

Tyre stocks get GST cut boost

New Delhi: Shares of tyre companies on Thursday rose over 5 per cent amid reports that the GST Council is likely to slash tax rates on automobile tyres to 18 per cent from 28 per cent, currently, in its next meeting on Saturday.

JK Tyre emerged as the biggest gainer among tyre firms by closing at Rs 109 on the BSE, up 5.88 per cent from the previous close. Intra-day it soared 7.52 per cent to Rs 110.70. Apollo Tyres gained 0.13 per cent to end at Rs 239.80. TVS Srichakra advanced 1.56 per cent to settle at Rs 2,580.

MRF rose 0.06 per cent to Rs 69,200. and Ceat closed at Rs 1,351, with a gain of 0.51 per cent.

The move is part of the government's overall plan to rationalise the highest tax bracket of 28 per cent after Prime Minister Narendra Modi Tuesday said that 99 per cent of over 1,200 goods and services will attract 18 per cent or less Goods and Services Tax (GST).

"A 28 per cent tax on automobile tyres impacts common man because ultimately he has to shell out the tax. The overall focus on December 22 Council meet will be to lessen the GST burden on common man," an official had said.