**Abstract**

A sustainable business and mission requires effective planning and financial management. The term “Ratio” refers to the numerical and quantitative relationship between two items or variables. This relationship can be exposed as percentages, fractions, proportion of numbers. Ratio analysis is defined as the systematic use of ratio to interpret the financial statement. Ratio analysis is a useful management tool that will improve your understanding of financial results and trends over time, and provide key indicators of organisational performance common basis of comparison is to look at how a company’s ratios compare to similar firms in the industry. It is also important to recognise that a single ratio does not provide adequate information to evaluate the strength or weakness of the company. Ratios presented below represent some of the standard ratios used in business practice. We have selected the appropriate data and calculated only valuation ratios. Valuation ratios relates to a company’s stock price to its earnings and book value per share. These ratios are the indicators of the performance of the company and reflects the likely performance of the company in the near future. If the company’s profitability, liquidity and turnover ratios are good then the valuation ratios will be high. Most of the valuation ratios are useful for the investors who are interested in regular returns. Book value is the function of the past earnings and distribution policy of the company.