

ABSTRACT

This study aims to analyze the effect of liquidity ratio and profitability on profit growth in companies in Indonesia. The population in this study is Food and Beverage Subsector Companies Listed on the IDX in the 2020-2023 Period. The sampling method used in this study is purposive sampling. The total number of samples in this study is 96 research samples. The data used in this study were obtained from the official website of the Indonesia Stock Exchange (IDX). The data in this study were analyzed using multiple linear regression. The data in this study were also analyzed using the classical assumption test before the data were tested using multiple regression tests. The results of this study indicate that cash ratio, quick ratio, net profit margin have no effect on profit growth. While return on assets has an effect on profit growth. The results of this study also show that simultaneously cash ratio, quick ratio, net profit margin and return on assets have an effect on profit growth.

Keywords: cash ratio, quick ratio, net profit margin, return on assets, profit growth