**Abstract**

Profitability ratios show a company's overall efficiency and performance. Profitability ratios are divided into two types as margins and returns. Ratios that show margins represent the firm's ability to translate sales into profits at various stages of measurement. Ratios that show returns represent the firm's ability to measure the overall efficiency of the firm in generating returns for its shareholders. Profitability is useful in calculating in efficiency with which the operations of business are carried on with the help of profitability ratio