

Auto, consumer durables stocks gain on govt wage bonanza

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Auto and consumer durables stocks today gained up to 4 per cent on expectation of a spike in their.

sales following the Cabinet's approval to the 7th Pay Commission recommendations.

From the auto basket, shares of Hero MotoCorp rose by 3.95 per cent, while **Tata Motors** (1.53 per cent), **Maruti Suzuki India** (1.36 per cent), **Bajaj Auto** (0.71 per cent) and **Mahindra & Mahindra** (0.62 per cent) also gained on BSE.

Led by the gains in these stocks, the **BSE** auto index went up by 1.51 per cent to settle at 19,473.01.

Shares of **Blue Star** rose by 3.56 per cent, **Voltas** by 1.87 per cent and Whirlpool by 1.38 per cent).

"The market continued its winning streak as the positive trade in **global economy** and the Cabinet nod for 7th pay commission report have raised investors' confidence in the market. The pay revision will increase the consumption pattern in the economy and has lifted the consumer durables and non-durables sector," said Vinod Nair, Head of Research, Geojit BNP Paribas Financial Services Ltd.

In a bonanza for over 1 crore government employees and pensioners, the Cabinet today approved implementation of the 7th Pay Commission, which had recommended an overall hike of 23.5 per cent.