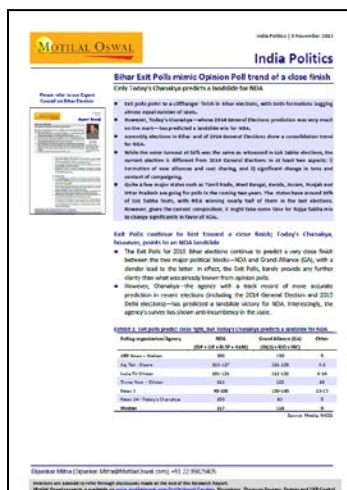


India Politics

Grand Alliance sweeps Bihar with three-fourth of seats

Lighter election calendar till Mar-17 brings focus back on reform

Please refer to our earlier series on Bihar Election



- The Bihar Assembly election 2015 followed the template of decisive mandate with a near sweep for Grand Alliance (GA). The GA won 178 seats, i.e., nearly three fourths of all seats in Bihar. In Contrast, NDA could manage to win only 58 seats.
- Lalu Prasad's RJD emerged as the single largest party with 80 seats. However, all three parties in GA had a high strike ratio (seats won vs. contested). In contrast BJP managed to win only 33% of the seats contested with its allies performing poorly.
- Opinion polls and exit polls remained inclusive and failed to catch the tide with the lone exception of Axis APM which was most successful in Delhi Election too.
- Post May-14, BJP has won four state elections and lost in two. The upcoming election calendar till Mar-17 do not have election in any BJP ruled states.
- The lighter election schedule should hold the government in good stead to provide a push to the reform path which may now take a more nuanced course with greater political consensus. This would only be beneficial in the medium term.

Grand Alliance sweeps Bihar continuing with the trend of decisive mandate

- **Grand alliance wins 178 seats:** The 2015 Bihar elections witnessed a sweep in favour of three fourth of the seats (178 out of 243). Correspondingly, NDA's tally was much lower at 58. While the third front managed no seats the fourth front of left parties garnered a measly 3 seats.
- **Lalu Yadav makes a comeback:** The election also witnessed an emphatic comeback for Lalu Yadav as a single largest party with 80 seats (vs. its best ever tally of 124 seats in 2000). BJP's tally at 53 was near its 2005 tally of 55.
- **Alliance of 'Grand Alliance' worked:** All three partners of Grand Alliance showed very high strike ratio (no. of seats won vs. contested). For BJP not only its own strike ratio fell sharply from 89% in 2010 election to just 33%, it allies performed poorly.

Exhibit 1: Grand Alliance sweeps Bihar elections

Name of Party	No of seats		Vote share (%)	
	Won	Changes	Won	Change
Grand Alliance	178	37	42	-8
Janata Dal (United) [JD (U)]	71	-44	17	-6
Rashtriya Janata Dal (RJD)	80	58	18	0
Indian National Congress (INC)	27	23	7	-2
NDA	58	-39	34	6
Bharatiya Janata Party (BJP)	53	-38	24	8
Lok Janshakti Party (LJP)	2	-1	5	-2
Rashtriya Lok Samata Party (RLSP)	2	N.A.	3	N.A.
Hindustani Awam Morcha (HAM)	1	N.A.	2	N.A.
Others	7	1		
Communist Party of India (ML) (L)	3	3	2	
Independent	4	-2	9	

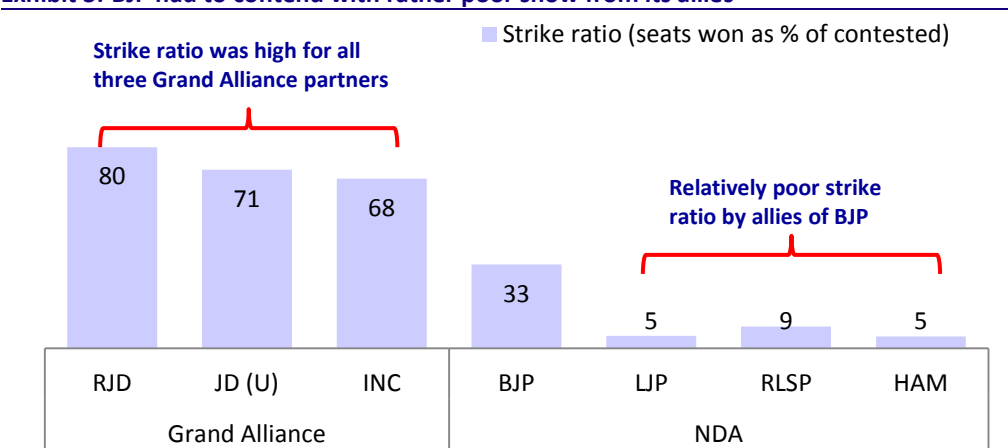
Source: Election Commission, MOSL

Note: Changes reflect different political alignment in 2010 election too and is not comparable.

Exhibit 2: RJD emerges as single largest party; BJP's tally back to 2005 levels

Party	1985	1990	1995	2000	2005	2010	2015
BJP	16	39	41	67	55	91	53
JD (U)				21	88	115	71
JD		122	167				
RJD				124	54	22	80
INC	196	71	29	23	9	4	27
JMM	9	19	10	12		1	
CPI	12	23	26	5	3	1	
CPM	1	6	6	2	1		
Others	61	14	33	50	23	3	8
IND	29	30	12	20	10	6	4
Total	324	324	324	324	243	243	243

Source: Election Commission, MOSL

Exhibit 3: BJP had to contend with rather poor show from its allies

Source: Election Commission, MOSL

- **Opinion and Exit polls largely failed:** Not only the average opinion and exit polls remained inconclusive their were wide variation in them. Almost all, barring the notable exception of Axis APM that was tantalizingly accurate, failed to capture the large swing and decisive mandate in favour of Grand alliance. Opinion polls diverged even widely.

Exhibit 4: Exit polls predicted a rather close fight with only Axis APM being accurate (ordered as per accuracy) (no. of seats)

Polling organisation/Agency	NDA (BJP + LJP + RLSP + HAM)	Grand Alliance (GA) (JD(U) + RJD + INC)	Others
Axis APM	58-70	169-183	3-7
CNX	95	135	13
News X	90-100	130-140	13-23
ABP News – Nielsen	108	130	5
Times Now – CVoter	111	122	10
India TV-CVoter	101-121	112-132	6-14
News Nation	115-119	120-124	3-5
India Today - Cicero	111-127	110-124	4-10
Aaj Tak - Cicero	113-127	111-123	4-8
NDTV	120-130	105-115	5-10
Dainik Jagran	130	97	16
News 24 - Today's Chanakya	155	83	5
Median	113	122	9

Source: Media, MOSL

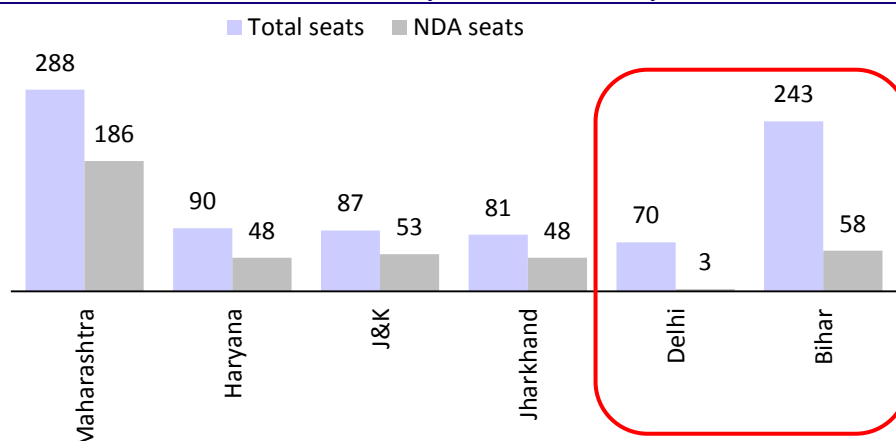
Exhibit 5: Opinion polls too clearly indicated a close finish with none able to predict a landslide for Grand Alliance

When conducted	Polling organization / Agency	Sample size (no. of persons)	JD(U) + RJD + INC	BJP + LJP + RLSP + HAM	Other
Apr–May 2015	ABP News [238]	NA	127	111	5
Jun–Jul 2015	ABP News – Nielsen	NA	128	111	4
August - September 2015	India Today - Cicero	5,968	106	125	12
August - September 2015	India TV-CVoter poll	10,638	120-128	94-106	17-21
3–7 September 2015	ABP News – Nielsen	4,493	122	118	3
12–13 September 2015	Zee News – Media	31,906	86	157	-
23-Sep-15	Times Now – CVoter	7,786	112	117	14
7-Oct-15	Leadtech - infoelections.com	11,566	73	168	2
8-Oct-15	CNN-IBN- Axis Poll	27500	137	95	11
7-Oct-15	ABP News	NA	112	128	3
Oct-15	Zee News	NA	64	147	32
Oct-15	India Today- Cicero poll	NA	122	111	10
Oct-15	News Nation	7,000	115-119	120-124	2-4
Oct-15	India TV- Cvoter	9,916	108-124	111-127	4-12

Source: Media, MOSL

Its 4:2 for BJP post May-14; election calendar till Mar-17 is of non-BJP states

- **State election score since May-14 in favour of BJP:** Since the Mar-14 General Election and associated state assembly elections, six more states have gone for election out of which BJP has been able to form government with NDA allies in the first four states. However, BJP had a fairly poor show in the last two assembly elections in Delhi and Bihar.
- **No BJP ruled states going for election till Mar-17:** The election calendar till Mar-17 are somewhat light for BJP as no BJP ruled states are going for elections. Moreover, barring the small state of Puducherry, BJP do not have any alliance with any of the dominant regional parties in these states.

Exhibit 6: NDA won the first four assembly elections since May-14 but lost the last two

Source: Media, MOSL

Exhibit 7: Till Mar-17 no NDA ruled state are going to poll barring the small state of Puducherry

States	Elections due before	Current ruling party	Lok Sabha seats	Seats won by NDA in 2014 elections	Rajya Sabha seats
Tamil Nadu	May-16	AIADMK	39	2	18
West Bengal	May-16	TMC	42	2	16
Kerala	May-16	UDF (Congress led)	20	0	9
Assam	May-16	Congress	14	7	7
Puducherry	May-16	All India N R Congress (NDA alliance)	1	1	1
Goa	Mar-17	BJP	2	2	1
Punjab	Mar-17	NDA (SAD + BJP)	13	6	7
Uttar Pradesh	May-17	SJP	80	73	31
Uttarakhand	Aug-17	UPA	5	5	3
Total			216	98	93
As % of total seats			39.8	18.0	38.0

Source: Election Commission of India, MOSL

Economic reforms may take a nuanced gradualist course

- **Formidable reform measures delivered already:** The Government in its 18 months of reign has tried to address comprehensively many critical bottlenecks of the economy. Notably most of these involved executive action and not through legislative intervention.
- **Reforms to follow gradualist course:** While legislative agenda would form an important part of the reform process going forward, the government still has the requisite political capital to push through it. The lighter election calendar, as mentioned above, can only ease this process with government's ability to skillfully negotiate the complex reforms with opposition may be tested to the hilt for the next two years.

Exhibit 8: The government has undertaken far reaching reforms in its 18-month tenure

Area	Reform
Food inflation	Many measures include: i) restricting MSP hikes to 2-5%; ii) lower state government's additional MSP; iii) liberal imports and restricting exports, iv) strict action against hoarders, etc.
Coal auction and easing mining	Nearly ~50% of total ~92mtpa of capacity successfully auctioned already
Investment climate	Many measures include: i) on-line environmental clearances; ii) liberalizing FDI, iii) improving 'doing business' parameters even at state levels; iv) streamlining bureaucracy; v) export promotion; etc.
Capex drive and fiscal correction	Despite staying on course for fiscal correction, government has been able to reprioritize its expenditure towards a capex boost. Also took the opportunity of lower oil price to create a fund for roads construction.
Subsidy resolution	Took the diesel deregulation to its logical conclusion; initiated JAM trinity to plug leakages from the system
DISCOM's health	Incentivized states to assume DISCOM debts on balance sheet and to eliminate losses by FY19. This would also eliminate the logjam of investment in the power sector

Source: Media, MOSL

Quote Shoot: Slugfest is finally over!

"Earlier I knew that there are just three parties in the grand alliance: JD(U), RJD and Congress Party. But I've just come to know that a fourth partner too has joined them – a tantrik (black magician) Now Lalu Prasad Yadav should name his party as Rashtriya Jadu-Tona Dal ..."

– Narendra Modi

"When the party tickets were decided from inside the jail...youth were forced to go out of Siwan to save their lives...would they give development to the state?"

– Narendra Modi

"Yesterday, I saw Nitishji doing some *Mushaira*. He felt that he will call some courtiers and journalists, recite poems and defeat Lalu by starting a new form of entertainment. I knew there are three partners in the grand alliance – Congress, RJD and JD(U). But I wonder why Nitish Babu chose a song from the film *Three Idiots* for his first *Mushaira*. Even if you wanted to parody a poem why did you think of the *Three Idiots*"

– Narendra Modi

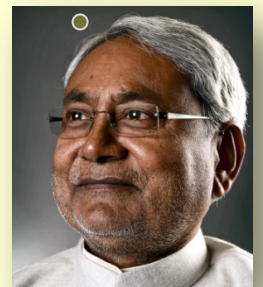


"I am a son of Bihar, so my DNA is the DNA of the people of Bihar. Now I leave it to the people of Bihar how to reply to someone who says their DNA is poor"

– Nitish Kumar

"*Bahati Hawa sa tha woh, Gujarat se aaya tha woh, kaala dhan lane wala tha wo, kahan gaya use doondho. Humko desh ki fikr sataati hai, woh bus videsh ke daure lagaate hain, humko badhti mahangai satata, wo bas mann ki baat sunata. Har waqt apni selfie khinchta tha woh, Dawood ko laane wala tha woh, kahan gaya use dhoondo*" (He was like the blowing wind, from Gujarat he came with the promise to bring back black money, where has he gone? Find him. While we worry about the country, he travels abroad; while price rise bothers us, he tells us only his '*mann ki baat*'. Always busy clicking selfies, he promised to bring back Dawood. Where has he gone? Find him.)

– Nitish Kumar



"If BJP loses Bihar elections even by chance, though victory or defeat will happen in Patna, firecrackers will be burst in Pakistan" - See more at: <http://indianexpress.com/article/india/politics/amit-shahs-remarks-an-attempt-to-communalise-bihar-elections-jdu/#sthash.b1kxF6Pv.dpuf>

– Amit Shah

"Modi is a brahm pisach and he needs to be chased away with black magic. That man — Amit Shah — is a man eater" – Lalu Yadav

"Nitish Kumar is only a mask and just behind the mask is Jungle Raj. If Nitish Kumar comes back to power, it will be the return of Jungle Raj-2".

– Amit Shah

"The Bihar polls will be Mandal Raj versus Kamandal Raj. We will show our strength to them. It would rather be Mandal Raj part 2 instead of Jungle Raj part 2"

– Lalu Yadav



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