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THE MODEL TENANCY ACT, 2021: A LEGAL RESET FOR INDIA'S RENTAL HOUSING

For decades, India's rental housing market functioned in a grey zone governed by outdated laws, informal arrangements, and prolonged litigation that benefited neither landlords nor tenants. The Model Tenancy Act, 2021 marks a decisive shift from this uncertainty. Conceived as a modern regulatory framework, the Act seeks to restore balance, transparency, and efficiency to landlord–tenant relationships while encouraging formal renting and private participation in the housing sector.

At its core, the Act regulates the letting of premises for residential and commercial purposes, thereby covering the bulk of urban tenancies. At the same time, it consciously excludes industrial premises, hotels, lodging houses, dharamshalas, and inns, acknowledging their distinct commercial character. Premises owned by the government, local authorities, and religious or charitable institutions are generally kept outside its scope, though parties may voluntarily agree to be governed by the Act, preserving contractual autonomy.

One of the most significant interventions, in the Act, is its insistence on written tenancy agreements. Informal and oral arrangements—long a source of dispute and

THOUGHT for the MONTH

Great things are done by a series of small things brought together

VINCENT VAN GOGH

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exploitation—are actively discouraged. Every tenancy must be recorded in writing and jointly intimated to the Rent Authority within two months of execution. To support transparency and ease of compliance, the Act mandates a digital platform for registration and record maintenance. In a further tenant-protective measure, security deposits are capped at two months' rent for residential premises and six months' rent for non-residential premises.

The Act carefully delineates the rights and obligations of both parties. Landlords bear responsibility for structural repairs, whitewashing, and external electrical wiring, while tenants are tasked with routine and minor repairs. Tenants' privacy is safeguarded by restricting the landlord's right of entry, which requires twenty-four hours' prior notice and is permitted only between sunrise and sunset, except in emergencies. Crucially, landlords are prohibited from withholding essential services such as water and electricity, with the Rent Authority empowered to order immediate restoration and compensation.

Eviction under the Act is not arbitrary but strictly regulated. A tenant may be evicted only on specified grounds, including persistent non-payment of rent, unauthorised sub-letting, misuse of the premises, or the landlord's bona fide need to undertake major structural repairs. To prevent unlawful occupation, the Act imposes steep financial consequences for overstaying, requiring payment of double the rent for the initial period and four times the rent thereafter.

Equally transformative is the dispute resolution framework. The Act removes tenancy disputes from ordinary civil courts and establishes a specialised three-tier system consisting of the Rent Authority, Rent Court, and Rent Tribunal. These bodies are expected to dispose of cases within sixty days, addressing the chronic delays that plagued earlier regimes.

It must be noted that the Model Tenancy Act is not a nationwide rent law, as the constitutional scheme itself places rent and tenancy within the legislative domain of the States. Under Article 246 read with the Seventh Schedule of the Constitution of India, matters relating to land and the relationship between landlord and tenant fall under Entry 18 of the State List (List II) , which covers rights in or over land, land tenures, and the collection of rents. Consequently, implementation of the Model Tenancy Act rests entirely with individual States. It must be noted that the Model Tenancy Act is not a nationwide rent law. Implementation rests with individual States. As of late 2025, only States such as Assam , Uttar Pradesh , Andhra Pradesh, and Tamil Nadu have made substantial progress in aligning their laws with the model, while others continue to deliberate.

There is no single "National Home Rent Rule" applicable across the whole of India. Nevertheless, as of late 2025, considerable confusion persists in public discourse. This confusion arises primarily from the existence of the Model Tenancy Act, 2021, which is frequently misunderstood as a uniform national law, and the circulation of the viral but technically inaccurate expression "Home Rent Rules 2025." The situation has been further compounded by claims made by various news outlets and online publishing platforms, some of which, despite appearing reliable, have incorrectly suggested the enactment of a nationwide rent regulation. In reality, the Model Tenancy Act merely serves as a guiding framework for States, and no centrally enforced home rent law has been enacted for the entire country as of date ■

THE EVOLUTION OF TRUMP TARIFF IN INDIA

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The diplomatic relations of India and USA has started in 1947 post Independence from colonial rule. Since then the trading relationship has evolved and India is one of the major trading partner of US. After Donald Trump came into power on 2017, the economic partnership turned into a transactional and conflict prone relationship. Prior to Trump's first term, US India trade relations were growing, even if they were marked by disputes over intellectual property, market access, and investment rules. India's average applied tariffs in the high teens in 2018 were considerably higher than those of the US, Japan or the EU, a fact Trump frequently invoked to justify "reciprocal" tariff action. Nonetheless, both sides viewed each other as long-term partners in supply chains, services, and strategic cooperation in the Indo-Pacific.

In March 2018, the United States used "national security" grounds under Section 232 of the Trade Expansion Act, 1962 to impose a 25% tariff on steel and a 10% tariff on aluminum imports from many countries, including India, covering roughly 2–3% of India's exports to the US. Indian steel exports to the US subsequently fell sharply, and New Delhi opened a WTO dispute while preparing retaliatory duties on a list of US products (DS547).

The US government later doubled those taxes to 50% on June 4 2025 with exemptions on handful of countries including UK. As one of the biggest exporters of aluminium goods to the US, India faced immediate consequences. India requested WTO consultations on May 18, 2018, claiming that US's 25% tariff on steel and 10% on aluminum violated the GATT 1994, Article X1X, and the agreement on Safeguards, as the measures functioned as unnotified safeguards despite the US'S justification on national security. When Washington withdrew India's benefits under the Generalized System of Preferences (GSP) in 2019, ending duty-free access for about USD 5.8 billion worth of Indian exports, this not only raised tariffs on affected Indian goods but also signaled a shift from strategic accommodation to transactional reciprocity in US–India trade.

India notified the WTO of its intention to impose additional duties on selected US products, initially signaling retaliatory coverage of over USD 10 billion before scaling the list down but at higher rates. The retaliatory tariffs, finally implemented in June 2019, targeted agricultural and industrial goods and were framed as a measured response consistent with WTO rules. In parallel, India pursued multiple WTO disputes involving US steel and aluminum measures and related renewable-energy and export measures, several of which were later resolved or de-escalated under the Biden administration. During President Joe Biden's term, some Trump-era tariffs were reviewed, and a number of WTO disputes between the US and India were settled creating an impression of gradual stabilization. However, the architecture of unilateral US tariffs and exemptions remained largely intact, meaning that Trump's basic tariff could be re-activated in a second term.

Fast forward President trump's tariff policy in 2025 has entered a new phase of aggressive expansion broadening the scope of targeted countries and products while intensifying rates under both national security and reciprocal frameworks. In his second term, trump has invoked multiple statutory authorities primary section 232 of the trade expansion act 1962 and the international emergency economic powers act to justify sweeping tariff increases, often linking them to national security concerns and retaliatory actions against the countries perceived as undermining U.S economic or strategic interests.

The increase in Section 232 tariffs on steel and aluminum was the biggest change in 2025. Trump increased these

tariffs to 25% in February, eliminating prior exemptions for allies like Canada and Mexico. In June 2025, the rate was doubled to 50% for almost all nations with the exception of the UK, which kept its 25% rate because of ongoing trade negotiations. With the addition of more than 400 new products in addition to raw metals. The administration's justification is the need to safeguard U.S. industrial capacity and vital supply chains, especially in view of global geopolitical risks and overcapacity in important sectors.

Beyond metals, Trump has imposed a 10% "base tariff" on all imports starting in April 2025, with higher "reciprocal tariffs" aimed at particular countries due to perceived unfair practices or trade imbalances. For instance, India has been threatened or imposed on countries purchasing Russian oil or engaging in trade with Iran, reflecting a broader use of tariffs as a geopolitical tool.

China continues to be major concern; in response to China's export restrictions on rare earth minerals, which are essential for cutting-edge technologies, trump announced an additional 100% tariff on Chinese goods in October 2025. In the midst of ongoing negotiations and sporadic trade truces, the administration has maintained some flexibility by extending exemptions for hundreds of Chinese goods until November 2026. These measures have generated substantial tariff revenue, which the administration has proposed using to fund potential income tax reductions or direct payments to citizen, although the legal and fiscal feasibility of these proposals remains under review. After a section 232 investigation into the national security risks associated with the united state's reliance on foreign sources was initiated in April 2025, the 2025 tariff regime was extended to include processed critical minerals and their derivatives. This increased the uncertainty surrounding international supply chains and trade flows by extending the scope of section 232 beyond traditional metals to include a greater variety of strategic materials.

In general, higher rates, broader product coverage, and a more assertive use of tariffs s a geopolitical and economic tool characteristics the 2025 tariff landscape. The administration's actions have drawn criticism for disrupting global trade, increasing costs for U.S consumers and businesses and straining relations with the key allies, while also generating significant revenue and political leverage for the U.S government.

Impact on India:

One of the most aggressive and significant trade measures the US has taken against a significant emerging economy is the trump administration's tariff policy towards India in 2025. Only a few industries, including pharmaceutical, electronics, and energy products, were exempt from the U.S's increasing tariffs on Indian exports, which began in August 2025 and eventually reached a cumulative rate of 50% on the majority of goods. The initial 25% "reciprocal" tariff, implemented on 1st August 2025, was followed by an additional 25% "penalty" tariff on 27 August 2025, explicitly tied to India's geopolitical choices and trade imbalance with the U.S .

A wide range of Indian exports, including textiles, jewellery, leather, marine products, chemicals, and furniture, all of which are essential to India's manufacturing and employment base have been subject to these tariffs. The cumulative effect is projected to reduce India's merchandise exports to the U.S. by 40-45% in the fiscal year 2025-26, with some labour intensive sectors facing potential export collapses of up to 70%.

Economic analyses estimate that the tariff could trim 0.3-0.5 percentage points GDP growth and result in export losses of USD 4-5 billion, with additional risks to the rupee and broader macroeconomic stability. The Indian response has been measured and strategic. Rather to retaliate with its own series of tariffs, the Indian government has emphasized diplomatic engagement, the diversification of trade partnerships, and support for affected MSMEs hence demonstrating a concern with long term resilience and strategic autonomy. The U.S administration has hinted that these moves may be reviewed should India decreases its reliance on Russian energy or agree to further trade concessions, as of late 2025, however, negotiations continue, and tariff regime remains in place.

This 2025 tariff crisis has strained U.S-India relations, once considered a key pillar of Indo-pacific cooperation, and accelerated Indian efforts to diversify its export markets and improve domestic manufacturing capacity. To Indian exporters, this new tariff regime symbolizes a far-reaching alteration in the competitive environment that they need to get accustomed to due to high costs, constrained market access, and uncertainty in transatlantic trade ■

HOT NEWS

DP WORLD LAUNCHES MAJOR OPERATIONS & INVESTMENT AT SYRIA'S TARTUS PORT

DP World has officially begun operations at Tartus Port in Syria following the award of a 30-year concession agreement, marking a significant strategic expansion for the global marine terminal operator. The company is investing in dredging works, modern cargo handling equipment, and digital infrastructure upgrades to transform the port into a competitive trade gateway in the Eastern Mediterranean region.

This development is expected to boost Syria's connectivity with global shipping networks, enhance cargo throughput, and create new opportunities for regional trade and logistics partnerships. DP World's investment also underscores the broader trend of major industry players targeting emerging ports and markets to diversify capacity and strengthen supply chain resilience.

For maritime and logistics stakeholders, the Tartus expansion highlights the importance of strategic port investments and public-private partnerships in shaping future trade corridors — a theme increasingly discussed across maritime governance and corporate strategy forums ■

Courtesy : www.themaritimestandard.com

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