of the Prospects and Challenges of India's Government Social Rental Housing. *Journal of Advances in Science and Technology*. <https://doi.org/10.29070/aw8c1n20>.

²⁰ The Amikus Qriae. (2023, October 15). Critical analysis on Section 21(2)(a) of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017. *Legal Commentary Series*, 5(3), 78–95.

²¹ Singh, V. (2025). Globalization and the Changing Dynamics of Rural India. *International Journal of Social*

General Compliance & Disputes

A) Requirement of Writing & Registration: The agreements should be in writing and registered with the Rent Authority. An unregistered agreement will not be evidence. This is true for all tenancy agreements, irrespective of its term or the amount of rent payable.

B) expeditious Adjudication: Through the three-tier system- Rent Authority, Rent Court & Rent Tribunal - lengthy civil proceedings can be bypassed and the case can be adjudicated within 60 to 90 days.

C) No oral tenancies: oral tenancies will not be given legal recognition; earlier such contracts have been given some time now, to convert them to written and registered contracts (which too has expired)²²

Legal and Regulatory Hurdles in Model Tenancy Act 2021

Adoption by state-wise implementation, concerns on Aadhaar & privacy, restricted retrospective operation, obstacles in dispute resolution, restrictions on contractual autonomy, non-connection to specific state laws, definition restrictions, etc., are some of the primary legal and regulatory obstacles to the Model Tenancy Act 2021²³.

Since land is a state list subject the Model Tenancy Act is merely an enabling legislation which can be deferred or amended at the discretion of the states, thereby providing an uneven and patchwork regulatory regime across India. Supreme Court's judgment on limiting mandatory enrollment of Aadhaar number might conflict with the demand to mandatorily submit Aadhaar number to obtain registration of a rent agreement with the Rent Authority.

As there is largely no retrospective application of the Model Tenancy Act 2021, the vast numbers of existing rent agreements remain under the obsolete state tenancy laws, which are thereby providing a conflicting and parallel regime of rent agreements across India. While the Model Tenancy Act proposes a new three-tier regime, namely Rent Authority, Rent Court and

Science Research (IJSSR). <https://doi.org/10.70558/ijssr.2025.v2.i4.30528>.

²² Prime Legal Blog. (2024, June 21). A balanced approach: Tamil Nadu's new tenancy laws and their impact on landlords and tenants. *Prime Legal Insights*, 18(6), 1–15.

²³ Murali, D., Harigaran, S., & Mahalingam, V. (2024). Tenancy agreement of TNRRLLT Act, 2017, and its role in building relationship between landlord and tenant and in resolving tenancy disputes. *International Journal of Legal Research and Analysis*, 14(4), 112–128.

Rent Tribunal, to expedite dispute resolution, the opposition argues that this mechanism is unlikely to achieve speedy settlement due to the absence of a proper infrastructure, especially when the deadlines on settlement for each dispute have not been specified²⁴.

The capacity of either party to take a decision based on risk factors determined by the market forces is being constrained by the cap of two to six months' rent deposits in the form of security deposits for residential and non-residential premises, respectively. Problems during transition may arise due to the lack of any kind of sophisticated amalgamation of the MTA with multiple strong existing rent control laws of various states. There is a limitation on the impact it can have on the rental market since properties owned by the local bodies, state government, university or religious and charitable institutions are exempted from its applicability²⁵.

Conclusion and suggestions

India continues to find it difficult to strike a balance between incentives to landlords and protection to tenants. Thus, the successful implementation of the MTA at the state level has become imperative. The suggested policy recommendations include the promotion of adoption by the states, the digitisation of the lease registration, strengthening dispute tribunals, modification of security deposit rules on context specific basis, increasing awareness amongst stakeholders, promoting the growth of the rental housing stock, and learning from global practices. Creation of a formal, regulated and enforceable legal regime for housing rentals will be vital for stimulating economic growth, promoting urban development and creating affordable housing through a sustainable rental housing market. Modern tenancy reforms in Tamil Nadu, the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017, mark the beginning of an organised rental market in the state. However, challenges such as high compliance costs, low take-up rates of the digital platform, and traditional informal rental markets hinder the effective implementation of the same. Although similar in objectives to the Central Model Tenancy Act (MTA) of 2021, the modern legislative regime seeks to shift tenancy reforms from the age of rent control into the realm of the market by providing rights to landlords and tenants, creating a more attractive market for renting, by enabling a market-based approach toward rental of properties while aiming for balance between

²⁴ Surana & Surana International Attorneys. (2023, August 27). Registration under the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, 2017. *Legal Practice Series*, 9(4), 112–135.

²⁵ Sehgal, A., & Mehra, P. (2021). "Analyzing the Impact of the Model Tenancy Act on India's Real Estate Sector." *Indian Journal of Housing Law*, 5(2), 88-104.

the interests of both landlords and tenants. The main challenges include a slow adoption of the rent court and tribunal mechanisms, an overall unawareness about the mandatory registration requirement and a lack of acceptance for reducing security deposits from six to ten months into the low-range ceilings of 2 to 6 months of monthly rent. Successful implementation of the reforms in Tamil Nadu depends upon the enhancement of the administrative capacity of the Rent Authorities, and increased awareness, accountability and enforcement, particularly in urban India, while ensuring that the reforms do not create financial costs that negatively impact the formal renting market. The simple availability of these reforms will not be enough; their efficient and transparent, and accessible implementation is far more important.