INTERNATIONAL RESEARCH STARS
ISSN: 2583-276X (Online)
Volume: 4, Issue: 1, Jan -March, 2025

A STUDY ON PORTFOLIO MANAGEMENT IN AXA PARENTERALS LTD,

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ABSTRACT

Axa Parenteral Ltd. is a pharmaceutical manufacturer and exporter of parenteral formulations, specializing in injectable products and contract manufacturing. They have a strong focus on quality and compliance, holding certifications like PIC/S and WHO-GMP, allowing them to export to 61 countries. Their product range includes repulse, single-use eye drops, multi-dose eye drops, and large volume parenteral (LVP), with their subsidiary Helias Life Sciences focusing on general injectable vials

Portfolio management is a critical aspect of any company's investment strategy, particularly for firms like AXA Parentals Ltd, which must optimize the allocation of assets to balance risk and return effectively. This abstract explores the portfolio management practices within AXA Parentals Ltd, emphasizing the company's approach to selecting, managing, and diversifying its investment portfolio to meet its financial objectives. AXA Parentals Ltd, a prominent player in the parental and family care sector, leverages strategic portfolio management to ensure long-term growth while mitigating financial risks.

Keywords: Research Papers, SEO, Company Profiling,

INTRODUCTION

Axa Parenteral Ltd is an Indian pharmaceutical company established in 2005, specializing in the manufacturing and marketing of sterile parenteral preparations, including life-saving injectables, eye drops, and respiratory products. Headquartered in Delhi, with a WHO-GMP and PIC/S-certified manufacturing facility in Roorkee, Uttarakhand, the company exports to over 60 countries across Africa, Europe, the Middle East, and Asia. Axa Parenteral is known for producing high-quality large volume parenteral (LVPs), lyophilized injections, and preservative-free eye care solutions. The company is expanding under the name Helias Life Sciences to cater to EU markets with oncology and other specialized injectables. With a growing revenue base and strong international presence, Axa Parenteral Ltd continues to focus on quality, innovation, and global healthcare standards.

Axa parenteral Ltd holds significant importance in the pharmaceutical industry due to its focus on manufacturing high-quality, sterile injectable products that are essential in life-saving treatments and hospital care. With its WHO-GMP and PIC/S-certified facility, the company ensures international quality standards, making it a trusted supplier in over 60 countries. Axa Parenteral addresses critical global healthcare needs by producing a wide range of injectables, eye drops, and respiratory solutions, particularly for underserved regions. Its ongoing expansion into oncology and EU-regulated markets under Hilsa Life Sciences highlights its commitment to innovation and global health. Through its consistent growth and international presence, Axa Parenteral Ltd contributes meaningfully to both public health and India's pharmaceutical export sector.

Axa Parenteral Ltd operates within the Indian pharmaceutical industry, specializing in the production of sterile parenteral formulations, including large volume parenteral (LVP), small volume parenteral (SVP), and ophthalmic products. Established in 2005, the company has

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developed a state-of-the-art manufacturing facility in Roorkee, Uttarakhand, equipped with advanced Form Fill Seal (FFS) technology sourced from global leaders like Romola and Willer. This facility adheres to stringent international standards, holding certifications such as WHO-GMP and PIC/S, and is designed to comply with US FDA and EU regulatory guidelines. Axa Parenteral Ltd.'s product portfolio encompasses a wide range of injectables, including life-saving medications like Propofol, Liposomal Amphotericin B, Enoxaparin, Heparin, Levetiracetam, Milrinone, and lyophilized Pantoprazole. The company has a significant global presence, exporting to over 60 countries across Africa, Southeast Asia, the Middle East, and Latin America. Through its subsidiary, Helias Life Sciences, Axa Parenteral is expanding its capabilities to manufacture glass vial-based injectables, lyophilized products, and oncology injectables, aiming for EU GMP approval. This strategic expansion underscores the company's commitment to meeting the growing global demand for high-quality

REVIEW OFLITERATURE

Markowitz, H. M. (1952) Asset allocation is the process of dividing investments among different asset categories, such as equities, bonds, real estate, and cash. The objective is to optimize the balance between risk and return based on an investor's risk tolerance, time horizon, and financial goals.

Sharpe, W. F. (1964). Risk refers to the variability of returns on an investment, while return refers to the profit or loss from an investment over a period. The risk-return tradeoff suggests that higher risk is associated with higher potential return.

Markowitz, H. M. (1952) MPT, introduced by Harry Markowitz in 1952, is a framework for constructing a portfolio of assets in such a way that it maximizes returns for a given level of risk. The theory focuses on the diversification of assets to reduce unsystematic risk.

Tobin, J. (1958). The efficient frontier is a graphical representation of all portfolios that offer the best possible expected return for a given level of risk. Portfolios on the frontier are considered optimal.

S. Saravanakumar, S. Gunasekaran and R. Aarthy (2011) showed the upswing in capital market allows the investors to harvest handsome return in their investments, but day-trader in stock market hard to take advantage in bullish and bearish market conditions by holding long or short positions. Now the derivative instruments offer them to hedge against the adverse conditions in the stock market. They argued that secondary market is the most preferred than primary market and cash market is the most preferred market than derivatives market because of high risk when derivatives market is preferred than cash market for higher return.

M. Sathish, K. J. Naveen and V. Jeevanantham (2011) studied in the options available to investors are different and the factors motivating the investors to invest are governed by their socio-economic. They argued that instead of investing directly, the investors particularly, small investors may go for indirect investment because they may not be in a position to undertake fundamental and technical analysis before they decide about their investment options. Their empirical study showed that majority of the investors of mutual funds is also belongs to equities who give the first preference to that avenue which gives good return. From the study, concluded that lack of knowledge as the primary reason for not investing in

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investment vehicle. S. Gupta, P. Chawla and S. Harkat (2011) stated financial markets are constantly becoming more efficient providing more promising solutions to the investors. Study also proved that occupation of the investor is not affected in investment decision. The most preferred investment avenue is insurance with least equity market. The study also argued that return on investment and safety are the most preferred attributes for the investment decision instead of liquidity.

RR Rajamohan (2010) analysed the role of the financial knowledge is important in decision making in information intensive assets like stocks and other risky securities. Hence, reading habit, as a proxy for financial knowledge. Younger people have greater labour flexibility than older people; if the returns on their investments turn out to be low, they could work more or retire later. Hence age an important factor to be considered in household portfolio analysis.

Ashutosh Vasishta and Satish Kumar (2010) studied encompasses scope an analysis of historical roots of derivative market of India. The emergence of derivatives market is an ingenious feat of financial engineering that provides an effective and less costly solution to the problem of risk that is embedded in the price unpredictability of the underlying asset. In India, since its inception derivatives market has exhibited exponential growth both in terms of volume and number of traded contracts. They argued that NSE and BSE has added more products in their derivatives segment but still it is far less than the depth and variety of products prevailing across many developed capital markets. Daniel Dorn (2010) concluded market for OTC derivatives have grown rapidly during the last decade in many Asian and European countries. Investors often face a choice between dozens of OTC options that differ only slightly in their attributes. He argued that professional advice can help uninformed investor better navigate the menu of choices, unless issuers raise complexity or offer advisors incentives to share in industry profit.

RESEARCH METHODOLOGY

Axa Parenteral Ltd., established in 2005 and headquartered in Roorkee, Uttarakhand, is a prominent Indian pharmaceutical manufacturer specializing in sterile parenteral formulations. The company employs a robust research methodology to develop and manufacture high-quality injectable products, adhering to international standards and regulatory requirements.

OBJECTIVES OF THE STUDY

- To Analyze how AXA Parenteral Ltd manages its investment portfolio effectively.
- To Assess how the company diversifies its investments to optimize performance.
- To Evaluate the company’s investment decisions and their impact on profitability.
- To Identify industry trends and compare AXA Parenteral Ltd.’s approach with best practices.
- To Provide recommendations for better investment decision-making and risk mitigation.

DATA INTERPRETATION & ANALYSIS

Risk Taking Capacity of Individuals Starting Their Portfolio Accounts

The risk-taking capacity of individuals starting their portfolio accounts is a crucial factor in determining the investment strategies and asset allocations that are most suitable for them. Risk-taking capacity is essentially the ability and willingness of an individual to take on risk

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in their investments, based on various factors such as financial situation, goals, personality, and external market conditions.

Table 1: Risk Taking Capacity of Individuals Starting Their Portfolio Accounts

Sr.no	RISK LEVEL	INVESTORS
1.	MODERATE	60%
2.	HIGH	30%
3.	LOW	10%

Secodary data: secondary data

According to the above graph we can interpret that more than 60% of investors are ready to take moderate level of risk and 30% of investors are ready to take high level of risk and only 10% are taking low risk while taking investment decisions.

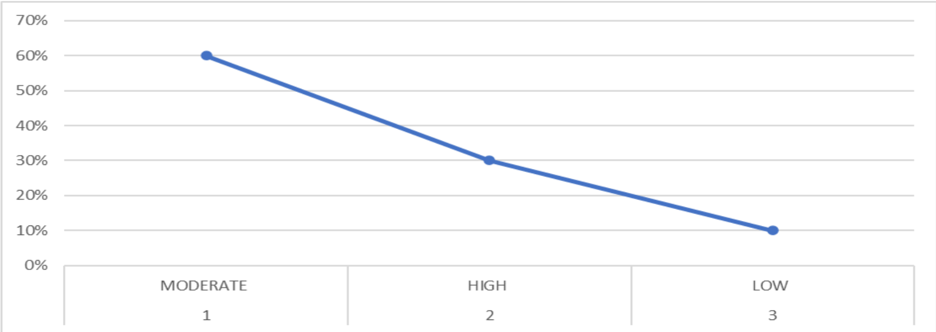

Figure 1: Risk Taking Capacity of Individuals Starting Their Portfolio Accounts

The percentage starts at 60% in the MODERATE category. It decreases to 30% in the HIGH category. It drops further to 10% in the LOW category

2. Percentage Of Asset Allocation According to The Type of Investor.

The percentage of asset allocation in a portfolio typically varies depending on the investor's risk tolerance, financial goals, time horizon, and other factors such as age, financial situation, and market conditions. Below is a general guideline for different types of investors, outlining how their portfolios might be allocated based on their risk profiles

Table 2: Percentage Of Asset Allocation According to The Type of Investor.

SR.NO	AGGRESSIVE INVESTOR'S	PERCENT
1.	EQUITIES	70%
2.	FIXED INCOME	20%
3.	GOLD	10%

Secodary data: secondary data

According to the above graph, aggressive investors demonstrate a strong preference for investment in equities, allocating approximately 70% of their portfolios to this asset class. This significantly outweighs their investments in fixed income securities and gold, which account for only 20% and 10% respectively. The high proportion of equity investments reflects the aggressive investors' willingness to take on greater risk in pursuit of higher returns, as equities are typically associated with higher volatility but also greater long-term

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growth potential. In contrast, the relatively smaller allocations to fixed income and gold suggest that aggressive investors prioritize capital appreciation over income stability and capital preservation. This investment behavior highlights their confidence in market performance and a longer investment horizon, where short-term market fluctuations are less of a concern compared to potential long-term gains.

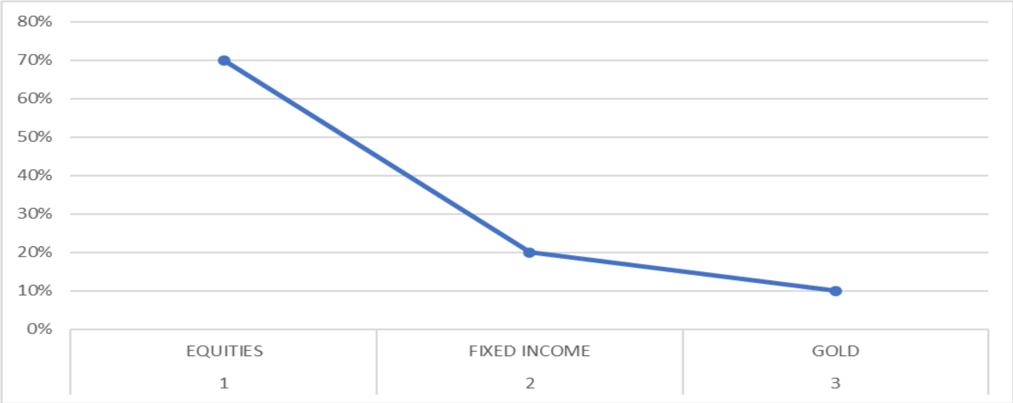

Figure 2: **Percentage Of Asset Allocation According to The Type Of Investor.**

Equities have the highest allocation at 70%. Fixed Income is significantly lower, around 20% Gold has the smallest share at 10%.

Maximum Allocation in Investors Portfolio Pertains to The Following

It seems like you're asking about the maximum allocation for certain types of assets or investment categories in an investor's portfolio. To clarify, different types of investors might have maximum allocations depending on their investment goals, risk tolerance, and time horizon. Here's a breakdown of maximum allocations for common asset classes based on investor profiles

Table 3: Percentage Of Asset Allocation According to The Type of Investor.

SR.NO	INVESTIMENTS	PERCENT
1	SAVING & FIXED DEPOSITS	10%
2	BONDS	20%
3	EQUITIES	45%
4	MUTUAL FUNDS	25%

Secodary data: secondary data

According to the above graph, investors exhibit a clear preference for equities, allocating 45% of their total investments to this asset class, which stands out as the highest among the available investment options. In comparison, traditional savings and fixed deposits attract only 10% of the total investments, indicating a relatively lower inclination towards highly secure but lower-yielding instruments. Bonds, often considered a safer and more stable investment option, receive about 20% of the investment share, while mutual funds, known for offering diversified exposure to different sectors and asset classes, account for 25% of the portfolio allocation. This distribution highlights a shift in investor behavior toward equity markets, driven by the prospect of higher long-term returns despite the inherent market volatility and risks associated with equities. The comparatively smaller investments in savings, fixed deposits, and bonds suggest that investors are less focused on capital

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preservation and steady income, traditionally offered by these fixed-income instruments. The considerable investment in mutual funds reflects a balanced strategy by some investors who seek growth potential while mitigating risk through professional fund management and diversification. Overall, the investment pattern portrayed in the graph suggests that investors are adopting a moderate to high-risk investment approach, aiming to capitalize on market opportunities for wealth creation, while still maintaining a portion of their assets in relatively safer investment vehicles to ensure a degree of portfolio stability.

Figure 3: Percentage Of Asset Allocation According to The Type of Investor.

that is 45% in comparison with others securities that is savings and fixed deposits, bonds and mutual funds that is 10%, 20%, 25%.

Occupation of Investor Opting for Portfolio Management Services

The occupation of an investor opting for Portfolio Management Services (PMS) often varies widely, but certain common traits and factors influence why specific individuals from different occupations might seek such services. Portfolio Management Services offer personalized investment strategies, managed by professionals, designed to meet the financial goals and risk tolerance of the investor. Investors opting for PMS are typically looking for expertise and active management, especially those who either don't have the time or expertise to manage their investments independently.

Table 4: Occupation Of Investor Opting for Portfolio Management Services

SR.NO	OCCUPATION	PERCENT
1.	SALARIED EMPLOYEE	50%
2.	BUSINESS	16%
3.	SELF EMPLOYED	14%
4.	OTHER OCCUPATION	20%

Secodary data: secondary data

According to the above graph, investors invest more in equites that is 45% in comparison with others securities that is savings and fixed deposits, bonds and mutual funds that is 10%, 20%, 25%.

Figure 4: Occupation Of Investor Opting for Portfolio Management Services

that is 45% in comparison with others securities that is savings and fixed deposits, bonds and mutual funds

Satisfaction Level of The Clients of AXA PARENTERALS LTD"

To assess the satisfaction level of clients of AXA Parenterals Ltd, we would ideally require access to specific data regarding client feedback, performance evaluations, and service

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quality. Since AXA Parenterals Ltd is primarily a company involved in pharmaceuticals, their client base may include healthcare institutions, pharmaceutical distributors, or other business clients, and not retail investors directly

Table 5: Satisfaction Level of The Clients of AXA PARENTERALS LTD

SR.NO	RATING	PERCENT
1.	EXCELLENT	18%
2.	VERY GOOD	70%
3.	GOOD	6%
4.	AVERAGE	4%
5.	POOR	2%
6.	VERY POOR	0%

Secodary data: secondary data

According to the above graph, 70% of the clients have satisfied with the services and minimum only 2% clients are dissatisfied with the services.

Figure 5: Satisfaction Level of the Clients of AXA PARENTERALS LTD

The majority of responses rated the item as Very Good (70%), followed by Excellent (18%). Ratings drop sharply across all lower categories, indicating strong overall satisfaction

FINDINGS OF THE STUDY

The Investor, Maintains the Portfolio of Diversified Sector Stocks Rather Than Investing in A Single Sector of Different Stocks. Majority Of the Investors Select a Certain Portfolio Management Firm Depending Upon the Word of Mouth, Self-Decision Makers, Financial Advisors, Brokers. Motilal Oswal Also Deals in Services Like Mutual Fund Investment, Management of Equities, Management of Money Market Investment, Advisory and Consultancy Services. Among All the Services Offered Advisory and Consultancy Services Are the Services That the Individual Investors Are Most Aware Of. Most Of the Clients Are Not Aware of the Vision and Mission Statements of the Company they deal in. The minimum investment requirement to avail PMS scheme is about 50lacs as per SEBI guidelines.

RECOMMENDATIONS

Managerial Implication

Managerial Implications for Axa Parenteral Ltd involve strategic decision-making in areas such as quality compliance, global expansion, product innovation, and operational efficiency. Managers must ensure that the company adheres to international regulatory standards (like WHO-GMP and PIC/S) to maintain credibility in global markets. They also

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need to allocate resources effectively for R&D and expansion into high-demand segments like oncology and EU-compliant injectables. Additionally, managing a diverse export portfolio across 60+ countries require strong coordination in logistics, supply chain, and customer relationship management. These implications highlight the need for proactive leadership and robust strategic planning to sustain growth and competitiveness

Policy maker's implication

Policy Maker's Implications for Axa Parenteral Ltd involve creating a regulatory and economic environment that supports the growth of the pharmaceutical sector while ensuring public health safety. Policymakers can facilitate access to global markets by simplifying export procedures, ensuring compliance with international standards like WHO-GMP, and providing incentives for R&D in critical care and oncology medicines. Additionally, by supporting policies that encourage innovation, affordable healthcare access, and supply chain efficiency, policymakers can enable companies like Axa Parenteral Ltd to expand their product offerings and reach, both domestically and internationally. Effective healthcare policies also ensure that pharmaceutical companies maintain high standards, ensuring patient safety and drug efficacy in global markets.

Recommendations for Industry Development

To support industry development in portfolio management, there should be a focus on integrating advanced technologies such as AI and data analytics to improve decision-making. Promoting financial literacy and investor education can broaden market participation, while regulatory frameworks should adapt to support innovation and transparency. Encouraging collaboration between academia, financial institutions, and tech firms can drive research and development, helping the industry evolve in response to changing market dynamics.

Recommendations for Scholarly Contribution

To advance scholarly contribution in portfolio management, researchers should explore emerging trends such as sustainable investing, behavioral finance, and AI-driven strategies. Emphasis should be placed on developing models that address real-world market complexities and risk management challenges. Collaborating with industry practitioners and publishing in high-impact finance journals can enhance the relevance and visibility of the research.

SCOPE FOR FURTHER STUDY

Axa Parenteral Ltd is actively pursuing strategic initiatives to enhance its position in the global pharmaceutical market. The company is expanding its manufacturing capabilities through its subsidiary, Helias Life Sciences Pvt Ltd (HLSPL), with plans to establish a state-of-the-art facility in Roorkee, Uttarakhand. This facility aims to produce a diverse range of products, including ampoules, prefilled syringes, lyophilized injectables, and oncology formulations, targeting EU GMP certification. Such expansion is expected to diversify the company's product portfolio and strengthen its presence in regulated markets.

LIMITATIONS OF THE STUDY

The study on Axa Parenteral Ltd has several limitations that should be considered. First, access to comprehensive and up-to-date financial, operational, and strategic data might be restricted due to confidentiality concerns, limiting the depth of analysis. Additionally, the pharmaceutical market is highly dynamic, with frequent changes in regulations, economic conditions, and consumer demands, which could affect the relevance and accuracy of the study over time. The company's global operations span diverse markets, each with unique regulatory frameworks and market conditions, making it challenging to generalize findings. Moreover, the impact of ongoing technological advancements and their long-term effects on the company may not be fully captured in the study, especially if data on these developments is still in progress. Finally, external factors such as political instability, economic fluctuations, or supply chain disruptions could impact the company's performance, further complicating predictions and assessments.

CONCLUSION

Portfolio management is an essential discipline that involves strategically allocating resources across various investment assets to achieve financial objectives while managing risk. The ultimate goal is to optimize returns according to an individual's or institution's risk tolerance, financial goals, and time horizon.

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