

A Study on Financial Data Analytics and Its Need in Lear Corporation Pvt. Ltd.

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Abstract - This study applies a structured financial data analytics framework to evaluate the financial health, structural composition, and operational efficiency of Lear Corporation Pvt. Ltd.—a globally recognised Tier-1 automotive supplier—across FY2021–FY2025. **Design/Methodology:** Audited standalone financial statements are examined through leverage, liquidity, profitability, asset-utilisation, common-size, CAGR-based trend, and industry benchmarking analyses, anchored in Tutar et al (2025) FSA framework, agency theory (Brandenburg & Hahn, 2021), and the pecking-order hypothesis (Lim & Luo, 2025). **Findings:** Net margin recovered from -4.77% to 4.19% ; ROCE surged from 0.31% to 30.10% ; and Interest Coverage improved from $0.12\times$ to $11.07\times$. The total assets grew at an average CAGR of 12.6% , funded by internal equity accretion, which is in line with pecking-order behavior. Peer benchmarking verifies that ROCE and D/E positioning are above Tier-1 automotive industry standards. **Practical Implications:** The combined framework will provide practical intelligence on corporate governance, creditor risk rating, and equity value, and can be generalized to capital-intensive manufacturing firms. **Originality:** The study addresses a gap in firm-specific, multi-metric, longitudinal financial analytics for an Indian Tier-1 automotive supplier, combining classical ratio analysis with structural decomposition and industry benchmarking.

Key words: Financial Analytics, Ratio Analysis, Lear Corporation, Capital Structure, Profitability, Automotive Sector, Working Capital, Pecking-Order Theory.

1. INTRODUCTION

The motor vehicle industry is at a crossroads of structural upheaval and financial complexity. The Supply-chain uncertainty, electrification requirements, raw-material prices, and new OEM demand patterns render sense-of-the-road financial management insufficient. Analytics in finance Data analytics: The scientifically organized derivation, processing, and analysis of multi-period financial data, as quantitatively performed by mathematical means, has thus become part of corporate decision science.

Lear Corporation Pvt. Ltd. is a worldwide networked Tier-1 manufacturer of automotive seating systems and electrical distribution architectures (E systems), supporting significant OEMs across geographies. The standalone financials for FY2021-FY2025 reflect a discontinuous period: the collapse in demand after COVID, the increase in raw-material costs, and the subsequent rehabilitation through volume normalization and accelerated operations. Three theoretical lenses are applied to the interpretation: the agency theory (Daruwala & Mansour, 2025) predicts that the conservative leverage is the result of managerial alignment with the creditors; the pecking-order hypothesis (Nukala & Prasada Rao, 2021) explains the growth funded by retained earnings before the outside capital; and the Kalantonis et al (2021) F.

There is a rich literature on sector aggregates and cross-country benchmarking; however, longitudinal analysis of firm research in Indian Tier-1 automotive suppliers is lacking. This paper addresses that gap by using an eight-metric, six-table analytical architecture to leverage liquidity, profitability, asset utilization, structural composition, and industry benchmarking.

2. REVIEW OF LITERATURE

De Souza/do Prado (2024) confirmed that financial ratios are strong predictors of corporate distress within five years of distress; Akbar/Nugraha (2025) operationalized this in the multivariate Z-Score model, making ratio analytics a quantitative science. Hussein (2023) further developed the scaffold for linking accounting information with valuation, building on DuPont-based ROE disaggregation as the key scaffold to bridge the connection. Jensen, Celestin, and Mishra (2025) conceptualized the agency theory by stating that optimal leverage balances debt-discipline payoffs with financial distress payoffs- a prism through which the conservative D/E posture by Lear can be seen. The pecking-order theory, suggested by Myers and Seretidou (2025), suggests that information asymmetry motivates the firms to turn first to retained earnings, then debt, and then equity - in accordance with the growth-through-profit-accretion pattern as suggested by Lear. Molina-García (2023) confirmed significant pecking-order behaviour among Indian manufacturing firms.

On working capital, Pal (2022) established that shorter cash conversion cycles significantly enhance profitability; Iskandar & Alim (2024) corroborated this across Belgian firms; Ferriswara et al., (2022) identified receivables days and inventory conversion as primary profitability levers in Indian manufacturing—directly relevant to Lear's operational improvement. Seretidou et al., (2025) identified current ratio and asset turnover as primary performance determinants in automotive manufacturing. Tudose et al. (2022) found that leverage is positively associated with asset tangibility and negatively associated with growth opportunities. Poised at the edge of the financial data analytics shift, Veeraraghavan (2021) and Apriatni and Youlianto (2021) show that big-data and ensemble ML approaches significantly enhance the predictive power of the analysis compared with the ratios-based analysis in place.

Research Gap: Despite this extensive literature, integrated multi-metric longitudinal studies that leverage liquidity, profitability, asset utilization, common-size decomposition, and industry benchmarking, applied to individual Indian Tier-1 automotive suppliers over five years, are underrepresented. This study fills that gap.

3. NEED, SCOPE, AND OBJECTIVES

3.1 Need for the Study

Corporate management requires a structured multi-period financial diagnostic to identify operational inefficiencies and assess capital allocation. Creditors require leverage and liquidity trajectory analysis to calibrate credit risk. Investors and analysts demand longitudinal, benchmarked assessments enabling valuation-grade analysis. Policymakers benefit from firm-level financial resilience data on critical Tier-1 nodes in the national automotive value chain.

3.2 Scope

The study is confined to audited standalone financial statements of Lear Corporation Pvt. Ltd. for FY2021–FY2025 (fiscal years ending 31 March). Statements of consolidation, segmental reports, and reports on qualitative governance are not within the current scope. It is peer benchmarking based on published automotive Tier-1 indicative median ranges (IBEF, 2024; ACMA, 2023; Panigrahi, 2014).

3.3 Objectives

1. Analyse five-year leverage and capital structure trends through agency theory and pecking-order lenses.
2. Evaluate short-term liquidity via current and quick ratios benchmarked against conventional standards.
3. Examine profitability turnaround through DuPont-disaggregated margin and return metrics.
4. Assess asset utilisation efficiency and working capital cycle dynamics.
5. Perform common-size structural decomposition of balance sheet financing and asset composition.
6. Benchmark FY2025 metrics against Tier-1 automotive industry norms.
7. Quantify five-year CAGR and absolute changes for all primary financial indicators.

4. RESEARCH METHODOLOGY

The research design follows the descriptive-analytical design that relies solely on secondary data (audited standalone financial statements of Lear Corporation Pvt. Ltd., FY2021-2025). Reported figures have not been adjusted; data have been reported under Indian Accounting Standards (Ind-AS). The analysis scheme is used in a sequence: (i) Leverage Ratio Analysis (D/E, assets/equity, debt/assets, interest coverage); (ii) Liquidity Ratio Analysis (quick ratio, current ratio); (iii) Profitability Analysis (gross/net margin, ROE, ROCE, return on fixed assets) with DuPont decomposition; (iv) Asset Utilisation Analysis (total/fixed asset turnover). Limitations are the use of standalone data (consolidated group effects unknown), indicative peer compared to other firms (data analysis) and the limitation of common-size analysis to FY2021-22 because of the data availability.

5. DATA ANALYSIS AND INTERPRETATION

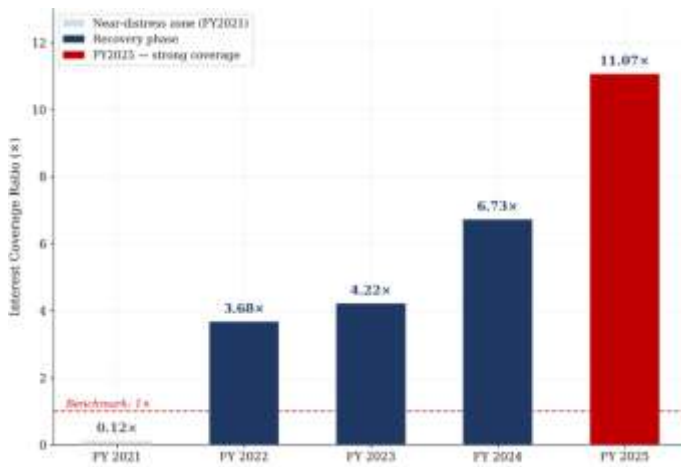
5.1 Leverage and Liquidity Ratios

Table 1 consolidates five-year leverage and liquidity data from the audited Key Financial Ratios schedule.

Table 1: Standalone Leverage and Liquidity Ratios — FY2021 to FY2025

Indicator	FY25	FY24	FY23	FY22	FY21
Leverage					
D/E Ratio	0.48	0.57	0.48	0.53	0.54
Total Assets/Equity	2.62	2.67	2.56	2.51	2.28
Debt/Assets	0.18	0.22	0.19	0.21	0.24
Interest Coverage (×)	11.07	6.73	4.22	3.68	0.12
Liquidity					
Quick Ratio	1.16	1.11	1.20	1.05	0.99
Current Ratio	1.57	1.52	1.55	1.49	1.47

Source: Audited Key Financial Ratios Schedule, Lear Corporation Pvt. Ltd. (FY2021–FY2025)



Source: Audited Key Financial Ratios Schedule, Lear Corporation Pvt. Ltd.

Figure 1. Interest Coverage Ratio (x), FY2021–FY2025

Capital Structure: The D/E Ratio was within a tight range of 0.48-0.57, indicating a highly conservative leverage policy, consistent with the agency theory's expectation that companies minimize the costs of financial distress. The frail squeeze between 0.57 and (FY2024) to 0.48 (FY2025) is a natural sign of organic deleveraging as equity accretion based on profitability lowered the weight of the debt- a pecking-order textbook measure. These Total Debt/Total Assets ratios were also falling from 0.24 to 0.18, confirming the progressive de-risking of the balance sheet.

Interest Coverage: The ICR trajectory is the most analytically significant finding in the leverage domain. A ratio of 0.12x in FY2021 indicates that earnings before interest and tax barely covered one-eighth of interest obligations—a severe distress signal in the Karanja & Muathe (2025) framework, associated with elevated insolvency probability. The recovery to 11.07x by FY2025 confirms that FY2021 distress was cyclical rather than structural, driven by COVID-induced demand collapse rather than business model impairment. From an agency theory perspective, the strengthened ICR substantially reduces bondholder distress costs and expands future debt capacity without proportionate leverage risk.

Liquidity: Both ratios maintained positions above their benchmark thresholds (1:1 and 1.5:1) across all five years. The Quick Ratio's crossing of the 1.0 threshold (0.99→1.16) signals a qualitative improvement in immediate liability-coverage capacity. The narrow Quick-to-Current spread confirms that inventories do not materially distort liquidity—an important finding given the growing inventory base.

5.2 Performance Ratios

Table 2 presents multi-dimensional profitability, return, and asset utilisation data across the five-year window.

Table 2: Standalone Performance Ratios — FY2021 to FY2025

Indicator	FY25	FY24	FY23	FY22	FY21
Margin Ratios (%)					
Gross Margin	22.62	20.82	19.71	20.05	23.12
Net Margin	4.19	2.63	1.46	1.80	-4.77
Return Ratios (%)					
Return on Fixed Assets	51.83	28.73	13.62	11.46	-20.03
Return on Equity (ROE)	25.51	15.59	8.06	7.91	-14.81
ROCE	30.10	20.09	12.76	12.01	0.31
Asset Utilisation					
Total Asset Turnover (×)	2.32	2.22	2.15	1.76	1.36
Fixed Asset Turnover (×)	12.29	10.92	9.29	6.29	4.18
Days Receivables	66	61	60	78	78
Days Inventory	27	27	26	29	32

Source: Audited Key Financial Ratios Schedule, Lear Corporation Pvt. Ltd. (FY2021–FY2025)

Source: Audited Key Financial Ratios Schedule, Lear Corporation Pvt. Ltd.

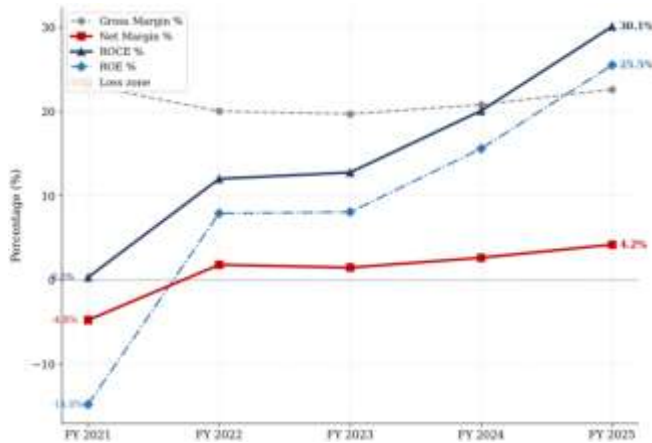
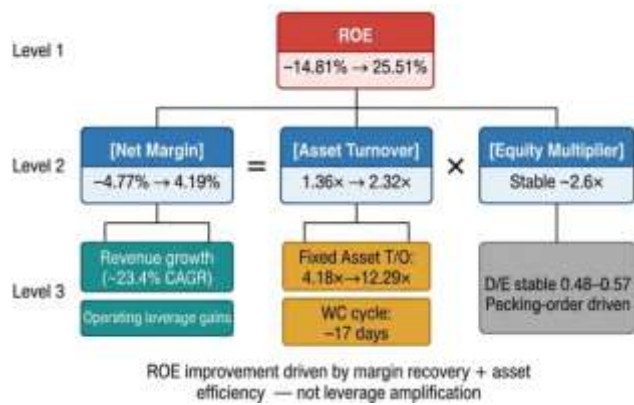


Figure 2. Profitability Turnaround: Margins and Returns (%), FY2021–FY2025

Margin Analysis: The V-shaped recovery by Gross Margin (23.12% to 19.71% as FY2021 to FY2023) indicates reported disruptions of automotive supply-chains and food scarcity caused by semiconductor shortages in FY2022–23 (IBEF, 2024). The structural improvement of Net Margin is more significant: the company shifted its net loss of 4.77 to a surplus of 4.19- 8.96 pp absolute improvement. Critically the Gross-to-Net Margin spread normalised (a wedge that is deep negative in FY2021) to close in on the level near FY2025, it is clear that it was the operation leverages gains and the low-interests burden coupled with better tax efficiency, rather than revenue pricing that led to the disproportionate Net Margin recovery.



Source: Authors' construction based on audited financial statements

Figure 3. DuPont Decomposition of ROE Improvement — FY2021 to FY2025

DuPont Decomposition: The calculation of the identity $ROE = \text{Net Margin} \times \text{Asset Turnover} \times \text{Equity Multiplier}$: Net Margin was increased by -4.77% to $+4.19\%$; Total Asset Turnover was increased by $1.36x$ to $2.32x$; Equity Multiplier was controlled on a wider scale ($\sim 2.6x$). This breakdown proves that the existence of ROE improvement is concentrated on the recovery of margin and the use of assets, not the amplification of financial leverage, a superior type of value creation that can be calculated qualitatively. The fact that ROCE increased to 30.10% using incremental capital, compared to the original 0.31% , is also supported by the incremental capital producing higher-quality returns.

Asset Utilisation: The increase in Fixed Asset Turnover from $4.18x$ to $12.29x$ is quite impressive; in other words, revenue per unit of fixed assets nearly tripled without an equivalent increase in capital expenditure (PPE stood

at approximately ₹31,000-34,000 lacs). This justifies an asset-sweat strategy that leverages existing manufacturing capacity, with that capacity more heavily tapped through volume scaling and operating excellence. Compression of the working capital cycle (receivables: 7866 days; inventory: 3227 days; joint: around 17 days) directly increased profitability, as noted by Oktaviyanti and Sumartik (2023).

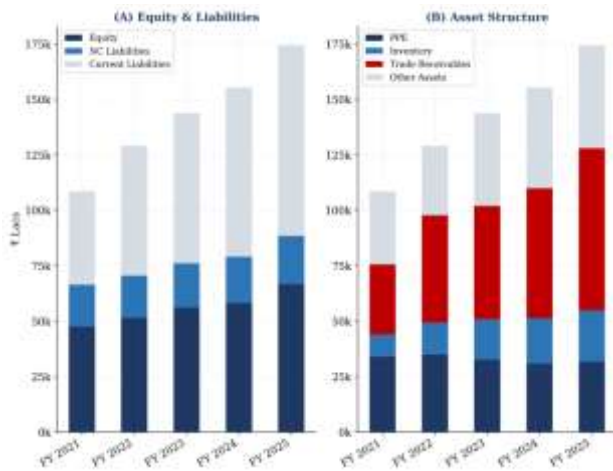
5.3 Five-Year Comparative Balance Sheet

Table 3 presents the consolidated standalone balance sheet across both equity-and-liabilities and assets for FY2021–FY2025.

Table 3: Standalone Balance Sheet — Equity, Liabilities and Assets, FY2021–FY2025 (₹ in Lacs)

Particulars (₹ Lacs)	FY25	FY24	FY23	FY22	FY21
EQUITY & LIABILITIES					
Equity Share Capital	3,391	3,391	3,391	3,391	3,391
Other Equity	63,144	54,789	52,701	48,112	44,128
Non-Current Borrowings	16,217	16,033	15,870	15,645	15,715
Trade Payables (Current)	69,972	58,768	55,160	49,268	34,942
Other Current Liabilities	15,914	17,605	12,478	9,301	7,206
Total Equity & Liabilities	1,74,275	1,55,265	1,43,676	1,29,049	1,08,515
ASSETS					
Property, Plant & Equipment	31,645	30,786	32,649	34,830	33,893
Inventories	23,249	20,537	18,214	14,552	10,092
Trade Receivables	72,937	58,527	51,089	48,329	31,479
Cash & Equivalents	26,664	26,425	29,740	12,989	10,183
Other Assets (Net)	19,780	18,990	12,984	18,349	22,868
Total Assets	1,74,275	1,55,265	1,43,676	1,29,049	1,08,515

Source: Audited Standalone Balance Sheet, Lear Corporation Pvt. Ltd. (FY2021–FY2025). 'Other Current Liabilities' aggregates financial liabilities, provisions, tax liabilities, and other current liabilities for compactness.



Source: Audited Standalone Balance Sheet, Lear Corporation Pvt. Ltd.

Figure 4. Balance Sheet Composition: Financing Mix & Asset Structure (₹ Lacs), FY2021–FY2025

Financing Mix: Total equity-and-liabilities expanded from ₹1,08,515 lacs (FY2021) to ₹1,74,275 lacs (FY2025)—a cumulative 60.6% expansion (~₹65,760 lacs). The funding of this expansion is informative: Other Equity expanded by ₹19,016 lacs of accretion of retained profit; non-current borrowings increased by almost zero (₹15,715→₹16,217 lacs); and the most significant part of the liabilities increase was in Trade Payables (₹34,942→₹69,972 lacs) – an . This is the archetypal pecking-order signature: growth financed first by retained earnings, then by supplier credit, minimising recourse to costly external capital (Asif et al., 2025).

Asset Composition and Deployment: Trade Receivables represent the fastest-growing asset category (₹31,479→₹72,937 lacs; CAGR ~23.4%), directly reflecting revenue scale-up and OEM customer credit terms. Cash and Cash Equivalents remained robust at ₹26,664 lacs in FY2025—a substantial liquidity buffer consistent with the Quick Ratio improvement. The near-stable PPE balance (₹33,893→₹31,645 lacs) corroborates the asset-sweat strategy identified in Fixed Asset Turnover analysis: incremental revenues are generated through intensified utilisation of the existing asset base rather than proportionate new capital expenditure—maximising free cash flow generation.

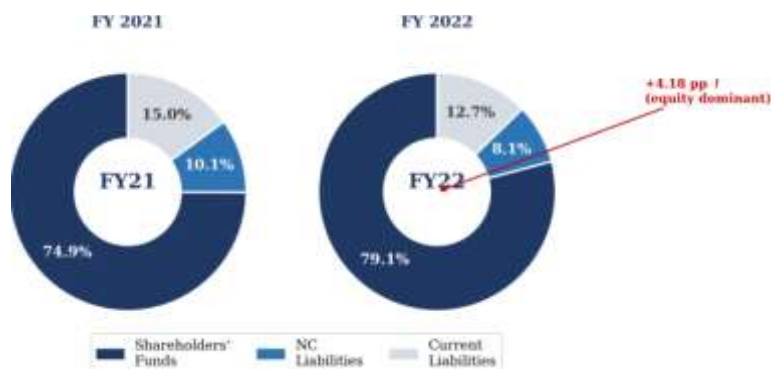
5.4 Common-Size Balance Sheet Analysis

Table 4 expresses balance sheet components as percentages of total equity-and-liabilities or total assets, revealing structural composition and financing mix shifts between FY2021 and FY2022.

Table 4: Common-Size Balance Sheet — FY2021 and FY2022 (Absolute Values and Percentage Composition)

Particulars	FY21 (₹)	FY22 (₹)	FY21 (%)	FY22 (%)	Chg (pp)
A. Financing Mix					
Shareholders' Funds	3,06,85,008	3,21,42,804	74.94	79.12	+4.18
Non-Current Liabilities	4,12,93,846	3,30,64,129	10.08	8.14	-1.94
Current Liabilities	6,13,37,715	5,17,37,430	14.98	12.74	-2.24
Total	4,09,48,164	4,06,22,960	100.00	100.00	—
B. Asset Composition					
Non-Current Assets	18,41,50,842	18,22,25,419	44.97	44.86	-0.11
Current Assets	22,53,30,801	22,40,04,183	55.03	55.14	+0.11
Total	4,09,48,164	4,06,22,960	100.00	100.00	—

Source: Company Financial Records; Percentage composition computed by authors. 'pp' = percentage points.



Source: Company Financial Records; computed by authors

Figure 5. Common-Size Capital Structure: FY2021 vs FY2022

Shareholders' Funds rose from 74.94% to 79.12% of total financing (+4.18 pp)—a structural shift toward equity dominance consistent with agency theory predictions for firms in financial recovery phases that reduce distress costs by strengthening equity buffers. Non-Current Liabilities contracted from 10.08% to 8.14% (−1.94 pp) and Current Liabilities from 14.98% to 12.74% (−2.24 pp)—collective deleveraging driven by equity accretion rather than debt repayment, implying no trade-off against liquidity. The asset composition split (~45% non-current / ~55% current) remained remarkably stable, confirming that growth was proportionate across the asset base without over-investment in fixed assets—consistent with the asset-sweat strategy and supporting efficient capital allocation.

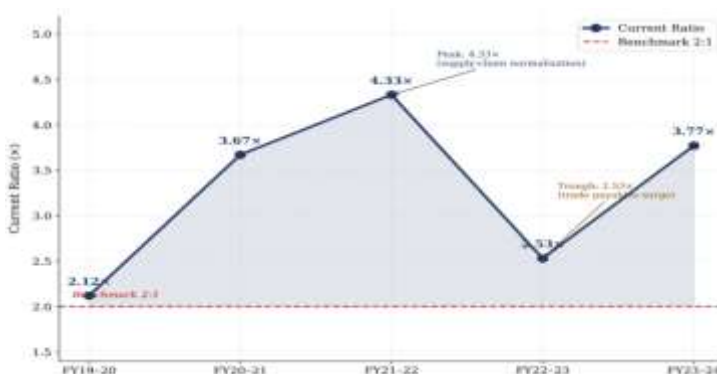
5.5 Historical Current Ratio Analysis

Table 5 extends the liquidity analysis to the pre-FY2021 period, providing broader temporal context for working capital governance assessment.

Table 5: Current Ratio — FY2019–20 to FY2023–24 (Historical Trend with Year-on-Year Change)

Year	Curr. Assets (₹)	Curr. Liabilities (₹)	C. Ratio	YoY Δ
2019–20	23,53,45,915	11,11,18,742	2.12	—
2020–21	22,53,30,801	6,13,37,715	3.67	+1.55
2021–22	22,40,03,876	5,17,37,456	4.33	+0.66
2022–23	32,14,27,000	12,72,19,000	2.53	−1.80
2023–24	31,06,32,000	8,22,96,000	3.77	+1.24

Source: Secondary Data — Company Financial Records. YoY Change computed by authors.



Source: Secondary Data — Company Financial Records

Figure 6. Current Ratio Trend, FY2019–20 to FY2023-25

The Current Ratio exhibits non-monotonic behavior: rising from 2.12 (FY2019–20) to a peak of 4.33 (FY2021–22), compressing sharply to 2.53 (FY2022–23), and recovering to 3.77 (FY2023–24). That peak in FY2021-22 shows both decreases in negating current liabilities, with trade payables normalizing after COVID; the compression is in FY2022-23, as trade activity requires Supplier-chain performance to pick up amid escalating commodity prices. Critically, the ratio remained above the 2.0 benchmark throughout—confirming that even at its nadir, adequate short-term coverage was maintained, consistent with sound working capital governance (Fikasari & Bernawati, 2021) and the broader liquidity adequacy finding of Section 5.1.

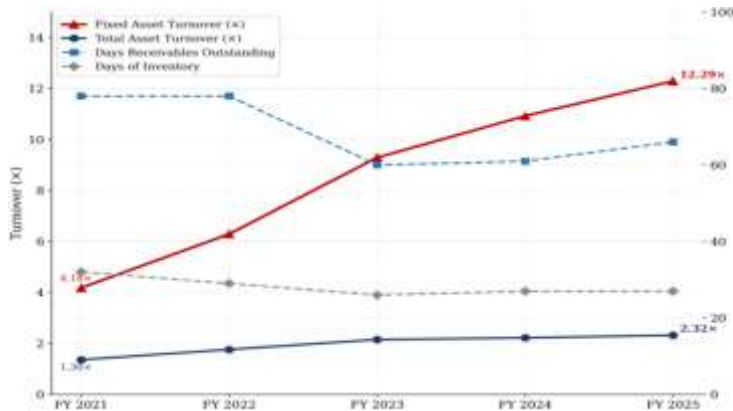
5.6 Five-Year CAGR, Magnitude, and Industry Peer Benchmarking

Table 6 calculates the scale of the financial transformation of the Lear Corporation by calculating CAGR and absolute changes in magnitude, then compares FY2025 performance to published automotive Tier-1 industry median ranges.

Table 6: Five-Year Financial Trajectory — CAGR, Absolute Change, and Peer Benchmarking (FY2021–FY2025)

Metric	FY21	FY25	5-Yr Change	T1 Median*	Assessment
Net Margin (%)	-4.77	4.19	+8.96 pp	3.5–5.0	Above median
ROE (%)	-14.81	25.51	+40.32 pp	10–18	Significantly above
ROCE (%)	0.31	30.10	+29.79 pp	12–18	Significantly above
D/E Ratio (×)	0.54	0.48	-0.06	0.6–0.9	Conservative
Interest Coverage (×)	0.12	11.07	+10.95×	4–7	Strong
Total Asset Turnover (×)	1.36	2.32	+0.96×	1.2–1.8	Above avg
Fixed Asset Turnover (×)	4.18	12.29	+8.11×	5–9	Exceptional
Days Receivables	78	66	-12 days	55–75	In-line
Days Inventory	32	27	-5 days	25–35	Optimal
Total Assets CAGR	—	—	~12.6%	—	Strong growth

Source: Authors' computation from audited statements; *Tier-1 Median from IBEF (2024), ACMA (2023), Panigrahi (2014). Indicative ranges, not firm-specific observations.



Source: Audited Key Financial Ratios Schedule, Lear Corporation Pvt. Ltd.

Figure 7. Asset Utilisation & Working Capital Cycle, FY2021–FY2025

The aggregate picture is one of broad-based, multi-dimensional outperformance. ROCE of 30.10% substantially exceeds the Tier-1 median of 12–18%, confirming exceptional capital productivity. D/E of 0.48 is below the sector median (0.60–0.90), positioning Lear as conservatively leveraged—a characteristic that enhances credit access and reduces financial distress probability. ICR of 11.07× is nearly double the upper end of the sector range, providing a substantial buffer against earnings volatility. Fixed Asset Turnover of 12.29× is exceptional relative to the sector norm of 5–9×, directly quantifying the asset-sweat advantage. Days Receivables of 66 days sits within the sector norm (55–75 days), confirming that while headroom for improvement exists, the company's credit management is not an outlier. Total Assets CAGR of ~12.6% against a near-stable PPE base confirms that value creation has been driven by operational intensity rather than balance sheet expansion through capital expenditure.

6. KEY FINDINGS

- Finding 1 — Conservative and Improving Capital Structure: D/E remained within 0.48–0.57; non-current borrowings near-static despite 60.6% total asset expansion; growth financed via retained earnings and trade credit—textbook pecking-order behaviour (Myers & Majluf, 1984).
- Finding 2 — Dramatic Debt-Service Recovery: ICR surged from 0.12× to 11.07× (near-90-fold), transforming the company's risk profile from near-distress to substantial financial resilience—the most consequential single-metric finding.
- Finding 3 — Sustained Liquidity Adequacy: Quick Ratio (0.99→1.16) and Current Ratio (1.47→1.57) remained above benchmarks throughout; historical analysis (Table 5) confirms no breach of the 2.0 threshold even during the FY2022–23 supply-chain stress period.
- Finding 4 — Structural Profitability Turnaround: Net Margin improved 8.96 pp (−4.77%→+4.19%); DuPont decomposition attributes this to three concurrent drivers—margin recovery, asset utilisation improvement, and operating leverage—with no financial leverage amplification.
- Finding 5 — Superior Return Generation: ROE (+40.32 pp to 25.51%) and ROCE (+29.79 pp to 30.10%) both substantially exceed Tier-1 industry medians, confirming above-peer capital efficiency.
- Finding 6 — Asset-Sweat Strategy Validated: Fixed Asset Turnover tripled (4.18×→12.29×) while PPE remained broadly stable, confirming incremental revenue growth through intensified asset utilisation rather than proportionate capital expenditure.
- Finding 7 — Working Capital Cycle Compression: Combined ~17-day reduction in operating cycle (receivables −12 days; inventory −5 days) directly contributed to profitability improvement, consistent with Ayoush et al., (2021).

- Finding 8 — Equity-Dominant Structural Shift: Shareholders' Funds rose from 74.94% to 79.12% of total financing (FY2021→FY2022); current/non-current asset split remained stable (~55%/45%), confirming proportionate, efficiency-driven growth without over-capitalisation.

7. SUGGESTIONS AND RECOMMENDATIONS

For Corporate Management: (i) Implement reverse-factoring supply-chain financing programmes to compress Days Receivables from 66 toward 55–58 days, potentially releasing ₹5,000–7,000 lacs of working capital at FY2025 revenue scale; (ii) formalise capital expenditure review with IRR hurdle rates to maintain the asset-sweat advantage while avoiding under-investment risk; (iii) invest in real-time financial analytics platforms integrating ERP-sourced dashboards, predictive cash flow modelling, and automated peer benchmarking to institutionalise proactive financial monitoring; (iv) leverage the latent debt capacity (D/E: 0.48; ICR: 11.07×) for value-accretive electrification-related capital programmes (E-Systems expansion) where ROCE on incremental capital is expected to exceed the weighted average cost of capital.

To the Investors and the Analysts, the present ROCE (30.10%) and ROE (25.51), combined with D/E (0.48), make Lear a high-return, low-leverage value creator in the Tier-1 segment. The forward earnings models should reflect the structural nature of profit recovery rather than its cyclical nature. Rapid growth in Trade Receivables (23.4% CAGR) should be observed. A worsening in Days Receivables Outstanding would indicate liquidity pressure in the OEM or diminished efficiency in the collection process, which is one of the primary variables in the risk of earnings quality.

To Policymakers: The Production-Linked Incentive (PLI) scheme for the automotive industry should add capital-efficiency measures (ROCE, Asset Turnover) and revenue growth conditions as eligibility criteria, which will encourage asset-productive, not asset-expansive, manufacturing behavior.

8. LIMITATIONS OF THE STUDY

Standalone Scope Standalone ratios may be affected by intra-group transactions, management fees, and cross-subsidiary guarantees not reflected here. (ii) Secondary Data Dependency Accounting policy options and judgment in estimations (provisioning, depreciation) are not independently checked to be true. (iii) Lack of Market-Based Metrics: P/E, EV / EBITDA, and the Q analysis of Tobin are not possible with the status of a private entity. Indicative Peer Benchmarking (iv): Indicative observable statistics on industry median ranges do not precisely match those of the matching firms. (v) Omitted Qualitative Dimensions: The quality of management, the concentration of OEM customers, readiness to transition to EV, and the ESG performance are beyond the scope, yet it is important to assess them holistically. (vi) Common-Size Coverage: The availability of data did not allow the common-size coverage to extend beyond FY202122 because extending the common-size coverage to FY202125 would have added more depth to the narrative of the structure.

9. CONCLUSION

The paper shows that structured financial data analytics can be used systematically in as many as its leverages, liquidity, profitability, asset utilization, structural composition, and industry benchmarking dimensions to convert statistical volumes of accounting disclosures into a decided, theoretically based, and decision-making financial narrative. Our case on the FY2021 2025 of Lear Corporation Pvt. Ltd. is didactical on three analytical levels. First, it shows that financial distress, as evidenced by a 0.12× ICR in FY2021, can be short-lived when driven

by exogenous demand changes, in line with the principles of basic business immobilization. Second, the recovery trend supports the pecking-order theory: as profitability increased, equity rose organically, which does not require external funding and gradually de-levers the balance sheet. Third, DuPont analysis shows the value-creation method to be based on actual operational improvements, including margin recovery and increased asset utilization, not on the magnification of financial leverage.

The analytical architecture that is presented herein in the form of six tables can be brought to manufacturing industries and can be consumed as a precursor to more advanced analytical tasks that are based on machine learning, such as the ones related to earnings prediction, scenario modeling, and an integrated financial dashboard, and are the final frontier of the financial data analytics practice. Future studies ought to adopt this study's integrated approach, use a matched peer-comparison sample, and integrate market-based valuation measures, with a view to developing a holistic assessment of investment-level financial valuation.

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