

ABSTRACT

Analysis of the Effect of Current Ratio, Debt to Equity Ratio, and Net Profit Margin on Earning Growth (Study of the Food and Beverage Sub-Sector Listed on the Indonesia Stock Exchange in 2016 – 2022)

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Earnings growth in the Food and Beverage industry listed on the Indonesia Stock Exchange has experienced fluctuations, influenced by several factors. These factors include the Current Ratio, Debt to Equity Ratio, and Net Profit Margin. This research aims to analyze the influence of Current Ratio, Debt to Equity Ratio, and Net Profit Margin on Earning Growth in the Food and Beverage subsector listed on the Indonesia Stock Exchange during the period from 2016 to 2022. The data used are secondary data obtained from the financial reports of companies in the respective subsector. The analysis method employed is panel data regression using E-views software. The data used in this study employs secondary data obtained from the official website of the Indonesia Stock Exchange (IDX) (<https://www.idx.co.id/>) as the basis for sample and data determination. This research holds significant relevance in the context of corporate finance, particularly for decision-makers in the Food and Beverage industry. The findings of this study are expected to provide deeper insights into the factors influencing company revenue growth in the selected industry. The results of this study indicate that the Current Ratio, Debt to Equity Ratio, and Net Profit Margin collectively influence Earning Growth. Additionally, there is a negative and significant influence of the Debt to Equity Ratio variable on Earning Growth. Meanwhile, there is no positive and significant influence of the Current Ratio variable on Earning Growth, and no positive and significant influence of the Net Profit Margin variable on Earning Growth.

Keywords: *Current Ratio, Debt to Equity Ratio, Net Profit Margin, and Earning Growth*