



LOK SABHA ELECTION RESULTS UPDATE REPORT

Compiled by RV VeKommunicate

May 2019

Section A: The Chant is Saffron Again!!!

All exit polls predicted a second term for Prime Minister Narendra Modi

Most exit polls have predicated a clear majority to BJP-led NDA with nearly or above 300 seats, out of total 542 Lok Sabha seats. Polls are also predicting a clean sweep by NDA in several key states including Bihar, Rajasthan, Madhya Pradesh, Gujarat and Jharkhand and improve its tally in Karnataka and Maharashtra.

Quick synopsis of exit polls given below: All India seats: (542 seats)

Exit polls	BJP +	Cong+	Others
TimesNow	306	132	104
Chanakya	350	95	27
India Today	339-365	77-108	79-111
News18	336	82	24
CVoter	287	128	127
ABP-Nielsen	267	127	148
News Nation	282-290	118-126	130-138
Neta-NewsX	242	164	136
India News	287	128	127
Jan Ki Bat	305	124	87

Barring National Conference chief Omar Abdullah, most of the opposition leaders have slammed the predictions. Mr Abdullah, one of the most vocal critics of Prime Minister Narendra Modi and his government, appeared far more accepting of the projected outcome. TDP chief N Chandrababu Naidu, however, said exit polls have been incorrect in the past. Even West Bengal Chief Minister Mamata Banerjee and Punjab chief minister Amarinder Singh both have rejected the exit poll results.

Prediction in 2014:

All exit polls in 2014 did predict that the NDA under the leadership of Narendra Modi would become the single-largest coalition. However, they failed to predict the scale and intensity of the victory. Not only did they underestimate the BJP but also overestimate the seat tally for the Congress-led UPA. Of the six main pollsters in 2014, the News24-Chanakya proved to be the most accurate which had predicted 340 seats for the NDA while the coalition won **336** seats. The India TV-C Voter exit poll too gave a simple majority to the NDA – 289 seats. Two other exit polls — India Today-Cicero and CNN-IBN CSDS — too gave the greatest number of seats to the NDA. However, their tallies fell just short of the halfway mark of 272. While the India Today-Cicero exit poll gave a minimum of 261 seats (plus or minus 11 seats) to the NDA, CNN-IBN-CSDS poll gave a minimum of 270 seats to the alliance.

Polling for the seven-phased Lok Sabha elections ended on Sunday, May 19. The counting will take place on May 23. The mandate, should the exit poll predictions come true, would strengthen the hands of the Prime Minister allowing him to shape his new government the way he chooses without any support from outside.

Section B: BJP Manifesto

The 'Sankalp Patra', BJP's manifesto document resonated with the mantra of 'Sabka Saath, Sabka Vikas' and makes 75 pledges and promises to fulfil all expectations of the people. The manifesto aspires to make India the third largest economy of the world by 2030 and commit to make India a \$5 trillion economy by 2025 and \$10 trillion economy by 2032.

Some key things presented in document with respect to CMA:

- **Investment in Infrastructure sector:** To make capital investment of Rs.100 lakh crore in the infrastructure sector by the year 2024
- **Road Connectivity:** To construct 60,000 kms of National Highways in the next five years and to double the length of National Highways by 2022. To ensure that 50 cities are covered with a strong metro network by next five years .
- **Railways:** To ensure conversion of all viable rail tracks to broad gauge by 2022 and make all efforts to ensure electrification of all railway tracks by 2022. Aim to complete the dedicated freight corridor project by 2022. To equip all main railway stations with Wi-Fi facility by 2022.
- **Establishment of New Airports:** In 2014 there were 65 functional airports and there are a total of 101 functional airports today. In the next five years, we will double the number of functional airports.
- **Coastal Developments:** Potential of coastal development for transportation, tourism and for economic upliftment of coastal communities has remained unexploited in the country. To exploit this potential fully, we have launched the Sagarmala programme and will ensure speedy completion of the projects under this programme. To double our port capacity in the next five years. Further encourage integrated development of coastal areas including coastal cities, coastal transport and coastal industrialization.
- **Warehouse Network across the Country** – to build an efficient storage and transport mechanism for agriculture produce.
- **Energy:** India has become a global champion in addressing the issues of climate change through effective and feasible interventions. We have achieved cumulative installed renewable energy capacity of 76.87 GW as on February, 2019 and are on track to achieve our goal of 175 GW by 2022. We will continue our efforts in this regard and make it a popular movement. We will further make all efforts to invite other countries of the world to become members of the International Solar Alliance.
- **Rural economy development initiatives:** Gram swaraj has five schemes namely:
 - a. Saashray (Housing) – to ensure a pucca house to every family who is either living in a kuchha house or have no access to housing by 2022
 - b. Sujal (Drinking Water)—to introduce 'Jal Jivan Mission' a special program, 'Nal se Jal' to ensure piped water connection to every household by 2024
 - c. Suchna se Sashaktikaran (Digital connectivity through Bharatnet) – to ensure that every Gram Panchayat is connected through a high speed optical fibre network by 2022.

- d. Sadak se Samridhhi (Road connectivity)-- launch a massive 'Rural Road Upgradation Programme' to connect centres of education, healthcare centres, and markets with hinterlands to promote rural growth.
- e. Swachhata se Sampannata (Swachh Bharat Mission) -- ensure 100% disposal of liquid wastewater and reuse of wastewater.

Manifesto points with respect to specific to corporate, ease of doing business, FDI related, foreign policy etc

Making India a global manufacturing hub - as we position India as a global manufacturing hub over the next five years, we will take the following steps:

- Top 50 Ranking in Ease of Doing Business Index- In the last four years, India has climbed 65 places in the World Bank's Ease of Doing Business Index. We will further work in this direction to take the country's ranking into the top 50.

- Strengthening Companies Act - In order to incentive compliance of law and ease of doing business, we will amend the Companies Act to impose civil liability for technical and procedural defaults of a minor nature thus unclogging the majority of the cases from the courts

- New Industrial Policy - We will announce a new industrial policy to improve competitiveness of manufacturing and services with an eye on Industry 4.0 in order to gear up for technologies like artificial intelligence and electric mobility. Special efforts will be made for MSMEs.

- Network Approach for Growth - We understand that clustering and network effects are important in order to build competitiveness in cutting edge industries. Therefore, we will invest increasing clusters/networks that can take on the world's best. Public procurement and government incentives will be used actively to build up these clusters and encourage job creation.

Section C: Voices of market and financial analyst wrt Exit polls:

According to market analysts, fresh concern over the US-China trade tussle, wider trade deficit and growing anxiety over Lok Sabha elections 2019 led to the recent fund erosion in the Indian stock market. Market veterans believes that general elections results are far more decisive for the Indian equity market and investors as it dictates short-term returns and foreign fund flows into the market

BSE Sensex and NSE Nifty--the two benchmark Indian share market indexes-- could see a strong rally this week after exit poll predicted the BJP would win the Lok Sabha elections 2019. Both benchmark sensex could gain between 1 per cent and 2 per cent, said market players, adding that the gains will be capped as investors will wait for the actual outcome due later during the week (May 23).

Market analysts feels Nifty could hit 11,700 by May 23. But whether such a level will sustain will depend on whether the BJP on its own comes to power.

Analysts believe the market will cheer the prospect of a stable government at the centre. Also, the possibility of the BJP returning with absolute majority can lift the spirit further.

Andrew Holland, chief executive officer, Avendus Capital Public Markets Alternate Strategies, said the National Democratic Alliance (NDA) getting a majority will trigger a 'relief rally'. He added that once election-related dust settles, the market will quickly go back to the fundamentals. The macro picture isn't very great at the moment," said Holland

Nirmal Jain, Founder & Chairman, IIFL Group, said the market will heave a sigh of relief. "Let's look forward to reforms continuing and economy getting stronger,"

"The exit results are better than expectations. Market will move up 2-3 per cent in the next few days. Investors should increase equity allocations," said Motilal Oswal, CMD of MOFSL

Joseph Thomas, Head Research of Emkay Wealth Management, said exit polls broadly indicate the return of the current dispensation for another term. This may be good from the continuity perspective as far as basic social and economic policies are concerned, Thomas said.

"Based on analysis of elections over the last 30 years, our view is that election results matter for the first one month, and after that, the more fundamental issues like corporate profitability and economic growth gain prominence," said Jyoti Jaipuria, founder, Valentis Advisors.

Rusmik Oza, Head of Fundamental Research at Kotak Securities, said a lot of institutional money is waiting on the sidelines should come back to the market now. HNIs and ultra-HNIs may take high exposure to equities by May 23, he said

This week, about 658 companies will declare their quarterly earnings numbers, including index heavyweights such as BPCL, HPCL, Tata Motors and Tech Mahindra. This quarterly warnings would also impact trading and market scenarios.

Experts point out that elections have only short-term bearing on the market and in the long run, the fortunes are more linked to the economic and earnings growth.

---XX--

Reference link:

1. https://economictimes.indiatimes.com/news/elections/lok-sabha/india/lok-sabha-exit-polls-result-live-updates/articleshow/69398185.cms?utm_source=whatsapp_wap&utm_medium=social&utm_campaign=socialsharebuttons&from=mdr
2. <https://www.indiatoday.in/elections/highlights/story/india-tv-c-voter-survey-bjp-nda-alliance-lok-sabha-elections-2014-opinion-polls-192695-2014-05-13>
3. <https://economictimes.indiatimes.com/news/elections/lok-sabha/india/pm-modi-claims-win-wont-pre-judge-results-says-rahul-gandhi/articleshow/69381864.cms>
4. <https://economictimes.indiatimes.com/news/elections/lok-sabha/india/lok-sabha-election-2019-exit-polls-live-updates/liveblog/69398722.cms>
5. <https://www.moneycontrol.com/news/politics/pm-modi-will-be-back-with-a-bang-bjp-set-to-cross-majority-mark-on-its-own-news18-ipsos-survey-3992561.html>