

Strategy

Clean sweep for NDA; JDU in commanding position

Exceeding most exit poll predictions, the NDA stormed back to power in the Bihar assembly election with a commanding mandate of 202 seats, far higher than 122 it won in the previous election. The recently launched women-centric cash transfer scheme played a major role in improving the voter turnout – especially among women, which reflected in the results as well. The Nitish Kumar-led JDU was a clear winner, snatching 40+ seats from the RJD, while the BJP (the single-largest party in terms of seats won) gained at the cost of the Congress (-13 seats). Although the results of the Bihar election send a clear signal of the political appeal of the BJP and its allies, we believe the JDU with 85 seats is currently in a commanding position at the Centre.

- **Clean sweep by NDA:** The National Democratic Alliance (NDA) made a clean sweep with 202 seat wins in the Bihar assembly elections vs 122 seats in the previous election. Unlike the past trend, the actual results were in line with the exit polls but the mandate was stronger this time vs 146 seats predicted by exit polls for the NDA. There is a clear shift in seats from the RJD to the Nitish Kumar led JD(U), with a gain of 42 seats, while the BJP gained 15 seats at the cost of the Congress (-13 seats) vs the previous election. The Lok Jan Shakti Party garnered a sizable chunk of 19 seats for the NDA alliance. The Jan Suraj Party did not win even a single seat in its debut election; the exit polls had predicted it could win two seats. Although the BJP is the single largest party (89), the opposition RJD had the highest vote share of 23% vs. 20% for BJP.
- **Women made their presence felt:** In the run-up to the election results, the highest voter turnout of 66.91% in both phases gathered eyeballs as it generally indicates anti-incumbency. In hindsight, it is clear that the extensive review of the voter list, which removed ~6.5mn inactive names, may have been the main reason. The highest turnout (71.6%) among women was also the key highlight in this election, as it exceeded male turnout by ~9ppts. The recently launched “Mukhyamantri Mahila Rozgar Yojana” wherein INR 10,000 was transferred to one woman per family played its role in increasing the turnout among women. It is worth highlighting that 11mn women were identified for this scheme, which is one-third of the total women voters in the state.
- **Decisive mandate to add stability at the centre:** The decisive mandate in Bihar in favour of the NDA and the magnitude of shift in votes from the opposition parties (RJD & Congress) sends a clear signal of the political appeal of the BJP and its allies. However, we believe that with 85 seats the JDU is currently in a commanding position in the alliance, which will provide it greater negotiating power at the Centre. We expect the markets to react positively to this victory, considering that it will add stability to the coalition at the Centre.

Exhibit 1. Clean sweep for NDA in Bihar; Highest vote share with RJD

Party Name	Seat Wins		Change	Vote Share (%)
	2025	2020		
National Democratic Alliance (NDA)	202	122	80	
Bharatiya Janata Party - BJP	89	74	15	20
Janata Dal (United) - JD(U)	85	43	42	19.3
Lok Janshakti Party (Ram Vilas) - LJPRV	19	n.a	19	5.0
Others	9	5	4	
Mahagathbandhan	35	114	-79	
Rashtriya Janata Dal - RJD	25	75	-50	23
Indian National Congress - INC	6	19	-13	8.7
Others	4	20	-16	
Others	6	7	-1	

Source: Election commission, JM Financial



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Exhibit 2. Exit polls had predicted comfortable majority for NDA in Bihar

Polling agency	No. of seats			
	NDA	Mahagathbandhan	Jan Suraj	Others
P-MARQ	142-162	80-98	1-4	0-3
Chanakya Strategies	130-138	100-108	-	3-5
People's Pulse	133-159	75-101	0-5	2-8
People's Insight	133-148	87-102	0-2	3-6
Matrize Projects	147-167	70-90	-	-
JVC Poll	135-150	88-103	0-1	3-6
Dainik Bhaskar	145-160	73-91	-	5-10
Average	146	90	2	5

Source: Media, JM Financial

APPENDIX I

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