

Liquidity ratios are used to measure a company's ability to meet its short-term obligations with its current assets. In the case of SODIC company, the interpretation of liquidity ratios would depend on the specific ratios being analyzed, such as the current ratio and quick ratio.

1. **Current Ratio:** This ratio measures the company's ability to pay off its short-term liabilities with its current assets. A higher current ratio indicates that the company is more capable of meeting its short-term obligations. If SODIC has a high current ratio, it suggests that the company has enough liquid assets to cover its short-term debts.
2. **Quick Ratio:** Also known as the acid-test ratio, this ratio is a more stringent measure of liquidity as it excludes inventory from current assets. A higher quick ratio indicates that the company can quickly pay off its short-term liabilities without relying on selling inventory. If SODIC has a high quick ratio, it suggests that the company is in a strong financial position.

Overall, a high liquidity ratio for SODIC would indicate that the company has sufficient liquid assets to cover its short-term obligations and is in a good financial position. However, it is important to consider other factors such as industry norms and overall financial health when interpreting liquidity ratios