India's 2024 Lok Sabha Election Results: A Turning Point in National Politics

As India's 2024 Lok Sabha elections conclude, the focus is on whether the Bharatiya Janata Party (BJP), under Prime Minister Modi's leadership, will surpass their ambitious target of securing over 400 seats in parliament, up from about 350 seats in 2019. Boosted by positive exit polls and a strong campaign, the BJP is poised for a third term.

Today, 04 Jun 2024, marks the end of an intense voting process across India, with results being declared. The opposition, led by the Indian National Congress within the broader INDIA bloc (a coalition of more than 20 political parties), has attempted to counter the incumbent.

As of 15.30 hrs IST, the ongoing vote count shows the hashtag#BJP leading in 242 seats, with the broader National Democratic Alliance (NDA) ahead in 295 seats (as per ECI data). The opposition INDIA bloc is leading in 231 seats, suggesting that the BJP may need the support of its NDA partners to form a government, lacking an outright majority on its own (272 seats). Notably, voting was held in 542 of 543 constituencies, with the BJP already securing a seat in Surat due to uncontested circumstances.

The BJP's recent dominance is the culmination of the party's decades-long rise, which began with a win of just two seats in 1984. Simultaneously, the Congress party, which ruled India for much of its post-independence period, has steadily lost ground amid corruption scandals, weakened leadership, and what many voters perceived as a lack of visionary new policies.

As businesses and policymakers closely watch the election results, the Sensex's sharp intraday plunge of over 5,661 points (7.40%) reflects market anxieties. With the NDA leading in 295 seats and the INDIA bloc in 231, uncertainties about the BJP forming a government without its allies have rattled investors. This tension is visible in the market's reaction, where most stocks, except FMCG companies like HUL, which surged up to 3.06%, are trading in the red, influenced by potential shifts in Modi's economic policies and the broader political landscape.

During previous Lok Sabha elections, the counting day progressed smoothly, but general elections can lead to heightened tensions and isolated incidents of unrest, affecting businesses with increased security measures, transportation halts, and other disruptions.