

ABSTRACT

This study explores the asset and liability structure of Naga Food Limited, a key player in the food processing industry, with a focus on assessing the company's financial health and its ability to meet long-term obligations. The research employs a detailed analysis of Naga Food Limited's balance sheet, reviewing both its assets and liabilities over the past five years. The study evaluates the composition and management of current and non-current assets, including inventory, receivables, fixed assets, and intangible assets, as well as the company's short-term and long-term liabilities such as trade payables, loans, and other financial obligations. Key financial ratios, including the asset-to-equity ratio, debt-to-equity ratio, and current ratio, are used to assess the company's liquidity, solvency, and financial stability. The findings reveal that while Naga Food Limited maintains a solid base of fixed assets and has managed to reduce its reliance on short-term debt, its long-term liabilities pose challenges for cash flow management. Additionally, the company faces the risk of underutilizing some assets. The study concludes by providing recommendations to optimize asset utilization, manage liabilities more efficiently, and strengthen cash flow management practices to ensure sustainable growth and financial stability in the competitive food industry.