

India's Residential Rental Housing

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Rental housing is an integral part of the housing tenure systems in cities, and is also integral to the stages of a migrant's upward mobility from squatter settlement to ownership housing. An examination of the residential rental housing situation in India during the last decades using data from the Census of India and the National Sample Surveys finds that more than one-tenth of the households in India lived in rented houses in 2011, of which almost four-fifths of the total households living in rented houses in India were in the urban sector. Moreover, while the issues of shelter deprivation of many households and the question of affordability of shelter remain, a new phenomenon of a sharp rise in the number of vacant houses during the last decade has added to the severity of the housing problem. It establishes the manifestation of rising inequality between those in need of housing and those in abundance.

Appendices 1 to 9 which are a part of this article can be viewed on the EPW website.

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A large number of people reside as tenants in India. This is more prominent in urban areas. Residential tenancy includes a contract between a landlord and a tenant that permits the tenant to occupy the former's residential premises. Low-income segments of society, including the unemployed, underemployed, working poor, the elderly and the disabled have been kept out of the ownership of residential housing mainly due to high costs of constructing or buying a house.

Renting a house is also a pragmatic and a deliberate choice for some households. The guiding reasons may range from choices of migration, mobility and flexibility in managing household finances. Rented dwellings accommodate people in transitory periods of their lives; people who may not want to make the long-term financial commitment. Such housing also allows people to send more remittances to their relatives (UN-Habitat and UNESCAP 2008). It facilitates housing options closer to the place of work, and hence, has the potential to improve productivity and promote entrepreneurship. Thus, rented housing not only offers a partial answer to the problem of housing, but also forms an alternate incremental option towards social housing (UN-Habitat 2003).

With such an understanding, this paper analyses the residential renting situation in India. Various facets like the existing market mechanisms, legislations and policies are discussed apart from an analysis of the emerging issues supported by empirical evidence using data from the Census of India (house-listing and housing data) and the National Sample Surveys (NSS) (housing condition rounds).

Review of Literature

Overview of Residential Rental Housing Market: The residential rental housing markets vary from city to city, as these are influenced by, and responded to, the local economic and political conditions and regulatory frameworks (UN-Habitat and UNESCAP 2008). While ownership has been encouraged, the rental sector has been neglected. In general, landlords assume an upper hand, exploiting poor and vulnerable tenants through exorbitantly high rents for crowded and substandard housing. As a result, evictions are common, and thus, renting is perceived to offer tenants little by way of security.

However, the above generalisation can be contested. While renting a house has the potential to create social problems, it can bring benefits as well. Housing tenants increase population densities, reducing urban sprawl and cutting some of the demand for expensive infrastructure in peri-urban areas. An adequate supply of reasonably priced rental accommodation is

also likely to reduce the temptation for poor families to mount land invasions or buy plots in illegal subdivisions. A higher incidence of renting is also likely to ease the organisation of public transport, given that more people are concentrated in a small area and most tenants choose to live near to bus or train routes (UN-Habitat 2004).

Landlords, tenants and investors develop and use rental housings in flexible and inventive ways, so as to satisfy needs and maximise their asset values. These factors make rental housing an integral part of well-functioning housing markets. It, thus, becomes an important task for policymakers to understand the intricacies of rented housing scenario (both formal and informal) and formulate effective, flexible policies to regulate and promote such housing (UN-Habitat and UNESCAP 2008).

The distribution of rental housing can be understood in terms of demand and supply. The demand-side of rental housing consists of three major segments, namely, permanent—households settled but unable to buy a house, transient—households/individuals migrating from other parts for the purpose of employment/education/others looking for temporary abode (migrants and students) and captive—households which live in tenements provided by the employer (governments, parastatals and corporates).

The supply-side consists of the following key participants, namely, individual landlords—unorganised individual landlords who provide rental housing to households and individuals, institutional landlords—large companies which provide organised rental housing to households and individuals, hostels/dormitories—large and small providers who offer shared stay primarily to individuals and corporate/captive housing—employers who provide housing to staff (MOHUPA 2013). Some important determinants of residential rental housing include the location of the house, income and affordability of the household, availability of socio-economic opportunities, mobility and migration, lack of access to affordable ownership housing, stage in life cycle of household, tenure of housing requirement, size, legal sanction condition and quality of the house and availability of amenities and services and their quality, and rent price among others (Mahadevia and Gogoi 2011).

In its Report on Policy and Interventions to Spur Growth of Rental Housing in India (2013), the Task Force on Rental Housing (TFRH) of the Ministry of Housing and Urban Poverty Alleviation (MOHUPA), noted various levers used to develop the business of rental housing. These were (i) incentive-related levers such as taxation and deductions (service tax, property tax, stamp duty, income tax, utility and service charges); (ii) subsidies and mandates (infrastructure status for residential rental housing and rental housing as an option for corporate social responsibility (CSR) for the captive housing); (iii) regulatory levers such as eviction policies and procedures, grievance redressal mechanisms; and (iv) market-related levers such as rent pricing; creation of enabling agencies like residential rental management companies (RRMCs), rent to ownership options, rental tribunals; and financial and implementation assistance (public-private partnership (PPP), foreign direct investment (FDI), rental real estate investment trust (R-REIT) and external commercial

borrowings (ECBs), securitisation, priority sector lending) (MOHUPA 2013).

Evaluation of Policy, Schemes and Rent Control Legislations:

The above discussion clearly reveals that the rental housing sector continues to remain relevant, especially with the rapidly growing population in India. However, it is unfortunate that governments over the years have done little to support the improvement of existing rental housing avenues or the expansion of affordable rental housing in new areas. There have also been no schemes to develop loan programmes to encourage such housing (UN-Habitat 2003, 2004; UN-Habitat and UNESCAP 2008; MOHUPA 2013), especially in a situation where large number of households depend on renting a house as against owning it.

However, as outlined by the TFRH, there are reasons for supply constraints in rental housing market as well as for the rental housing being of a low quality in general. These include, low rental yields and outdated tenant-friendly legislations. For example, the rent control acts that include eviction rules and legal contract issues deter landlords from renting out their property. In addition, with high risk of losing the property and the absence of intermediaries such as RRMCs deter large institutional players from entering the segment (MOHUPA 2013).

The Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and the Rajiv Awas Yojana (RAY) launched in 2005 and 2013 placed rental and transit housing as components of their schemes. Projects involving the creation of affordable housing stock, and rental housing having the provisions of civic infrastructure and services¹ on ownership, rental or rental-purchase basis were included under its admissible components. RAY also recognised that rental housing could be the preferred choice to accommodate tenants of slums, labourers, floating population and the urban homeless. It acknowledged that managing rental premises continues to be a challenge. The states and the union territories (UTs) needed to clearly enunciate mechanisms for managing such premises, including fixation of rent, operation and maintenance and vacancy norms.

It further pointed out that the state should endeavour to facilitate rental housing by creating conducive environment for creation of affordable rental housing stock for workers having own houses elsewhere or those who do not prefer to own a house or for those who cannot afford one. This was particularly necessary to aid and assist the workers belonging to vulnerable and economically weaker sections (EWS) of society with appropriate capital or interest subsidies. Further, it underscored the important role of the cooperative and private sectors in augmenting the housing stock on ownership and rental basis with the view to overcoming shortage of EWS/low-income group (LIG) housing units.

Notwithstanding the importance of rental housing, the details of projects involving dwelling units (DUs) for rental accommodation as sanctioned under RAY by MOHUPA were a mere 7,627 rental DUs in 20 cities and nine states.² Thus, it highlights the neglect and marginalisation of a significant area of action for the citizens, that is, rental housing by the government.

Under the Constitution of India, housing is a state subject, and hence, the enactment and enforcement of rent control laws become the responsibility of the states. Multiple rent control legislations make it difficult to have a generalised understanding of the influence of the rent control acts in the Indian housing market. The rental housing market in India works under two main types of legal rent agreements—lease (or rental) agreement and lease and licence agreement (Mahadevia and Gogoi 2011).

Lease (or rental) agreement is covered by the restrictive rent control laws. The amount of rent that can be charged is based on a formula devised by the local executive, legislative or judicial government, as the case maybe. For Delhi, the maximum annual rent is 10% of the cost of construction and the market price of the land, but the cost of construction and the price of land are both based on historical values and not the current market valuation. So the older the property, the lesser the rent. Rents can only be increased by a fraction of the actual cost the landlord has incurred in improving the property.

Meanwhile, the lease and licence agreement only grants the tenant a licence to occupy the property for a period of 11 months, with an option for a periodic renewal. Because the rent control laws (which are largely in favour of tenants) only apply for lease agreements of at least 12 months, establishing an 11-month agreement serves as a pre-emptive measure. Such lease agreements are renewed every 11 months whereby, they are not registered under the rental agreement and do not give tenants power to partly own the property.

With the onset of reforms, policy rhetoric of doing away with the Rent Control Act began and this is still being debated today. The JNNURM and now the RAY reforms have made one of the state level mandatory reforms in this context which is the amendment of the Rent Control Act, balancing the interest of landlords and tenants³ (Desai et al 2012). It has also provided with the Model Residential Tenancy Act 2011, by MoHUPA to assist states in amending their legislation. Since land is a state subject, MoHUPA has proposed only model legislation, and financial assistances are offered to states and urban local bodies (ULBs) under JNNURM and RAY.

There are two identified common threads running through almost all the Rent Control Acts and legislations in India. First, to protect the tenant from eviction from the houses where they are living except for defined reasons and on defined conditions, and second, to protect the tenant from having to pay more than a fair/standard rent. It puts a ceiling on the rents that could be charged to the tenants and also protects the tenants against eviction. But the rent control legislation then froze rents making even upkeep of such housing impossible for the unit owners. Subsequently, many rental housing deteriorated into slums also known as *chawls* and *chalis* in Mumbai and Ahmedabad, respectively (Desai et al 2012).

All over the world, several experiments have been done with rent deregulation. Some of them were successful, while others were not. Thus, the theoretical consensus on the harms of rent control has not translated into uniform and universal success of deregulation measures. There are other factors too like urban infrastructure, rural–urban migration, regulation

of land use and size of landholdings, etc, which go a long way in determining the structure of rental housing markets anywhere in the world. Thus, instead of vouching for complete deregulation of rents, India needs to reform its rent control laws first and bring them up to respectable standards.

Subsequently, the country needs to take a fresh look on its stance on deregulation and take measures based on solid empirical research and evidence, rather than following blindly the path taken by a few countries where deregulation has worked (Dev and Dey 2006). In India, besides the model rent legislation created by MoHUPA, other pieces of legislation can be explored for supporting the rental housing sector (Desai et al 2012).

On the rental side, there has been no explicit incentive or deliberate effort to grow the rental housing market on a pan India basis. In fact, successive Rent Control Acts, which were primarily intended to protect tenants from eviction and unfair increases in market rent, have only ended up shrinking all future investment in rental housing and in many cases, led to housing stock being withdrawn from the rental market. While there have been a few states, notably Maharashtra and Rajasthan, that have amended the rent control act and also introduced certain incentives towards rental housing, in most other states, the rent control act has failed to instil confidence in the rental housing industry resulting in low interest in increasing the penetration of the rental market as a viable alternative (MoHUPA 2013).

A critical analysis of JNNURM and status of reforms found that the repeal of the Urban Land (Ceiling and Regulation) Act (ULCRA), 1976 and amendments in the Rent Control Act have increased the housing stock, but is difficult to quantify. So far 13 states⁴ (Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Goa, Gujarat, Haryana, Jammu and Kashmir, Kerala, Maharashtra, Meghalaya, Puducherry and Punjab) have to make desired amendments in the Rent Control Act (Kundu 2014).

The TFRH strongly advocated that, given the propensity and ability of commercial interest groups to inhibit rental reforms, there should be a bifurcation of rent control laws into commercial and residential so that there is greater focus and lesser resistance to residential rental reforms. There has to be a bifurcation between the rent control laws for applicable commercial properties and residential properties. The commercial interest group which inhibits rental reforms for commercial spaces may not operate for residential rentals. Towards this, a separate law referred as the Residential Rental Housing Act should be created that specifically focuses on the housing segment. The Model Residential Tenancy Act 2011 provides a good starting point for the same. By doing this, it should make it easier for the government to implement reforms as long as the focus is limited to residential. The TFRH has also outlined a number of policies, legal, procedural, financial and other recommendations, for the growth of rental housing in India.

The government's recent initiatives for urban India which focus on "Affordable Housing for All by 2022"—the Pradhan Mantri Awas Yojana, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and the Smart Cities Mission—

acknowledge the importance of rental housing as an option for housing that needed to be acted upon and implemented. Also, the new government is coming up with the Model Tenancy Act, 2015 for states to adopt for which it has also released draft copy, and also released the draft National Urban Rental Housing Policy (NURHP), 2015 for consultations with the state governments and other stakeholders to roll out a new “Rental Housing Policy” soon (MoHUPA 2015).

Emerging Issues: Amidst the prevailing paradigm of providing ownership housing to all, as detailed above, rental housing as an affordable and accessible housing option, especially for the poor, cannot be underestimated (Infrastructure Development Finance Company 2012). However, a broad neglect of rental housing market by the governments in India has left the tenants extremely vulnerable, most of whom face the brunt of the whims of the landlords. This is dire in case of poor migrants for whom rental housing offers an important option, particularly in informal (squatter and quasi-legal) settlements (Naik 2015). Ignoring rental housing in policy has simply deepened the inadequate quality of housing and basic services for urban poor tenants, making them more vulnerable. Policies that appropriately support the rental housing sector could address these issues (Desai et al 2012).

Also, there are several social issues associated with rental housing. Some of these are: exclusion of the low-income population due to rising rent prices and their consequent settlement in slums and informal spaces having numerous problems, especially in accessing basic amenities like clean drinking water, sanitation and hygiene, electricity and others (Kumar 2015b). Besides, the broker–landlord–tenant relationship is not always smooth. The brokers with the sheer greed for their commission, often dupe the prospective tenants with false or half information about the house to be rented. The landlords on the other hand, mostly live away from the houses they have left for rental use, and hence, are only concerned with their monthly rent from the tenants. As a result, in case of any problem in the rented house that the tenants eventually face, is left to them to solve. Problems mostly occur in the area of size and space, drainage, water supply, electricity supply, defective meters and dilapidated condition of the house. The condition worsens over security issues, especially when the tenants are only women, with cases of molestation and harassment being on the rise. There are no policies to check against the excesses of broker–landlord nexus.

Further, the prejudice of the landlords against particular strata of the society is acting as a major hindrance in creating social cohesion and peace. For instance, a recent study noted that house owner prejudices lead to denial of housing for both Dalits and Muslims, where the latter experience a much greater discrimination (Thorat et al 2015). The study also found that Dalits and Muslims who manage to get homes on rent have to do so by agreeing to unfair terms and conditions. The TFRH has noted that the focus of Rental Housing Act must be on creation of affordable rental housing, with an emphasis on those properties where the area is less than 60 sq m (653 square feet) of

carpet area. The area could be indexed depending on the city size and subject to a maximum of 60 sq m in the smallest size city and progressively reduced for big cities.

Empirical Evidence

This paper uses data from two sources, namely, the Census of India (houselisting and housing data) and the NSS (housing condition rounds).

It needs to be noted that there are distinctions in definition pertaining to the data for residential rental households as used from these two sources. As discussed before, the various types of households living in rental houses are permanent, transient (migrants and students) and captive. In transient and captive rental housing, many households/individuals fall under the definition of institutional households, and hence, not taken for analysis here due to constraints of information as provided by census and NSS. Therefore, the analysis has been done over household (residential) level information excluding the institutional households. However, the analysis of institutional households will add to more clarity to the full dynamics of rental housing industry.

Residential Rental Housing—Magnitude and Trends: According to the Census of India, in 2011, there were 246.7 million households (except institutional⁵ households) in India, out of which 213.6 million households lived in owned⁶ houses (86.6%), 27.4 million households lived in rented⁷ houses (11.1%) and 5.8 million households lived in any other⁸ houses (2.4%) (Table 1).

Table 1: Levels of and Changes in the Ownership Status of the Households in India, 2001 and 2011

	2001		2011		2001–11 (Changes)	
	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportion of HHs in 2001 (in %)
Total (rural and urban)						
Owned	166.4	86.7	213.6	86.6	47.2	28.4
Rented	20.2	10.5	27.4	11.1	7.1	35.3
Any other	5.4	2.8	5.8	2.4	0.4	7.8
Total	192	100	246.7	100	54.8	28.5
Rural						
Owned	130.5	94.4	159	94.7	28.5	21.9
Rented	4.9	3.6	5.6	3.4	0.7	14.9
Any other	2.9	2.1	3.2	1.9	0.3	11.6
Total	138.3	100	167.9	100	29.6	21.4
Urban						
Owned	35.9	66.8	54.5	69.2	18.7	52.1
Rented	15.3	28.5	21.7	27.5	6.4	41.8
Any other	2.5	4.7	2.6	3.3	0.1	3.5
Total	53.7	100	78.9	100	25.2	46.9

Source: Author's calculation using tables on houses, household amenities and assets, house-listing and housing data, Census of India, 2001 and 2011.

In 2011, total number of households in rural and urban areas were 167.9 million (68% of total) and 78.9 million (32% of total), respectively. In rural sector, 159 million (94.7%), 5.6 million (3.4%) and 3.2 million (1.9%) households lived in owned, rented and any other houses, respectively. However, in urban sector, 54.5 million (69.2%), 21.7 million (27.5%) and 2.6 million (3.3%) households lived in owned, rented and any other houses, respectively.

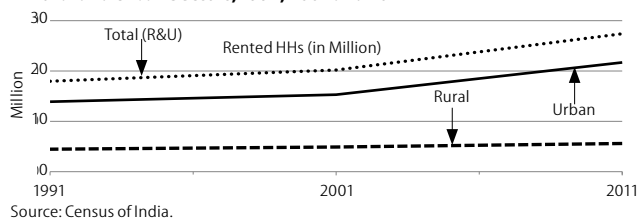
The number of households increased by 54.8 million (28.5%) from 192 million in 2001 to 246.7 million in 2011 in India. Households living in owned, rented and any other houses increased by 47.2 million (28.4%), 7.1 million (35.3%) and 0.4 million (7.8%), respectively between 2001 and 2011.

The number of households in rural and urban sectors increased by 29.6 million (21.4%) and 25.2 million (46.9%), respectively, between 2001 and 2011. The number of rural households living in owned, rented and any other houses increased by 28.5 million (21.9%), 0.7 million (14.9%) and 0.3 million (11.6%), respectively, between 2001 and 2011. Whereas, the number of urban households living in owned, rented and any other houses increased by 18.7 million (52.1%), 6.4 million (41.8%) and 0.1 million (3.5%), respectively, between 2001 and 2011.

More than one-tenth (11.1%) of the households in India lived in rented houses in 2011, and, in this respect, there was a heavy bias towards the urban sector. Almost four-fifths of the total households living in rented houses in India (27.4 million) were in urban sector (21.7 million). Overall, the proportion of households living in rented houses was 3.4% and 27.5% in rural and urban sectors, respectively.

The number of households living in rented houses in India increased by 7.1 million (35.3%), from 20.2 million in 2001 to 27.4 million in 2011. The rate of growth in the number of rented households was higher than that of the growth rate of total number of households (28.5%) in India. Also, the pace of increase in the number of households living in rented houses witnessed a sharp increase during 2001–11, as compared to 1991–2001 (Figure 1).

Figure 1: Number of Households Living in Rented Houses in India and in Rural and Urban Sectors, 1991, 2001 and 2011



Source: Census of India.

Out of the rise of 7.1 million in the number of households living in rented houses in India, between 2001 and 2011, the contributions from rural and urban sectors were 0.7 million (rose at the rate of 14.9%) and 6.4 million (rose at the rate of 41.8%), respectively, suggesting that almost 90% of the increase was contributed by the urban sector.

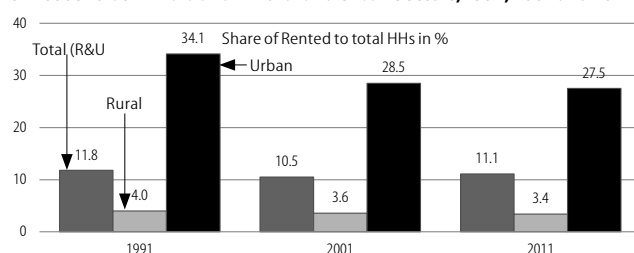
However, the proportion of the households living in rented houses, out of the total households in India, rose marginally from 10.5% in 2001 to 11.1% in 2011. This was largely seen as an outcome of the higher rate of increase in the number of households living in rented houses as compared to the total number of households and the number of households living in owned houses, while there was also a very slow rate of increase in the households living in any other houses.

The higher rate of growth of the number of households living in rented houses in urban areas (in levels and changes both) has contributed to the higher rate of growth of such households in aggregate (total), resulting in a marginal rise in their share out of total households in India during 2011 as compared with 2001.

The proportions of the households living in rented houses, out of the total number of households, in both rural and urban sectors, witnessed a marginal decline from 2001 to 2011 due to lower rates of growth in the number of households living in rented houses than that of the households living in owned houses. This trend of declining rental housing has also been highlighted by various scholars in earlier literature as well (Gandhi et al 2014) (Figure 2). Nevertheless, the rates of growth of the number of households living in rented houses were significantly high in both rural and urban sectors and were only marginally lower than those of the households living in owned houses in both rural and urban sectors.

In urban sector, the increase in the number of total households and of the households living in rented houses, between

Figure 2: Share of Households Living in Rented Houses in the Total Number of Households in India and in Rural and Urban Sectors, 1991, 2001 and 2011



Source: Census of India.

2001 and 2011, was 25.2 million and 6.4 million, respectively, implying that more than a quarter of the addition to the total number of urban households were the households living in rented houses.

Residential Rental Housing—Nature and Characteristics:

According to the NSS data of 2012, 82% and 71% of the households living in hired houses had no written contract in rural and urban sectors, respectively, implying the widely prevalent informal nature of the residential rental housing (Appendices 1 and 2, available on the EPW website).

The mean total floor areas of the dwelling unit were found to be 431 sq ft and 422 sq ft for rural and urban households, respectively as per the NSS 2012. However, the mean total floor areas (of the DU) per person were found to be 107 sq ft and 124 sq ft for rural and urban households, respectively. Households living in houses with freehold owned, hired as employer quarter and with written contracts were having substantially higher mean total floor areas of the DU and mean total floor areas per person than that of leasehold owned, hired without written contracts and others (Appendix 5, available on the EPW website).

Data from the census also suggests that households living in rented houses had smaller household size and less number of dwelling rooms than the households living in owned houses both in rural and urban sectors (Appendices 3 and 4, available on the EPW website). Also, the levels of access to basic amenities were found to be more tilted towards owned households. However, condition of the house, availability of basic amenities and services along with their quality also act as a determinant for the rental housing market and its rent price.

Residential Rental Housing among Various Economic Categories—Consumption Expenditure Classes: Data from the NSS, 2012, demonstrates that the proportion of households living in hired houses out of the total number of households, rises as we move from bottom to top MPCE quintile categories in both rural and urban sectors (Table 2 and Appendix 6, available on the EPW website).

Table 2: Tenurial Status of the Dwellings of Households by Economic Category—MPCE Quintiles in Rural and Urban India, 2012 (%)

CEC	0-20	20-40	40-60	60-80	80-100	Total
Rural						
Owned						
Freehold	95.4	95.3	94.9	92.1	85.8	92.6
Leasehold	0.6	0.6	0.5	0.9	0.7	0.6
Sub-total owned	96	95.9	95.3	93	86.5	93.3
Hired						
Employer quarter	0.4	0.2	0.5	0.4	1.4	0.6
Written contract	0	0.1	0.1	0.6	0.7	0.3
Without written contract	1.8	2.1	2.3	4.6	10.1	4.2
Sub-total hired	2.2	2.4	2.9	5.5	12.2	5.1
No dwelling	0.1	0	0	0	0	0
Others	1.8	1.8	1.8	1.5	1.3	1.6
Total	100	100	100	100	100	100
Urban						
Owned						
Freehold	70.7	66.6	61.0	54.3	54.7	59.6
Leasehold	2.3	1.7	1.6	1.6	1.1	1.5
Sub-total owned	73	68.3	62.5	55.9	55.8	61.2
Hired						
Employer quarter	1.8	1.8	3.0	5.5	5.1	3.8
Written contract	0.4	1.6	3.9	7.0	14.9	6.4
Without written contract	16.2	21.6	27.0	29.6	23.7	25.2
Sub-total hired	18.4	25.0	33.9	42.0	43.7	35.4
No dwelling	0	0	0	0	0	0
Others	8.7	6.7	3.6	2.1	0.5	3.4
Total	100	100	100	100	100	100

MPCE: Monthly Per Capita Expenditure. Consumption Expenditure Classes (CEC) Quintiles are in percentages.

Source: Author's calculations using NSS housing condition round unit record data, 2012.

This reveals that rental housing market is accessible to and affordable for mostly those households who are high on the economic ladder, especially in urban sector. Therefore, it raises serious concerns for the EWS towards the opportunity of economic mobility provided by rental housing, along with the issue of exclusionary urbanisation.

Residential Rental Housing—Pattern across States and Size Classes of Towns/Cities: The share of households living in rented houses out of the total number of households was found to be substantially more in UTs, in developed and urbanised states, such as Delhi, Gujarat, Maharashtra, Andhra Pradesh, Karnataka, Goa and Tamil Nadu, and in some north-eastern and hilly states, according to the census data from 2011. The rate of increase of rented households was also found to be high among such states and UTs between 2001 and 2011 (Appendices 7, 8 and 9, available on the EPW website).

As discussed before, there is a clear bias towards urban sector, both in magnitude and share in the data on the number of households living in rented houses. The data from the NSS, during 2008–09, further shows that such bias also exists towards larger towns/cities in the urban spaces. The proportion of households living in rented houses, out of the total number of households, in urban sector, was 35.1%, and that across size

classes of towns/cities was 28.1%, 36.1% and 39.8% for small, medium and large towns/cities, respectively (Table 3).

Table 3: Tenurial Status of the Dwellings of Households across Size Classes of Towns/Cities, 2008–09 (%)

Urban	Small Towns	Medium Towns	Large Towns	Total
Owned				
Freehold	68.2	58.7	55	60.1
Leasehold	0.7	1.3	2.8	1.5
Sub-total owned	68.9	60	57.7	61.6
Hired				
Employer quarter	5.3	4.4	4.7	4.7
Written contract	3.9	4.3	7.3	5
Without written contract	19	27.4	27.8	25.5
Sub-total hired	28.1	36.1	39.8	35.1
No dwelling	0	0	0	0
Others	3	3.8	2.5	3.3
Total	100	100	100	100

Small towns—with population less than 50,000, medium towns—with population more than 50,000 and less than one million, and large towns—with population more than one million. Source: Author's calculations using the NSS housing condition round unit record data for various years.

Residential Rental Housing—Rent Price: Data from the NSS also reports on monthly rents⁹ paid by the households living in rented houses. The mean monthly rent paid by the households living in rented houses was ₹886 and ₹1,919 in rural and urban sectors respectively, during 2012 (Table 4). There has been a substantial increase in the mean monthly rent (nominal) from 2008–09 to 2012. The annual growth rate of the mean monthly rent (nominal) paid by the households living in rented houses was 13.4% and 14.2% for rural and urban sectors, respectively.

Table 4: Monthly Rent Paid by the Households Living in Rented/Hired Houses, by Economic Category—MPCE Quintiles, in Rural and Urban India, 2008–09 and 2012 (₹)

CEC	2008–09		2012				2008–09—2012	
	Mean	Std Dev	Mean	Std Dev	Min	Max	Overall (%)	Annual Compounded (%)
Rural								
0–20	259	224	231	374	0	3,000	-10.5	-2.9
20–40	280	239	333	364	0	2,500	18.7	4.7
40–60	379	308	468	443	0	2,750	23.5	5.8
60–80	475	384	642	597	0	5,000	35.2	8.4
80–100	720	699	1,260	1,418	0	15,000	75.0	16.1
Total	554	575	886	1,149	0	15,000	60.0	13.4
Urban								
0–20	461	471	530	465	0	4,500	15.0	3.8
20–40	608	464	890	708	0	5,000	46.3	10.7
40–60	825	616	1,274	1,016	0	8,500	54.4	12.3
60–80	997	854	1,789	1,555	0	17,000	79.4	16.9
80–100	1,897	2,022	3,374	3,617	0	35,000	77.9	16.6
Total	1,168	1,403	1,919	2,347	0	35,000	64.4	14.2

Source: As in Table 2.

The mean monthly rents (nominal) and their annual growth rates were also seen to be increasing, as we moved from bottom to top MPCE quintile categories, in both rural and urban sectors.

In the urban sector, during 2008–09, it was also found that the mean monthly rent was substantially higher in large towns/cities, as compared to those in medium and small towns/cities (Table 5).

A more standardised measure for capturing

Table 5: Monthly Rent Paid by the Households Living in Rented Houses, Across Size, Class of Towns/Cities, 2008–09 (₹)

Urban	Mean	Std Dev	Mean/ Std Dev	Sq ft
Small towns	801	780	3.17	2.93
Medium towns	1,103	1,200	4.21	3.48
Large towns	1,524	1,888	6.16	5.81
Total	1,168	1,403	4.58	4.36

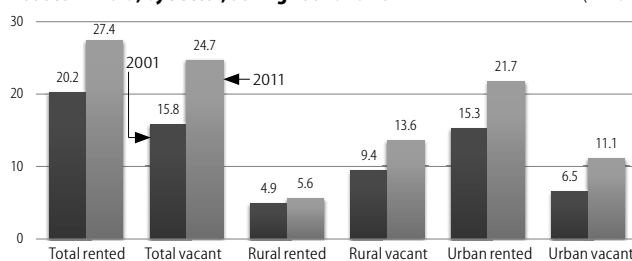
Source: As in Table 3.

rent price is mean monthly rent per square feet floor area (irrespective of the material of the floor type in the house), which was also seen to have similar pattern across various class sizes of cities and elucidates that city location is an important determinant of the rent price.

Residential Rental Housing and Vacant Houses

There were 24.7 million vacant census houses (7.5% of the total census houses) in India, in 2011, out of which 13.6 million (6.2% of the total rural census houses) and 11.1 million (10.1% of the total urban census houses) were in rural and urban sector, respectively (Table 6). The share of vacant census houses out of the total number of census houses increased marginally from 2001 (6.3%) to 2011 (7.5%) in India, and also in both rural and urban sectors. The number of vacant census houses increased by 8.9 million (56%), from 15.8 million in

Figure 3: Number of Households Living in Rented Houses and Vacant Census Houses in India, by Sector, during 2001 and 2011 (million)



Source: Census of India for respective years.

occupied locked census houses in India, in 2011, of which 0.6 million and 0.7 million were in rural and urban sectors, respectively.

Overall, the number of households living in rented houses and vacant census houses in India were 27.4 million and 24.7 million, respectively, in 2011 (Figure 3).

In rural sector, the number of households living in rented houses (5.6 million) was far less than the number of vacant census houses (13.6 million), whereas, in urban sector, the number of households living in rented houses (21.7 million) was almost double the number of vacant census houses (11.1 million). The growth rate of the number of vacant census houses (56%) was higher than that of the number of households living in rented houses (35.3%) in India, from 2001 to 2011, with similar patterns across both rural and urban sectors.

Conclusions

The above discussions make it clear that rental housing fulfils a basic human need for shelter for a vast number of households in India. The review of literature further elucidated that rental housing is an integral part of the housing tenure systems in the city, and is also integral to the stages of a migrant's upward mobility from squatter settlement to ownership housing. Rental housing is a persistent

feature in all informal and slum settlements across the world, and also exists in more proportions in developed countries and their cities (Sen 2015; Joint Center for Housing Studies of Harvard University 2013). Therefore, this paper argues for an urgent policy action on rental housing in India, in order to garner people's faith in the working of good governance.

This paper has dealt with an examination of the residential rental housing situation in India during last decades using data from the Census of India (houselisting and housing data) and the NSS (housing condition rounds). Major findings suggest that more than one-tenth of the households in India lived in rented houses in 2011, of which almost four-fifths of the total households living in rented houses in

Table 6: Levels of and Changes in the Number of Census Houses and Households in India, 2001 and 2011

	2001		2011		2001-11 (Changes)		
	Numbers (Millions)	(in %)	Numbers (Millions)	(in %)	Numbers (Millions)	As Proportion from Levels in 2001 (in %)	(in %)
Total (R&U)							
Census houses	249.1	100	330.8	100	81.7	32.8	100
Vacant census houses	15.8	6.3	24.7	7.5	8.9	56	10.8
Occupied census houses	233.3	93.7	306.2	92.5	72.9	31.2	89.2
Occupied census houses used as Residence and residence-cum-other use	187.2		244.6		57.5	30.7	
Households	192		246.7		54.7	28.5	
Rural							
Census houses	177.5	100	220.7	100	43.2	24.3	100
Vacant census houses	9.4	5.3	13.6	6.2	4.2	45.1	9.8
Occupied census houses	168.2	94.7	207.1	93.8	38.9	23.2	90.2
Occupied census houses used as Residence and residence-cum-other use	135.1		166.2		31.1	23	
Households	138.3		167.8		29.6	21.4	
Urban							
Census houses	71.6	100	110.1	100	38.6	53.9	100
Vacant census houses	6.5	9	11.1	10.1	4.6	71.9	12
Occupied census houses	65.1	91	99	89.9	33.9	52.1	88
Occupied census houses used as Residence and residence-cum-other use	52.1		78.5		26.4	50.8	
Households	53.7		78.9		25.2	46.9	

Source: Same as Table 1.

2001 to 24.7 million in 2011. The decadal increase in the number of such houses was 45.1% and 71.9% in rural and urban sectors, respectively.

The decadal growth rate of the number of vacant census houses (56%) was much higher than that of the number of census houses (32.8%) and households (28.5%) in India, and also in both rural and urban sectors. However, information on the characteristics of these vacant houses, such as size, physical condition, use, tenure, reasons for non-occupancy, and so on, was not available. Nonetheless, these vacant houses are physically unutilised and could be used to meet a large part of housing needs (MOHUPA 2012; Kumar 2014, 2015a). Apart from the vacant census houses, there were 1.3 million

India (27.4 million) was in urban sector, thus, reflecting an urban bias. Overall, the proportion of households living in rented houses was 3.4% and 27.5% in rural and urban sectors, respectively.

The rate of growth in the number of rented households (35.3%) was higher than that of the growth rate of total number of households (28.5%) in India. Also, the pace of increase in the number of households living in rented houses witnessed a sharp increase during 2001–11, as compared to 1991–01. Out of the rise of 7.1 million in the number of households living in rented houses in India, between 2001 and 2011, almost 90% of the increase was contributed by the urban sector. The increase in the number of total households and of the households living in rented houses in urban sector between 2001 and 2011, imply that more than a quarter of the addition to the total number of urban households were the households living in rented houses. Majority of the rented households were found to be having informal legal and written contracts.

The share of households living in rented houses out of the total number of households was substantially more in UTs, in developed and urbanised states and also towards larger towns/cities. Across economic categories, the share of rented households was found to be higher towards the top MPCE quintiles, especially in urban sector.

Data analysis revealed that there has been a substantial increase in the mean monthly rent (nominal) from 2008–09 to 2012 for both rural and urban sectors. The mean monthly rents (nominal) and their annual growth rates were also seen to be increasing, as one moved from the bottom to top MPCE quintile categories, in both rural and urban sectors. It was also found that the mean monthly rent was substantially higher in large towns/cities, as compared to those in medium and small towns.

Overall, the number of households living in rented houses and the number of vacant census houses in India were 27.4 million and 24.7 million, respectively in 2011. The growth rate of the number of vacant census houses (56%) was higher than that of the number of households living in rented houses (35.3%) in India, from 2001 to 2011, with similar patterns across both rural and urban sectors.

While the issues of shelter deprivation of many households and the question of affordability of shelter remain, this new phenomenon of a sharp rise in the number of vacant houses during the last decade has added to the severity of the housing problem and showcases the manifestation of rising inequality between those in housing need and those in abundance. It is, therefore, recommended that additional measures by the state (principally by local governments) like taxation or incentive policies need to be promoted so as to bring these vacant and locked houses into the housing market that would not only create a supply in the residential rental housing, but also keep the rent prices in check. Such steps will assist in easing the housing situation in general, particularly for the EWS, and facilitate the promotion of efficient and judicious use of the country's limited resources (given the high gestation period in housing supply).

In order to address the vulnerable position of the tenants, especially in informal settlements, policies that appropriately support the rental housing sector becomes important and necessary (Desai et al 2012). The Habitat Agenda of the United Nations has also called for the security of tenure for tenants and noted that an appropriate level of security for both tenants and owners is, in fact, an essential requirement for the progressive realisation of the right to adequate housing (UN-Habitat 2003; OHCHR and UN-Habitat 2009).

Given the advantages of rental housing, the TFRH concludes that the focus on rental housing is a vital ingredient for a successful growth and development story. Hence, it becomes important for the policymakers to ensure the people of the country with decent shelters on an urgent basis and move towards fulfilment of one of the Millennium Development Goals. Availability of affordable rental housing would not only provide people with greater mobility, but would also offer them better educational and economic opportunities, to improve their economic situation and contribute to their communities.

An evaluation of rent control legislations in India reveals that the Residential Rental Housing Act as suggested by TFRH (focusing on the housing segment and affordable rental housing) and the Model Residential Tenancy Acts by the MOHUPA are important improvements in laws relating to rental housing. These would enable the government to implement reforms in residential rental housing in a much focused manner. However, as the implementation of these improvements largely remains unfulfilled in most of the states in the country, appropriate action is needed on an urgent basis.

Keeping in view of the various supply-side constraints, the TFRH has recommended levers that can be used to grow the business of rental housing such as residential rental management companies, R-real estate investment trust, and so on, keeping in view of demand- and supply-side of the rental housing industry.

A study of the steps taken for the growth of rental housing policy under the JNNURM and RAY suggested that the physical progress of rental housing has been very minimal; thereby highlighting the neglect and marginalisation of a significant area of action for the citizens, that is, rental housing by the government. The new government's recent initiatives for urban areas acknowledge the importance of rental housing as an option for housing (also the draft NURHP 2015) that is needed to be acted upon and implemented.

The study also illustrates that that the demand for rental housing will continue to be growing in future. Therefore, to have an inclusive and equitable social housing, the rental housing sector requires a major public thrust and attention apart from effective contribution from other stakeholders. The states, urban and local self-governments have an important function to perform in this regard, and can contribute towards the goals of fostering "smart" cities and villages in the country. The above arguments also suggest that policies relating to fair and affordable rental housing are extremely important, as they have an enduring capacity to provide innumerable opportunities and also strengthen communities.

India needs to be extensively explored further in order to meet the shelter needs of the homeless. The government must work to ensure there is sufficient rental and housing stock so as to meet the diverse needs of all families in the country, and

should maintain and use real time data, especially at micro level for the same. Developing sustainable social rental housing is possibly the most effective and efficient way towards the formulation of a more inclusive and balanced housing policy.

NOTES

- The size of rental dwelling units (DUs) is expected to be between 16 sq m and 20 sq m with shared civic infrastructure. However, rental DUs with size 21–27 sq m can also be proposed in exceptional cases (Rajiv Awasthiana, Scheme Guidelines, 2013–22: p 9; available at: cea.nic.in.)
- www.mhupa.gov.in/w_new/rental_15_1_2014.pdf, viewed on 15 January 2014, pdf.
- This proposed legislation states that the “rent of a housing unit should be fixed by mutual agreement between the landlord and the tenant for a stipulated lease period prior to which, the tenant will not be allowed to be evicted and after the expiry of the said lease period, the tenant will not be permitted to continue in the said housing unit.”
- Rent control reform is not applicable in Odisha, Manipur and Nagaland.
- A group of unrelated persons who live in an institution and take their meals from a common kitchen is called an institutional household. Examples of institutional households are boarding houses, messes, hostels, hotels, rescue homes, jails, ashrams, orphanages, etc.
- If a household is occupying the census house owned by itself and is not making payments in the form of rent to anyone, then the household may be considered as living in owned house. A household living in a flat or a house taken on “ownership” basis on payment of instalments, should also be regarded as owning the house, notwithstanding the fact that, all the instalments have not been paid.
- A housing unit is rented, if rent is paid or contracted for by the household in cash or even in kind. In a few cases, it may also be possible that the householder has actually taken the house on rent but not paying the rent on account of dispute with the owner or for some other reason. In this situation too, the householder would be treated as living in a rented house. Rented accommodation provided by the employer, like government quarters, will also be considered as rented.
- If the household lives in a house which is neither Owned nor Rented, it may be Any Other. This will include the cases where rent free accommodation is provided to employees by their employers or where the ownership either of the land or of the structure does not belong to the household, that is, houses constructed on encroached land in unregularised slums or anywhere else. Also, the households living in unauthorised manner in abandoned buildings, buildings under construction and buildings identified for demolition for which they have not to pay any rent and the households living in caves and similar natural shelters are also covered under this category.
- Monthly rent (payable approach): The actual amount (in whole number of rupees) payable per month by the household. If the household has paid some amount initially which is adjusted in the monthly rent, the amount adjusted in each month shall also be included in the monthly rent. If the household is residing in employer’s quarters, the amount deducted from the salary of the household member to whom the quarter is allotted along with the house rent allowance the person might have

received if he/she had not been provided the accommodation, will be the rent of the dwelling unit. Rent does not include any *salami/pu-gree* or any kind of cess payable to local bodies or government or monthly maintenance charges payable to the cooperative society, etc. If a household is residing in rent-free dwelling in his relative’s house, this will be considered as “hired” accommodation and zero (0) rent is to be recorded in this item.

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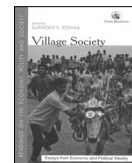
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Appendix 1: Tenurial Status of Dwelling of the Households in Rural India, 1993, 2002, 2008–09 and 2012

Rural		1993		2002		2008–09		2012	
		Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)
Owned	Freehold					149.6	94.6	161.2	92.6
	Leasehold					0.7	0.4	1.1	0.6
	Sub-total owned	107.6	93.2	136.3	92.1	150.3	95.0	162.3	93.3
Hired	Employer quarter	1.2	1.1	1.6	1.1	1.0	0.6	1.0	0.6
	Written contract	3.5	3.0	4.9	3.3	0.3	0.2	0.5	0.3
	Without written contract					4.0	2.5	7.3	4.2
	Sub-total hired	4.7	4.1	6.5	4.4	5.3	3.4	8.9	5.1
No dwelling	0.4	0.3	0.1	0.1	0.0	0.0	0.1	0.0	
Others	2.7	2.4	5.1	3.5	2.5	1.6	2.8	1.6	
Total	115.4	100.0	148.1	100	158.2	100.0	174.0	100.0	

Source: Author's calculations using NSS housing condition round unit record data for various years.

Appendix 2: Tenurial Status of Dwelling of the Households in Urban India, 1993, 2002, 2008–09 and 2012

Urban		1993		2002		2008–09		2012	
		Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)
Owned	Freehold					39.9	60	48	59.6
	Leasehold					1	1.5	1.2	1.5
	Sub-total owned	23.9	58.5	35.0	59.9	40.9	61.6	49.2	61.1
Hired	Employer quarter	3.1	7.6	3.4	5.8	3.1	4.7	3.1	3.8
	Written contract	11.2	27.4	16.9	29.0	3.3	5	5.2	6.4
	Without written contract					16.9	25.4	20.3	25.2
	Sub-total hired	14.3	35.1	20.3	34.7	23.3	35.1	28.5	35.4
No dwelling	0.1	0.3	0.1	0.1	0	0	0	0	
Others	2.5	6.2	3.1	5.3	2.2	3.3	2.8	3.4	
Total	40.8	100.0	58.5	100	66.5	100	80.5	100	

Source: As in Appendix 1.

Appendix 3: Household Size among Total and Rented Households in India, 2001 and 2011

	2001				2011			
	Total Households		Rented Households		Total Households		Rented Households	
	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)
Total (R&U)								
1	6.8	3.6	1.3	6.4	9	3.7	1.5	5.6
2	15.7	8.2	2.4	11.7	24	9.7	3.5	12.6
3	21.3	11.1	3.4	16.8	33.7	13.6	5.5	20
4	36.5	19	5.3	26.1	56	22.7	8.2	29.9
5	35.9	18.7	3.7	18.2	46.3	18.8	4.5	16.4
6–8	54	28.1	3.4	16.8	61.4	24.9	3.7	13.4
9+	21.8	11.3	0.8	3.9	16.4	6.6	0.6	2.1
All HHs	192	100	20.2	100	246.7	100	27.4	100
Rural								
1	4.8	3.5	0.4	9	6.2	3.7	0.4	7.3
2	11.3	8.2	0.6	12.6	16.5	9.8	0.7	13.3
3	14.4	10.4	0.8	16.5	21.1	12.6	1.1	18.7
4	24.5	17.7	1.3	25.5	35.2	21	1.6	29.2
5	25.6	18.5	0.9	17.8	31.7	18.9	0.9	16.2
6–8	40.9	29.6	0.8	15.3	45.2	26.9	0.8	13.3
9+	16.8	12.2	0.2	3.2	12.1	7.2	0.1	2.1
All HHs	138.3	100	4.9	100	167.9	100	5.6	100
Urban								
1	2	3.7	0.9	5.6	2.8	3.6	1.1	5.1
2	4.4	8.2	1.7	11.4	7.5	9.5	2.7	12.5
3	6.8	12.7	2.6	17	12.6	15.9	4.4	20.3
4	12	22.4	4	26.3	20.8	26.4	6.5	30.1
5	10.3	19.2	2.8	18.3	14.6	18.5	3.6	16.5
6–8	13.1	24.4	2.6	17.3	16.3	20.6	2.9	13.4
9+	5	9.3	0.6	4.1	4.3	5.4	0.5	2.1
All HHs	53.7	100	15.3	100	78.9	100	21.7	100

Source: Author's calculation using tables on houses, household amenities and assets, houselisting and housing data, Census of India, 2001 and 2011.

Appendix 4: Households Having Number of Dwelling Rooms among Total and Rented Households in India, 2001 and 2011

	2001				2011			
	Total Households		Rented Households		Total Households		Rented Households	
	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)	Numbers (Millions)	As Proportions of HHs (in %)
Total (R&U)								
No exclusive room	6	3.1	0.6	3.1	9.6	3.9	1.2	4.6
One room	73.9	38.5	9.6	47.2	91.5	37.1	12.4	45.3
Two rooms	57.6	30	6.2	30.5	78.1	31.7	8.6	31.4
Three rooms	27.5	14.3	2.6	12.9	35.8	14.5	3.6	13.3
Four rooms	14.4	7.5	0.8	4.0	18.4	7.5	1.1	3.9
Five rooms	5.6	2.9	0.2	1.1	6.4	2.6	0.2	0.9
Six rooms and above	7.1	3.7	0.2	1.1	6.9	2.8	0.2	0.6
Total number of HHs	192	100	20.2	100	246.7	100	27.4	100
Rural								
No exclusive room	4.7	3.4	0.2	4.3	7.2	4.3	0.3	6.0
One room	55	39.8	2.4	48.1	66.2	39.4	2.7	47.1
Two rooms	41.7	30.2	1.5	30.9	54.0	32.2	1.8	31.8
Three rooms	18.4	13.3	0.6	11.3	21.3	12.7	0.6	10.5
Four rooms	9.7	7	0.2	3.5	11.1	6.6	0.2	3.2
Five rooms	3.8	2.8	0.0	0.9	3.8	2.3	0.0	0.8
Six rooms and above	4.9	3.6	0.1	1.0	4.3	2.5	0.0	0.7
Total number of HHs	138.3	100	4.9	100	167.9	100	5.6	100
Urban								
No exclusive room	1.2	2.3	0.4	2.8	2.4	3.1	0.9	4.2
One room	18.9	35.1	7.2	46.9	25.3	32.1	9.8	44.9
Two rooms	15.9	29.5	4.7	30.4	24.1	30.6	6.8	31.3
Three rooms	9.2	17.1	2.1	13.4	14.5	18.4	3	14
Four rooms	4.7	8.7	0.6	4.2	7.3	9.3	0.9	4.1
Five rooms	1.8	3.3	0.2	1.1	2.6	3.2	0.2	0.9
Six rooms and above	2.1	4	0.2	1.2	2.6	3.3	0.1	0.6
Total number of HHs	53.7	100	15.3	100	78.9	100	21.7	100

As in Appendix 3.

Appendix 5: Total Floor Area of the Dwelling by the Tenurial Status of the Households, 2012

		Mean Total Floor Area of the Dwelling (sq ft)		Mean Total Floor Area per Person (sq ft)	
		Rural	Urban	Rural	Urban
		Owned	Freehold	443	514
	Leasehold	369	381	103	104
Hired	Employer quarter	341	344	139	123
	Written contract	387	338	127	131
	Without written contract	266	271	97	105
No dwelling					
Others		226	200	95	94
Total		431	422	107	124

Total floor area includes living rooms, other rooms, covered veranda and uncovered veranda. Floor area does not denote floor type which may be pucca or katcha / made of permanent or temporary material.

Source: Author's calculations using NSS housing condition round unit record data, 2012.

Appendix 6: Tenurial Status of Dwelling of the Households by Economic Category MPCE Quintiles in Rural and Urban India, 2008–09 and 2012

CEC		2008–09						2012					
		0–20	20–40	40–60	60–80	80–100	Total	0–20	20–40	40–60	60–80	80–100	Total
Rural													
Owned	Freehold	96.8	96.1	95.9	95	88.9	94.6	95.4	95.3	94.9	92.1	85.8	92.6
	Leasehold	0.5	0.5	0.4	0.4	0.4	0.4	0.6	0.6	0.5	0.9	0.7	0.6
	Sub-total owned	97.2	96.6	96.3	95.4	89.3	95	96	95.9	95.3	93	86.5	93.3
Hired	Employer quarter	0.5	0.3	0.4	0.5	1.5	0.6	0.4	0.2	0.5	0.4	1.4	0.6
	Written contract	0	0.1	0.1	0.2	0.7	0.2	0	0.1	0.1	0.6	0.7	0.3
	Without written contract	0.7	1.4	1.8	2.8	6.5	2.6	1.8	2.1	2.3	4.6	10.1	4.2
	Sub-total hired	1.1	1.7	2.3	3.5	8.7	3.4	2.2	2.4	2.9	5.5	12.2	5.1
No dwelling	0.1	0	0	0	0	0	0.1	0	0	0	0	0	
Others	1.6	1.7	1.5	1.1	2	1.6	1.8	1.8	1.8	1.5	1.3	1.6	
Total		100	100	100	100	100	100	100	100	100	100	100	
Urban													
Owned	Freehold	71.1	68.3	59.6	56.6	51.4	60.1	70.7	66.6	61	54.3	54.7	59.6
	Leasehold	1.3	0.9	1.3	1.9	2	1.5	2.3	1.7	1.6	1.6	1.1	1.5
	Sub-Total Owned	72.5	69.2	61	58.5	53.4	61.6	73	68.3	62.5	55.9	55.8	61.2
Hired	Employer Quarter	1.5	2.5	4	6.4	7.2	4.7	1.8	1.8	3	5.5	5.1	3.8
	Written Contract	1.8	1.5	2.8	5.6	10.5	5	0.4	1.6	3.9	7	14.9	6.4
	Without Written Contract	16.4	22	29.4	27.7	27.6	25.5	16.2	21.6	27	29.6	23.7	25.2
	Sub-Total Hired	19.7	26	36.1	39.7	45.4	35.1	18.4	25	33.9	42	43.7	35.4
No dwelling	0	0	0	0	0	0	0	0	0	0	0	0	
Others	7.9	4.8	2.9	1.9	1.2	3.3	8.7	6.7	3.6	2.1	0.5	3.4	
Total		100	100	100	100	100	100	100	100	100	100	100	

MPCE: Monthly Per Capita Expenditure. Consumption Expenditure Classes (CEC) Quintiles is in percentages.

Source: Author's calculations using NSS housing condition round unit record data for various years.

Appendix 7: Levels and Changes in the Rented Households across States in India, Total, 2001 and 2011

Total (R&U)	2001			2011			2001–11 (Changes)			
	Total HHs		Rented HHs	Total HHs		Rented HHs	Total HHs		Rented HHs	
	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)
Jammu and Kashmir	1.6	0.1	4.4	2.0	0.0	2.2	0.5	29.9	-0.02	-35.2
Himachal Pradesh	1.2	0.2	12.2	1.5	0.2	10.3	0.2	19.0	0.00	0.7
Punjab	4.3	0.3	8.2	5.4	0.5	8.8	1.1	26.8	0.13	35.9
Chandigarh #	0.2	0.1	42.9	0.2	0.1	47.0	0.0	16.4	0.02	27.3
Uttarakhand	1.6	0.2	11.7	2.0	0.2	12.4	0.4	25.9	0.06	33.8
Haryana	3.5	0.2	7.0	4.7	0.5	9.5	1.2	33.7	0.20	81.7
NCT of Delhi	2.6	0.7	25.6	3.3	0.9	28.2	0.8	30.8	0.29	44.1
Rajasthan	9.3	0.5	5.8	12.6	0.7	5.4	3.2	34.7	0.13	23.3
Uttar Pradesh	25.8	1.0	4.0	32.9	1.4	4.1	7.2	27.8	0.31	29.9
Bihar	14.0	0.3	2.4	18.9	0.4	2.1	5.0	35.5	0.06	18.3
Sikkim	0.1	0.0	28.0	0.1	0.0	30.5	0.0	22.3	0.01	33.3
Arunachal Pradesh	0.2	0.0	13.6	0.3	0.1	22.6	0.0	23.0	0.03	104.1
Nagaland	0.3	0.1	18.9	0.4	0.1	21.3	0.1	20.5	0.02	36.4
Manipur	0.4	0.0	5.2	0.6	0.0	4.8	0.2	39.5	0.01	28.3
Mizoram	0.2	0.0	28.7	0.2	0.1	31.8	0.1	37.3	0.02	52.3
Tripura	0.7	0.1	7.9	0.8	0.0	5.5	0.2	27.3	-0.01	-10.3
Meghalaya	0.4	0.1	16.4	0.5	0.1	15.6	0.1	28.1	0.01	21.7
Assam	4.9	0.4	7.4	6.4	0.4	6.8	1.4	29.0	0.07	19.1
West Bengal	15.7	1.6	10.2	20.1	1.5	7.3	4.4	27.7	-0.13	-8.4
Jharkhand	4.9	0.4	9.1	6.2	0.5	7.7	1.3	27.1	0.03	7.0
Odisha	7.9	0.5	6.6	9.7	0.6	6.7	1.8	22.8	0.13	24.7
Chhattisgarh	4.1	0.3	7.7	5.6	0.4	6.5	1.5	35.5	0.05	14.3
Madhya Pradesh	10.9	0.9	8.0	15.0	1.0	6.7	4.0	37.1	0.13	14.7
Gujarat	9.6	1.2	12.2	12.2	1.6	13.5	2.5	26.3	0.47	39.7
Daman & Diu #	0.0	0.0	37.6	0.1	0.0	58.7	0.0	75.8	0.02	174.3
Dadra & Nagar Haveli #	0.0	0.0	29.1	0.1	0.0	42.8	0.0	66.2	0.02	144.6
Maharashtra	19.1	3.0	15.8	23.8	3.8	15.8	4.8	25.0	0.74	24.4

Continued

Appendix 7: (Continued)

Total (R&U)	2001			2011			2001–11 (Changes)			
	Total HHs		Rented HHs	Total HHs		Rented HHs	Total HHs		Rented HHs	
	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)
Andhra Pradesh	16.8	2.7	16.1	21.0	4.1	19.7	4.2	24.8	1.43	52.7
Karnataka	10.2	1.9	18.7	13.2	3.0	23.0	2.9	28.8	1.12	58.9
Goa	0.3	0.1	19.1	0.3	0.1	17.4	0.0	15.6	0.00	5.6
Lakshadweep #	0.0	0.0	18.1	0.0	0.0	14.8	0.0	15.8	0.00	-5.5
Kerala	6.6	0.3	5.0	7.7	0.6	7.3	1.1	17.0	0.23	69.9
Tamil Nadu	14.2	2.8	19.9	18.5	4.3	23.4	4.3	30.5	1.50	53.1
Puducherry #	0.2	0.1	26.5	0.3	0.1	31.1	0.1	44.4	0.04	69.4
Andaman & Nicobar Islands #	0.1	0.0	22.2	0.1	0.0	32.3	0.0	27.8	0.01	85.7
India	192.0	20.2	10.5	246.7	27.4	11.1	54.8	28.5	7.14	35.3

Indicates Union Territories.

Source: Author's calculation using tables on houses, household amenities and assets, houselisting and housing data, census of India, 2001 and 2011.

Appendix 8: Levels and Changes in the Rented Households across States in India, Rural, 2001 and 2011

Rural	2001			2011			2001–11 (Changes)			
	Total HHs		Rented HHs	Total HHs		Rented HHs	Total HHs		Rented HHs	
	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)
Jammu and Kashmir	1.2	0.0	1.3	1.5	0.0	0.7	0.3	29.0	0.00	-30.0
Himachal Pradesh	1.1	0.1	7.1	1.3	0.1	5.9	0.2	19.4	0.00	-0.8
Punjab	2.8	0.1	2.5	3.3	0.1	2.5	0.5	19.5	0.01	21.4
Chandigarh #	0.0	0.0	64.7	0.0	0.0	74.0	0.0	-68.1	-0.01	-63.6
Uttarakhand	1.2	0.1	5.4	1.4	0.1	6.4	0.2	17.4	0.03	38.8
Haryana	2.5	0.1	2.3	3.0	0.1	2.4	0.5	20.8	0.01	23.3
NCT of Delhi	0.2	0.0	18.6	0.1	0.0	15.6	-0.1	-53.3	-0.02	-60.8
Rajasthan	7.2	0.1	2.0	9.5	0.2	1.6	2.3	32.6	0.00	2.8
Uttar Pradesh	20.6	0.2	0.9	25.5	0.2	0.9	4.9	23.7	0.05	24.0
Bihar	12.7	0.1	0.7	16.9	0.1	0.7	4.3	33.7	0.03	37.7
Sikkim	0.1	0.0	23.5	0.1	0.0	17.7	0.0	0.7	-0.01	-23.9
Arunachal Pradesh	0.2	0.0	8.4	0.2	0.0	11.2	0.0	19.0	0.01	58.9
Nagaland	0.3	0.0	8.7	0.3	0.0	7.8	0.0	7.4	0.00	-3.8
Manipur	0.3	0.0	4.0	0.4	0.0	2.8	0.1	29.3	0.00	-9.6
Mizoram	0.1	0.0	10.4	0.1	0.0	12.6	0.0	32.1	0.00	60.5
Tripura	0.5	0.0	3.6	0.6	0.0	1.8	0.1	12.6	-0.01	-43.5
Meghalaya	0.3	0.0	6.2	0.4	0.0	6.0	0.1	28.1	0.00	23.9
Assam	4.2	0.1	2.5	5.4	0.1	2.4	1.2	27.4	0.02	24.0
West Bengal	11.2	0.2	1.7	13.7	0.2	1.3	2.6	22.9	-0.01	-6.5
Jharkhand	3.8	0.1	2.1	4.7	0.1	1.4	0.9	23.2	-0.01	-18.0
Odisha	6.8	0.2	2.3	8.1	0.2	2.1	1.4	20.1	0.01	7.7
Chhattisgarh	3.4	0.1	2.8	4.4	0.1	1.7	1.0	30.5	-0.02	-23.3
Madhya Pradesh	8.1	0.2	2.3	11.1	0.2	1.7	3.0	36.9	0.01	4.1
Gujarat	5.9	0.3	5.5	6.8	0.3	4.9	0.9	14.9	0.01	3.2
Daman & Diu #	0.0	0.0	42.8	0.0	0.0	24.2	0.0	-42.3	-0.01	-67.4
Dadra & Nagar Haveli #	0.0	0.0	18.1	0.0	0.0	21.3	0.0	8.0	0.00	27.3
Maharashtra	11.0	0.7	6.6	13.0	0.8	6.3	2.0	18.4	0.09	12.8
Andhra Pradesh	12.7	1.0	7.9	14.2	1.1	8.0	1.6	12.4	0.14	14.0
Karnataka	6.7	0.4	6.2	7.9	0.6	7.5	1.2	17.8	0.17	41.0
Goa	0.1	0.0	9.8	0.1	0.0	9.1	0.0	-11.4	0.00	-17.2
Lakshadweep #	0.0	0.0	14.1	0.0	0.0	11.6	0.0	-52.8	0.00	-61.3
Kerala	4.9	0.2	3.3	4.1	0.2	4.9	-0.8	-17.1	0.04	23.6
Tamil Nadu	8.3	0.6	6.7	9.6	0.7	7.6	1.3	15.6	0.18	31.5
Puducherry #	0.1	0.0	11.0	0.1	0.0	14.2	0.0	31.8	0.01	71.1
Andaman & Nicobar Islands #	0.0	0.0	12.9	0.1	0.0	21.6	0.0	18.9	0.01	98.7
India	138.3	4.9	3.6	167.9	5.6	3.4	29.6	21.4	0.73	14.9

Source: As in Appendix 7.

Appendix 9: Levels and Changes in the Rented Households across States in India, Urban, 2001 and 2011

Urban	2001			2011			2001–11 (Changes)			
	Total HHs		Rented HHs As Proportions of Total HHs (in %)	Total HHs		Rented HHs As Proportions of Total HHs (in %)	Total HHs		Rented HHs	
	Numbers (Millions)	Numbers (Millions)		Numbers (Millions)	Numbers (Millions)		Numbers (Millions)	As Proportions of Total HHs (in %)	Numbers (Millions)	As Proportions of Total HHs (in %)
Jammu and Kashmir	0.4	0.1	13.6	0.5	0.0	6.5	0.1	32.5	-0.02	-36.6
Himachal Pradesh	0.1	0.1	51.2	0.2	0.1	45.2	0.0	16.0	0.00	2.4
Punjab	1.5	0.3	18.8	2.1	0.4	18.6	0.6	40.6	0.11	39.5
Chandigarh #	0.2	0.1	40.4	0.2	0.1	46.2	0.0	26.4	0.03	44.5
Uttarakhand	0.4	0.1	30.8	0.6	0.2	26.6	0.2	51.8	0.04	31.1
Haryana	1.1	0.2	17.8	1.8	0.4	21.7	0.7	62.9	0.19	99.1
Nct Of Delhi	2.4	0.6	26.1	3.3	0.9	28.5	0.9	36.8	0.31	49.4
Rajasthan	2.2	0.4	18.3	3.1	0.5	16.9	0.9	41.4	0.12	30.9
Uttar Pradesh	5.2	0.8	16.4	7.4	1.1	15.0	2.3	44.1	0.27	31.2
Bihar	1.3	0.2	18.7	2.0	0.3	13.7	0.7	52.3	0.03	11.4
Sikkim	0.0	0.0	60.0	0.0	0.0	63.6	0.0	174.8	0.01	191.4
Arunachal Pradesh	0.0	0.0	31.5	0.1	0.0	56.4	0.0	36.9	0.02	145.5
Nagaland	0.1	0.0	59.3	0.1	0.1	55.0	0.0	72.5	0.02	59.7
Manipur	0.1	0.0	8.6	0.2	0.0	9.1	0.1	69.2	0.01	80.4
Mizoram	0.1	0.0	46.5	0.1	0.1	49.1	0.0	42.4	0.02	50.5
Tripura	0.1	0.0	26.5	0.2	0.0	15.2	0.1	92.1	0.00	9.8
Meghalaya	0.1	0.0	53.7	0.1	0.1	50.6	0.0	28.2	0.01	20.8
Assam	0.7	0.3	36.6	1.0	0.3	30.9	0.3	38.8	0.04	17.2
West Bengal	4.6	1.4	31.1	6.4	1.3	20.4	1.8	39.4	-0.12	-8.7
Jharkhand	1.1	0.4	34.2	1.5	0.4	27.3	0.4	41.1	0.05	12.6
Odisha	1.1	0.4	33.2	1.5	0.5	31.4	0.4	39.5	0.12	32.1
Chhattisgarh	0.8	0.2	28.6	1.2	0.3	23.7	0.4	56.9	0.07	30.2
Madhya Pradesh	2.8	0.7	24.7	3.8	0.8	21.1	1.1	37.6	0.12	17.5
Gujarat	3.8	0.9	22.8	5.4	1.3	24.3	1.7	44.1	0.46	53.5
Daman & Diu #	0.0	0.0	28.2	0.0	0.0	67.9	0.0	288.8	0.03	835.5
Dadra & Nagar Haveli #	0.0	0.0	61.1	0.0	0.0	62.9	0.0	236.5	0.02	246.5
Maharashtra	8.1	2.3	28.5	10.8	2.9	27.2	2.7	34.0	0.64	28.1
Andhra Pradesh	4.2	1.7	41.1	6.8	3.0	44.3	2.6	62.4	1.29	75.4
Karnataka	3.6	1.5	42.0	5.3	2.4	46.0	1.8	49.4	0.95	63.9
Goa	0.1	0.0	28.5	0.2	0.0	22.6	0.1	43.1	0.01	13.6
Lakshadweep #	0.0	0.0	23.6	0.0	0.0	15.8	0.0	110.3	0.00	40.6
Kerala	1.7	0.2	10.2	3.6	0.4	10.0	2.0	119.1	0.19	114.7
Tamil Nadu	5.9	2.3	38.4	8.9	3.6	40.2	3.0	51.4	1.32	58.4
Puducherry #	0.1	0.0	34.8	0.2	0.1	38.9	0.1	51.1	0.03	69.2
Andaman & Nicobar Islands #	0.0	0.0	41.8	0.0	0.0	50.6	0.0	46.7	0.01	77.2
India	53.7	15.3	28.5	78.9	21.7	27.5	25.2	46.9	6.41	41.8

Source: As in Appendix 7.