

ABSTRACT

The Influence of Current Ratio, Return on Equity, Sales Growth, and Total Asset Turnover on Capital Structure in Food & Staples Retailing Subsector Companies Listed on the Indonesia Stock Exchange (IDX) in 2021-2023

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This research aims to test the influence of Current Ratio, Return on Equity, Sales Growth, and Total Asset Turnover on the capital structure of companies in the food and staples retailing subsector listed on the Indonesia Stock Exchange (IDX) from 2021 to 2023. This study employs a quantitative methodology by analyzing secondary data sourced from the companies' financial statements to understand the relationships among the variables. The secondary data used in this research is obtained from the official website of the Indonesia Stock Exchange (IDX) (<https://www.idx.co.id>), which serves as the basis for sample selection and data collection. This research utilizes a purposive sampling method. The analytical technique applied in this study is panel data regression analysis using Eviews 12 software. The results of this analysis indicate that Current Ratio, Return on Equity, Sales Growth, and Total Asset Turnover collectively influence the capital structure. Return on Equity has a significant negative effect on the capital structure, while Current Ratio and Sales Growth do not have a significant impact. In contrast, Total Asset Turnover positively and significantly affects the capital structure. This study contributes theoretically to the literature on capital structure and provides practical benefits for financial managers in formulating financing strategies. Therefore, this research is expected to serve as a reference for corporate policymakers aiming to enhance financial efficiency and competitiveness in the retail sector.

Keywords: *Current Ratio, Return on Equity, Sales Growth, Total Asset Turnover, Capital Structure.*