Rank	Formula	Explanation	Example
1	**Return on Equity (ROE) = Net Income / Shareholders' Equity × 100**	Measures profitability relative to equity invested; key for fundamental analysis of company efficiency. Common in ratio analysis numericals.	Net Income = ₹150 Cr, Equity = ₹1,000 Cr → ROE = 150 / 1,000 × 100 = 15%. (Indicates 15% return on equity holders' investment.)
2	**Return on Capital Employed (ROCE) = EBIT / Capital Employed × 100** (Capital Employed = Total Assets - Current Liabilities)	Assesses overall operational efficiency using total capital; frequent in performance evaluation questions.	EBIT = ₹200 Cr, Capital Employed = ₹1,200 Cr → ROCE = 200 / 1,200 × 100 ≈ 16.67%. (Shows returns from all capital sources.)
3	**Price-to-Earnings (P/E) Ratio = Market Price per Share / Earnings Per Share (EPS)** (EPS = Net Income / Outstanding Shares)	Gauges stock valuation vs. earnings; staple in equity research mocks for over/undervaluation checks.	Market Price = ₹300, EPS = ₹20 → P/E = 300 / 20 = 15x. (Industry avg. 12x suggests slight overvaluation.)
4	**Dividend Yield = (Annual Dividend per Share / Market Price per Share) × 100**	Evaluates income return from dividends; often paired with EPS in investment recommendation numericals.	Dividend = ₹10, Market Price = ₹200 → Yield = (10 / 200) × 100 = 5%. (Attractive for income-focused investors if >4% benchmark.)