WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24176	23822	24500	24208	24652	23823-24388	Sell between 24250-2275. Targets at 23822/23600. Aggressive targets at 23322-23345. Stop at 24585.
BANK NIFTY	57496	56200	58500	57620	57451	56500-58450	Sell at CMP. Targets 56800/56200. Aggressive targets at 55000. Stop at 58500.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
METROPOLIS HEALTHCARE	588	489	635	563	505	Positive	**Metropolis Healthcare** offers an attractive combination of: Defensive healthcare demand, Strong volume-led revenue growth, Rapid expansion in Tier-2 and Tier-3 markets, Rising contribution from speciality diagnostics, Improving profitability from acquired companies, Increasing network utilisation without heavy capital expenditure, Strong free-cash-flow potential, A technically constructive chart approaching a major breakout. Q1 FY27 was encouraging: revenue increased 17%, EBITDA grew 27% and PAT rose 26%. Importantly, growth was achieved without a price increase during the past 18 months, demonstrating healthy underlying patient and test volumes. The stock is approaching its ₹609 record-high resistance. A convincing breakout above this level could invite fresh momentum towards ₹635–721. Buy METROPOLIS HEALTHCARE at CMP ₹588 or on declines to ₹515–530. Stop-loss: ₹489 on a closing basis. Targets: ₹609/₹635. Aggressive target: ₹705. Time frame: 9–12 Months.

METROPOLIS HEALTHCARE: Technically, A Momentum Play.

METROPOLIS HEALTHCARE	BUY
CMP	588
Target Price	633/705
Stop	489
52 Week H/L	609/412
P/E	58.60
EPS (TTM)	2.24
Promotoers/FIIs/DIIs/Public	48.86%/11.03%/35.12%/5%
Book Value	73
Market Cap (INR)	12204

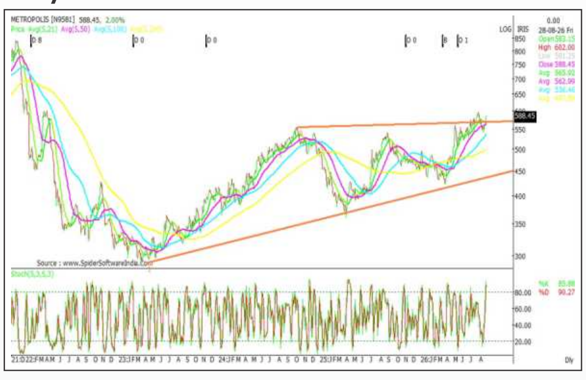
Metropolis Healthcare is one of India's leading organised diagnostic-service providers, with more than 45 years of operating experience.

The company provides:

Routine pathology tests. | Specialised diagnostics. | Molecular diagnostics. | Genomics and oncology testing.| Preventive healthcare packages.

Chronic-disease monitoring. | Home collection. | Institutional laboratory services.

Daily Chart of METROPOLIS HEALTHCARE :



Its network comprises approximately:

209 clinical laboratories. | More than 5,000 service and collection points. | Presence across approximately 750 towns. | More than 4,500 tests and diagnostic profiles. | Home collection across around 2,200 PIN codes.

Metropolis operates through two principal channels:

Business channel	Description
B2C	Walk-in patients, home collection, digital bookings and wellness packages
B2B	Hospitals, clinics, doctors, nursing homes and independent laboratories

The B2C business offers stronger brand ownership and better margins, while B2B increases sample volumes and improves laboratory utilisation.

 # BUSINESS MODEL

Metropolis follows a hub-and-spoke diagnostic model.

Samples are collected through service centres, home visits, hospitals and clinics and are transferred to regional or specialised laboratories for testing.

The model offers considerable operating leverage because:

Laboratories carry substantial fixed costs. | Existing machines can process higher test volumes. | Additional collection centres require relatively modest capital. | Higher utilisation reduces the cost per test. | Specialised tests generate higher realisations and margins.

The present strategy is therefore focused on adding collection points and improving utilisation rather than aggressively constructing new laboratories.

 # Q1 FY27 PERFORMANCE

Metropolis reported a strong start to Fy27.

Consolidated performance	Q1 FY27	Q1 FY26	YoY Growth
Revenue	₹450.2 crore	₹386.1 crore	+16.6%
EBITDA	₹113.2 crore	₹89.1 crore	+27.1%
EBITDA margin	25.2%	23.1%	+210 bps
EBIT	₹86.0 crore	₹65.8 crore	+30.6%
Profit before tax	₹77.7 crore	₹61.2 crore	+26.9%
PAT	₹56.9 crore	₹45.2 crore	+25.8%
PAT margin	12.6%	11.7%	+90 bps

The results demonstrate operating leverage: total costs grew more slowly than revenue, allowing EBITDA and PAT growth to comfortably outpace the top line. Q1 FY27 presentation summary

KEY OPERATING METRICS

Operating parameter	Q1 FY27	Growth
Patient volumes	3.7 million	+10%
Test volumes	7.8 million	+11%
Revenue per patient	₹1,219	+6%
Revenue per test	₹575	+5%
Service network	5,003 points	+8%

The increase in realisation came mainly from a richer mix of speciality and wellness tests rather than price increases.

PRODUCT-MIX PERFORMANCE

Test category	Revenue Contribution	YoY Growth
Speciality diagnostics	40%	+17%
TruHealth wellness	18%	+22%
Semi-specialised tests	25%	+15%
Routine testing	17%	+13%

GEOGRAPHICAL PERFORMANCE

Region	Revenue Contribution	Q1 FY27 Growth
West India	50%	+14%
South India	27%	+14%
North India	18%	+19%
Other regions	5%	—

West India remains the largest contributor, but North India is emerging as an important

FY27 GUIDANCE

POSITIVE CATALYSTS

1. Volume-Led Growth: Revenue grew 17% without price increases during the previous 18 months. Patient growth, higher test volumes and better mix are healthier growth drivers than pricing alone.

2. Margin Expansion: EBITDA margin expanded 210 basis points to 25.2%. Management is targeting 27–28% over the current and following fiscal year, offering scope for earnings to grow faster than revenue.

3. Rising B2C Contribution: B2C accounted for 57% of revenue and grew 18%. Faster B2C growth should support stronger margins and improve direct customer ownership.

4. Speciality Diagnostics: Speciality tests contribute 40% of revenue and are expected to rise to around 45% over three years. Oncology, genomics and molecular diagnostics should improve both realisations and competitive differentiation.

5. TruHealth Expansion: Management aims to increase the preventive-health platform's contribution from 18% to approximately 25%. Rising awareness of early diagnosis, preventive screening and chronic-disease monitoring should support this business.

6. Tier-2 and Tier-3 Penetration: Smaller markets grew 25%, more than twice the growth rate of Tier-1 cities. These regions remain substantially underpenetrated by organised diagnostics providers.

7. Core Diagnostics Synergies: Cross-selling Core's oncology and genomics tests through Metropolis' B2B and B2C network could increase volumes without a proportionate increase in fixed costs.

8. Improving Network Productivity: Raising the centre-to-lab ratio from 24:1 to 35:1 should improve asset utilisation and return ratios.

KEY RISKS

1. Premium Valuation. At ₹588, the stock trades at a high trailing earnings multiple. Strong volume growth and margin expansion are necessary to justify the valuation.

2. Competitive Intensity. Aggressive discounts or price-based competition could pressure realisations. The diagnostics industry faces competition from:

Dr Lal PathLabs. | Thyrocare. | Vijaya Diagnostic. | Agilus Diagnostics. | Regional laboratories. | Hospital chains. | Online health platforms.

 # Preferred Strategy |

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Stop-loss: ₹489 on a closing basis.

Targets: ₹609/₹635.

Aggressive target: ₹705.

Time frame: 9–12 Months.