



The Indian Elections in 30 Seconds: **The Outcome**

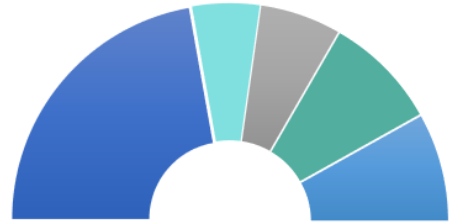
Coalitions Reflected in Seats
in Lok Sabha 2019



■ BJP ■ NDA (BJP allies) ■ INC ■ INDIA (INC allies) ■ Other

Source: Election Commission of India, CLSA, April 2024

Coalitions Reflected in Seats
in Lok Sabha 2024



■ BJP ■ NDA (BJP allies) ■ INC ■ INDIA (INC allies) ■ Other

Source: Election Commission of India, 4 June 2024

The **BJP** led **National Democratic Alliance (NDA)** coalition has won the 2024 elections with a full majority (292 out of 543 seats) for an unprecedented third consecutive term. However, in a small but significant difference from both the 2019 and 2014 elections, the **BJP** on its own has fallen short by 31 seats of obtaining a single-party majority, reducing its political dominance.

The **BJP** face a new challenge, requiring the support from its coalition partners to make key decisions, potentially constraining the Government's ability to make the bold reforms implemented in the past (e.g. demonetization in 2016). The shift in power dynamics will also likely influence the Government's focus areas, with political attention diverted away from contentious issues like implementing a uniform civil code and tame its ambitions for agriculture and labor reforms.

In contrast, the composition of the new Government will be very positive for some parts of the market. Rural consumption is likely to become an area of greater focus, aiding the consumption theme which has been unexpectedly slow and policy continuity is anticipated, with investment-led development and growth remaining the key focus.

It is also noteworthy that the election results ensured that **Modi's** reputation remains 'clean' following allegations of inappropriately influencing the elections, ensuring that India maintains its democratic credentials. This outcome also addressed concerns that an overly powerful **BJP** may have made constitutional amendments, questioning the secular nature of democracy.

