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TOP PLAYERS POISED FOR 9-29% GAINS

ET GRAPHICS

Stocks With a Taxwind

GST 2.0

Industries benefiting from recent Goods and Services Tax (GST) rate cuts have been in focus on Dalal Street. Amid an uncertain market outlook, several stocks in these sectors are expected to outperform. Here's a compilation of leading brokers' top stock picks across automobiles, consumer, insurance, and other segments that could deliver returns of 9% to 29% over the next six months.

— Ruchita Sonawane

SBI SECURITIES

Belrise Industries

Target Price: ₹165
CMP: ₹142 | Upside: 15.5%

Rationale

- Leading 2W metal components supplier with 24% market share and single-source presence.
- Growth driven by capacity expansion and H-One India acquisition.
- Rising demand expected post recent GST rate cuts.

Subros

Target Price: ₹1,117
CMP: ₹953 | Upside: 17.2%

Rationale

- Leading AC systems supplier to Maruti Suzuki with 42% share in PV and 44% in CV segments.
- Strong positioning in India's automotive AC components industry.
- Demand boost expected from small car segment revival post GST rationalisation.

Mrs. Bectors Foods Specialities

Target Price: ₹1,632
CMP: ₹1,406 | Upside: 16.1%

Rationale

- GST cut on biscuits from 18% to 5% expected to revive volume growth.
- Festive season likely to boost overall consumption demand.
- Lower milk and cheese prices to support margins and QSR demand.



MOTILAL OSWAL FINANCIAL SERVICES

Swiggy

Target Price: ₹560
CMP: ₹443 | Upside: 26.4%

Rationale

- GST-led boost to disposable income to drive food delivery and quick-commerce growth.
- Easing competition and slower dark store expansion support Swiggy's market position.
- Improved cost discipline and reduced discounting aiding Instamart profitability.

Lemon Tree Hotels

Target Price: ₹200
CMP: ₹178 | Upside: 12.4%

Rationale

- GST cut on rooms below ₹7,500 from 12% to 5% to boost occupancy.
- Added 413 rooms across six new properties, aligning with expansion strategy.
- Strong 1QFY26 performance expected to continue in FY26.

Amber Enterprise

Target Price: ₹9,000
CMP: ₹7,488 | Upside: 20.2%

Rationale

- GST cut on air conditioner products from 28% to 18% to drive demand and boost volumes.
- ILJIN Electronics, its subsidiary, secures ₹1,200 crore funding to scale operations and pursue acquisitions.
- Expansion into Battery Energy Storage System, EV chargers, UPS, solar inverters, and automation.

ICICI SECURITIES

Exide Industries

Target price: ₹480
CMP: ₹426 | Upside: 12.6%

Rationale

- GST slab cut on auto parts from 28% to 18% to boost demand.
- Expected pickup in new vehicle sales post GST rate cut.
- Market leadership positions of Exide to benefit from rising volumes.

Arvind Fashion

Target Price: ₹705
CMP: ₹548 | Upside: 28.6%

Rationale

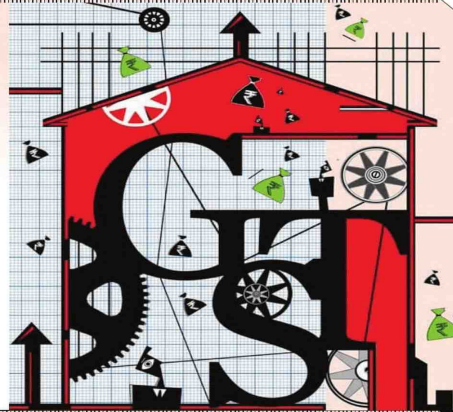
- 5% GST threshold increases on readymade garments to ₹2,500 per piece from ₹1,000 earlier to boost apparel demand.
- Personal tax cuts and easing inflation to drive festive season consumption.
- Expected to deliver stronger H2FY26 performance with improved profitability.

JK Lakshmi Cements

Target Price: ₹1,100
CMP: ₹925 | Upside: 18.9%

Rationale

- GST cut on cement from 28% to 18% expected to boost demand.
- JK Lakshmi Cement's presence across north, west, and east positions it well to benefit.
- Operational performance to improve driven by expansion, efficiencies, and positive leverage.



HDFC SECURITIES

Marico

Target Price: ₹857
CMP: ₹730 | Upside: 17.4%

Rationale

- Lower GST of 5% on essentials like biscuits, hair oil, soaps, and shampoos to boost demand.
- Improved consumer affordability expected to drive volume-led growth.
- Price cuts and grammage increases likely to support mass and mid-segment consumption.

SBI Life

Target Price: ₹2,100
CMP: ₹1,783 | Upside: 17.7%

Rationale

- GST cut on life insurance premiums to improve affordability and drive higher penetration.
- Poised to benefit from strong distribution via parent and lowest cost ratio.
- Sustained RoEV of 18-20% supports long-term growth prospects.

Sansera Engineering

Target Price: ₹1,625
CMP: ₹1,398 | Upside: 16.2%

Rationale

- Lower GST on vehicles and components to boost auto sector demand and volume recovery.
- Increased OEM demand and improved replacement market dynamics to drive order inflows.
- Stronger industry volumes to enhance company's competitiveness in domestic and export markets.

ANAND RATHI SHARES AND STOCK BROKERS

Bajaj Finance

Target Price: ₹1,045
CMP: ₹946 | Upside: 10.5%

Rationale

- GST cuts to significantly boost demand in consumer durables.
- Lower prices and reduced EMI obligations expected to drive higher consumption.
- Strong exposure to durables, vehicles, and insurance to fuel faster loan growth.



Dixon Technologies

Target Price: ₹20,000
CMP: ₹18,020 | Upside: 11%

Rationale

- GST cut on key consumer electronics from 28% to 18% to boost affordability and festive demand.
- Aligns with its strategy of expanding into component manufacturing under government incentives.
- Expected to drive higher production volumes and strengthen Dixon's growth momentum.

Chalet Hotels

Target Price: ₹1,120
CMP: ₹1,028 | Upside: 8.9%

Rationale

- GST on hotel rooms up to ₹7,500 cut from 12% (with ITC) to 5% (without ITC) seen boosting affordability.
- Budget and mid-scale segments expected to see higher occupancy and revenues.
- Company likely to benefit as a significant portion of its inventory falls within this bracket.

