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The Effect of Current Ratio, Return on Assets, and Debt to Equity Ratio Affect Company Value in Indonesia Stock Exchange-listed Food and Beverage Companies. Until 2020-2023

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***Abstract*— This study aims to effectively analyze the Effect of Current Ratio, Return On Asset and Debt To Equity Ratio on Company Value in companies in the food and beverage sector listed on the Indonesia Stock Exchange for the period 2020 to 2023. This type of research uses secondary data whose data is taken from the annual financial reports of eight companies engaged in the food and beverage sector listed on the Indonesia Stock Exchange for the period 2020 to 2023. The data analysis model in this study is the Multiple Linear Regression model, which is a method that chooses the purpose of knowing the relationship between two or more variables with this research, then a theory will be built that functions to explain, predict and control a phenomenon with a quantitative research approach. Based on the results of the study, the variable Company Value/PER (Y1) can be explained by 51.8% by the Liquidity Ratio/CR (X1), Profitability Ratio**

Keywords*— Current Ratio, Return on Asset, Debt to Equility Ratio.

I. INTRODUCTION

Indonesia is currently in the Industrial Revolution 4.0 phase, amidst rapid globalization. This requires companies to continuously keep up with increasingly sophisticated technological developments and rapid economic growth to be able to manage and implement corporate governance more professionally. With numerous competitors at all times, every company must strive to demonstrate its best performance, both in terms of its performance and financial performance. Companies must have good growth prospects in the capital market. Good company performance will impact the company's value. The better a company's performance, the more likely it is that investors will invest in its shares.

The company's desire and hope is to maintain and sustain its viability. The company will improve its capabilities to compete with other companies. Analyzing a company's financial condition is one way for potential investors who wish to purchase shares to achieve substantial returns on their investment. The company must have good growth prospects in the capital market.

Good financial performance encourages investors to invest in the company. To develop a company into a highly valuable entity, management must carefully consider both internal and external factors that can influence its value. Internal factors include dividend and debt policies, while external factors include interest rates, foreign exchange fluctuations, and capital market conditions. A company's value can maximize shareholder wealth if its share price increases. The higher a company's share price, the greater the shareholder wealth (Hastuti, 2022).

Facing this digital era, management must be able to analyze and understand market developments to determine the right strategies and methods to maintain business continuity. One strategy companies must prepare is to attract foreign investors. Foreign investors can help the company not only financially but also through technology transfer. One way to attract investors is by increasing the company's value (Samiun, 2022).

Increasing company value will impact shareholder value if the increase is characterized by a high rate of return on investment for shareholders. Company value can essentially be measured through several aspects, one of which is the company's stock market price, as the company's stock market price reflects investors' overall assessment of each equity held. Company value itself is influenced by numerous factors, including financial performance, as measured by liquidity and profitability ratios. Furthermore, the company's capital structure and size are also variables considered in determining a company's value (Chasanah, 2018).

Companies with poor capital structures and very large debts will place a heavy burden on the company, so it is necessary to strive for an optimal balance in using both sources so as to maximize the company's value. The higher the capital of a company that comes from its own capital, both investors and owners indicate low debt owned, so it tends to provide greater incentives to the owners, which ultimately can encourage high investment returns payments, which in the end will increase the company's value from rising stock prices (Gultom, 2013).

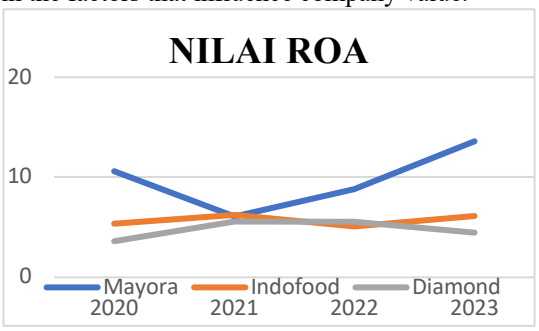
These eight companies operate in various sectors, including automotive, entertainment, industrial, and food. All eight companies are well-known and have impressive branding. One of the most well-known is Mayora, a widely consumed food brand. Besides Mayora, Astra has also expanded into various sectors, including automotive and insurance. Investors have a key concept in selecting companies to invest in, based on established criteria, particularly company value, as company value includes achievements in assessing the company's development.

There are two factors that influence increasing company value: investment and financial factors. Companies use financial ratio calculations as a tool for analyzing company

value. The Solvency Ratio, which is the ability to cover a company's long-term liabilities, influences company value (Subramanyam, 2010). This ratio can also be called capital structure. There are two criteria for calculating this ratio: the Debt-to-Asset Ratio and the Debt-to-Equity Ratio.

Liquidity ratios also impact a company's value. The Liquidity Ratio is known as a ratio that functions to financially settle short-term liabilities. This ratio is indicated by the Current Ratio (CR). According to (Sulistyani, 2017) and (Dewi et al., 2021), a company's financial condition can be considered good if its liquidity level is low. This means the company is less likely to go bankrupt. In addition to the two ratios mentioned above, another factor that influences company value is the profitability ratio.

Profitability ratios are used to estimate the effectiveness of profits applied to sales or investments (Pagiu, 2021). The higher a company's profitability, the higher its value. Increased profitability serves as a benchmark for investment by investors. ROA is a calculation component used in profitability. The following data on ROA, CR, and DER explain the factors that influence company value.



Based on the data above, it can be seen that there are fluctuations in each mid-value of both ROA (Return on Asset), CR (Current Ratio) and DER (Debt to Equity Ratio) towards the company value in the three companies that will be used as research samples in the period 2020-2023. The ideal ROA value is above 8.32%, in 2018 to 2023 the ROA value is above this set standard indicating an increase in net profit. Profitability describes the effectiveness of the company in operating company activities. The company has the view that a high profitability ratio will indicate how healthy the company is, so it can attract investors' attention in investing their capital in the company. Companies that have a high level of profitability will disclose more complete information because the company wants to inform stakeholders that the company has a high level of profitability compared to other companies.

A company with substantial profits will be associated with its ability to distribute dividends to investors, which will ultimately increase its value. In this study, profitability will be measured using the Return on Assets (ROA) ratio. The ROA ratio indicates how effectively a company utilizes its assets in the short term. The higher the ROA ratio, the more effectively it utilizes its assets to generate profits (Ebenhaezer, 2022).

This ratio is an indicator for measuring the price of a stock and is used to help investors identify stocks with high dividend potential before investing. However, the market ratio does not reflect a company's overall financial performance when viewed based on share price or when used by company management (Wijaya, 2017).

A good DER value is one below 1 (Harahap, 2018). From 2020 to 2023, the DER value was below 1, indicating a decrease in liabilities or a decrease in the company's capital to cover liabilities. Determining the solvency level indicates a company's ability to meet its financial obligations, both short-term and long-term, if liquidated. This ratio also indicates a company's ability to pay its short-term and long-term obligations when dissolved (Ayu, 2022).

A good DER value is one below 1 (Harahap, 2018). From 2020 to 2023, the DER value was below 1, indicating a decrease in liabilities or a decrease in the company's capital to cover liabilities. Determining the solvency level indicates a company's ability to meet its financial obligations, both short-term and long-term, if liquidated. This ratio also indicates a company's ability to pay its short-term and long-term obligations when dissolved (Ayu, 2022).

A good CR value is above 1.0 times according to (Nurlia & Juwari, 2019), and during the 5-year period, a good CR value is indicated by a CR value above 1, meaning the company's current assets are able to cover current liabilities. The ratio most often looked at by investors in assessing a company's financial condition is a simple yet effective form of analysis recommended for addressing company problems. Liquidity ratios aim to test the adequacy of funds, the company's solvency, and the company's ability to pay obligations that must be met immediately. One of the liquidity ratios, for example, is the current ratio. This ratio measures the company's ability to pay short-term obligations or debts that are immediately due when billed in full. In other words, how much current assets are available to cover short-term obligations that will mature. The industry standard ratio for the current ratio is 200% or 2 times (Dewi, 2017).

The liquidity ratio is also a key indicator for investors when deciding to invest in a company. Liquidity is a company's ability to meet its short-term obligations in a timely manner. Therefore, the higher the liquidity ratio, the greater the company's ability to meet its obligations. Therefore, the company is considered a good investment prospect for investors, which will impact the company's value (Yuvia, 2023).

Some of the backgrounds that have been described above indicate the existence of a gap phenomenon that occurs in each variable analyzed between theory and conditions in the company. Research on this topic has previously been carried out by several researchers.

Research conducted by Aspiati A. Samiun (2022), entitled "The Effect of Profitability, Leverage, and Liquidity on Firm Value (A Study of Companies Listed on the Indonesia Stock Exchange 2018-2020"), explains that profitability, leverage, and liquidity simultaneously influence firm value. This demonstrates the significant influence of liquidity on firm value, thus simultaneously influencing firm value.

Meanwhile, in a study conducted by Rini Hastuti (2022) entitled The Influence of Financial Ratio Activities on the Value of Manufacturing Companies Listed on the Indonesia Stock Exchange (IDX), it explains that the influence of the profitability ratio (ROA) has a positive and significant effect on the value of manufacturing companies listed on the Indonesia Stock Exchange (IDX) and the influence of the

liquidity ratio (CR) has a negative and insignificant effect on the value of manufacturing companies listed on the Indonesia Stock Exchange (IDX).

The aforementioned gap and research gap phenomena are the reasons for researchers to conduct research entitled The Effect of Current Ratio, Return on Assets and Debt to Equity Ratio on Company Value in Companies in the Food and Beverage Sector Listed on the Indonesia Stock Exchange for the Period 2020 to 2023.

II. METHOD

A. Approach Method

The research approach used in this study is quantitative, namely research that aims to determine the relationship between two or more variables. This research will develop a theory that functions to explain, predict, and control a phenomenon using survey research, experimental research, quantitative research, and several other research approaches containing numerical data (Rusiadi, 2016:14).

B. Approach Method

This study uses empirical data obtained from the Indonesia Stock Exchange () in the form of financial report data of companies operating in the food and beverage sector with an audit period of 2020 to 2023. The Indonesia Stock Exchange branch office in Medan City is located at Jl. Ir. Juanda Baru No. A5-6.

a. Problem Identification: From 2018 to 2023, the DER value was below 1, indicating a decrease in liabilities, indicating that the company's capital could cover/finance its liabilities. This ratio indicates a company's ability to pay its short-term and long-term obligations if the company were dissolved.
From 2018 to 2023, the ROA value was above the established standard of 8.32%. This indicates an increase in net profit. Profitability reflects the effectiveness of a company's operations. The ROA ratio indicates how effectively a company utilizes its assets in the short term. The higher the ROA ratio, the more effectively it utilizes assets to generate profits.
A CR value above 1 indicates the company's current assets are capable of covering its current liabilities. This ratio is the most frequently used by investors in assessing a company's financial condition. It is a simple yet effective form of analysis recommended for addressing corporate issues. Liquidity ratios aim to test the adequacy of funds, the company's solvency, and its ability to meet immediate obligations. One example of a liquidity ratio is the current ratio.

b. Research Objectives: To determine and analyze the effect of the liquidity ratio (X1) on company value (Y) in food and beverage companies listed on the Indonesia Stock Exchange (IDX) for the 2020-2023 period.
To determine and analyze the effect of the profitability ratio (X2) on company value (Y) in food and beverage companies listed on the IDX for the 2020-2023 period.
To determine and analyze the effect of the solvency ratio (X3) on company value (Y) in food and beverage companies listed on the IDX for the 2020-2023 period.
To determine and analyze the effect of the liquidity ratio (X1), profitability ratio (X2), and solvency ratio (X3) on company value (Y) in food and beverage companies listed on the IDX for the 2020-2023 period.

2. Research Planning
   a. Research Design:is quantitative
   b. Sample Selection: The number of samples in this study was 8 companies.

3. Data Collection

Research Instruments and Data Collection Procedure: The number of samples in this study was 8 companies. using empirical data obtained from the Indonesian Stock Exchange

4. Data Analysis
This study uses descriptive data analysis techniques using the IBM SPSS Statistics V.20 application. According to Ghozali (2016:154) descriptive statistics is a test tool used to provide an overview or method for making descriptions of situations or events. In this study, the multiple linear regression method is used. Multiple linear regression is used to estimate the relationship between two or more independent or dependent variables. This formula will later test the Effect of Competence, Independence, and Accountability on Audit Quality. And in processing the data, the author will use the negative application SPSS (Statistical Product and Service Solution).

C. Classical Assumption Test

The classical assumption test is a statistical test used to measure the extent to which a regression model can be considered a good model. Commonly used classical assumption tests include data normality, multicollinearity, and heteroscedasticity. Therefore, the classical assumption test used in this study is as follows.

D. Data Normality Test

According to Ghozali (2016), a data normality test is a tool used to determine whether a regression model, the independent variable, the dependent variable, or both variables, have a normal distribution. If a variable is not normally distributed, the statistical test is reduced. Data normality testing can be performed using the One-Sample Kolmogorov-Smirnov test. If the significance value is above 0.05, the data are normally distributed. If the One-Sample Kolmogorov-Smirnov test results show a significance value below 0.05, the data are not normally distributed.

E. Multicollinearity Test

The multicollinearity test aims to determine whether a regression analysis model contains correlation between independent variables. This test can be determined by analyzing the tolerance value and variance inflation factor (VIF). The cutoff value used to indicate the presence of multicollinearity is a tolerance value greater than 0.10 or a VIF value less than 0.10. Therefore, it can be concluded that there is no multicollinearity among the independent variables in the regression model (Ghozali, 2013).

F. Heteroscedasticity Test

The heteroscedasticity test aims to examine the regression model for differences in the residual variances from one observation to another. If the residual variances remain constant, it is called homoscedasticity; if they differ, it is called heteroscedasticity. A good regression model is one that is homoscedastic, or does not exhibit heteroscedasticity. This is achieved by observing each independent variable having a significance coefficient level >0.05, thus confirming that the regression model does not exhibit heteroscedasticity.

G. Autocorrelation Test

The autocorrelation test aims to test whether there is a correlation in linear regression between the residual error in period t and the error in period t-1 (previous). If a correlation occurs, it is called an autocorrelation problem (Ghozali and Ratmono, 2017: 121). The autocorrelation test relates to the influence of observers or data on interrelated variables (Gani and Amalia, 2015: 124). The magnitude of a data value can be influenced or related to other data. Classical regression requires that variables must not exhibit autocorrelation. If autocorrelation occurs, the regression model is defective because it will produce illogical and unreasonable parameters. Autocorrelation generally occurs in time series data, as time series data is bound by time, unlike cross-section data, which is not bound by time. Autocorrelation is detected using the Durbin Watson value.

H. Multiple Linear Regression Analysis

This multiple linear regression analysis is used to determine the influence of the independent variables: Liquidity Ratio (X1), Profitability Ratio (X2), Solvency Ratio/Capital Structure (X3), and Firm Value (Y). Multiple linear regression analysis determines whether the relationship between the three variables is positive or negative and predicts whether the value of the dependent variable will increase or decrease. The following is the equation for multiple linear regression analysis.

$Y = a + ß1X1 + ß2X2 + ß3X3e$

Description:
Y = Firm Value (PER)
X1 = Liquidity Ratio (CR)
X2 = Profitability Ratio (ROA)
X3 = Solvency Ratio (DER)
a = Constant, ß = Predictor Coefficient, e = Error term or error rate

I. Coefficient of Determination Test (Adjusted R2)

The coefficient of determination (R2) measures how well a regression line equation can explain the variability of the data. The R2 value ranges from 0 to 1, with the closer the regression line is to 1, the better.

J. Simultaneous Significance Test (F)

Understanding the F test is used to compare variance between two data groups. To test a hypothesis simultaneously, the F test is used. In this study, the F test was used to determine the level of significance of the simultaneous influence of independent variables on the dependent variable.

III. Results and Discussion

General Overview of Research Object

The Indonesia Stock Exchange (IDX) is an institution that organizes and provides a system and platform for the buying and selling of securities, such as stocks, bonds, mutual funds, and other financial instruments. The IDX was established in 2007 as a result of the merger of the Jakarta Stock Exchange and the Surabaya Stock Exchange.

The Indonesia Stock Exchange serves as a securities trading facilitator for investors and issuers in Indonesia. Through the IDX, companies can raise funds through initial public offerings (IPOs), while investors can buy and sell shares to profit from capital gains and dividends.

Structurally, the IDX is supervised by the Financial Services Authority (OJK) and plays a strategic role in supporting the national economy by providing access to funding and promoting transparency and good corporate governance. The IDX is also committed to increasing capital market literacy and inclusion through various education and outreach programs.

In the context of this research, the IDX is the primary object of study because it provides relevant financial data and information for analyzing financial performance, stock movements, and the influence of various economic factors and financial ratios on listed companies (issuers). The IDX was selected as the research object based on the completeness of the data, ease of access, and its significant role in reflecting financial market conditions in Indonesia.

The object of this research is the food and beverage sub-sector companies listed on the Indonesia Stock Exchange from 2020 to 2023. Food and beverage sector companies were chosen because consumer interest in the culinary world has increased, in addition, profits in these food and beverage sector companies have decreased during the Covid-19 period, namely from 2020 to 2021. There are 8 (eight) companies that are used as research subjects, namely:

- Akasha Wira International Tbk. (ADES)
  A company engaged in the production and distribution of bottled drinking water and personal care products.
- Campina Ice Cream Industry Tbk. (CAMP)
  Ice cream manufacturer with various product variants and innovations that are widely known in the domestic market.
- Diamond Food Indonesia Tbk. (DMND)
  Engaged in the distribution and production of food and beverages, with a wide distribution network throughout Indonesia.
- Garudafood Putra Putri Jaya Tbk. (GOOD)
  One of the largest companies in the snack, biscuit and beverage industry
- Indofood Sukses Makmur Tbk. (INDF)

The largest food conglomerate in Indonesia with various business lines such as instant noodles, dairy products, and agribusiness.

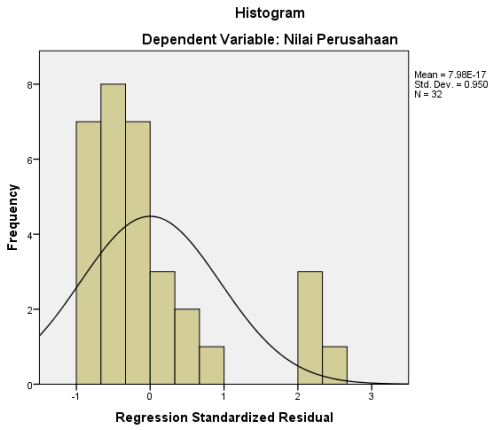
- Mayora Indah Tbk.(MYOR)
  A multinational company known for its various brands of snacks and beverages that have penetrated the export market.
- Sentra Food Indonesia Tbk. (FOOD)
  Focus on the production and distribution of processed meat products and frozen food
- Siantar Top Tbk. (STTP)
  Focus on the production and distribution of processed meat products and frozen food.
  Producers of snacks such as dry noodles, wafers, and other snacks that already have a wide market share.

IV. Research Result

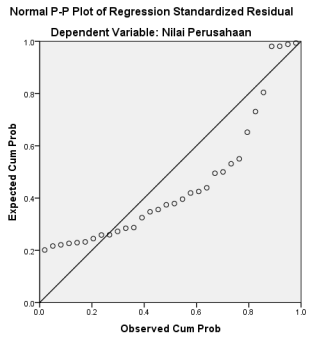
A. Classical Assumption Test

Normality Test

The normality of the data from the relationship between the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3) and Firm Value/PER (Y1) can be seen in the following histogram:



The SPSS histogram above shows a convexity in the center of the graph. Furthermore, the graph is bell-shaped and does not skew to the left or right. This indicates that the residual data is normally distributed. Meanwhile, the normality of the data from the relationship between the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3) and Firm Value/PER (Y1) can be seen in the following P-P plot:



The P-P Plot image above shows that the distribution of 60 data points is spread around the diagonal axis of the Company Value/PER (Y1), the data spread and follow the diagonal axis consistently and most of the data points are spread around the diagonal line and touch the diagonal line. This indicates that the data is normally distributed.

B. Multicollinearity Test

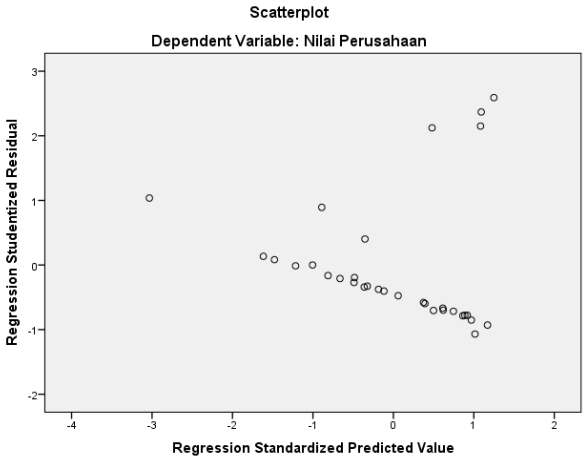
This test is conducted by examining the tolerance value and variance inflation factor (VIF) from the analysis results using SPSS. If the tolerance value is >0.10 and the VIF is <10, it can be concluded that there is no multicollinearity problem.
The multicollinearity test for the relationship between the Liquidity Ratio (CR) (X1), Profitability Ratio (ROA) (X2), and Solvency Ratio (DER) (X3) and Firm Value (PER) (Y1) is shown in the following table:

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6796.116	1388.285		4.895	.000		
	Current Ratio	-374.676	124.998	-.568	-2.997	.006	.590	1.695
	ROA	-165.234	61.078	-.482	-2.705	.011	.668	1.497
	DER	-4377.829	1002.074	-.960	-4.369	.000	.438	2.282

a. Dependent Variable: Nilai Perusahaan

The multicollinearity test results in Table 4.1 above show that:
The Liquidity Ratio/CR (X1) variable has a tolerance value of 0.590, which is greater than 0.10, and a VIF of 1.695, which is less than 10. Therefore, it can be concluded that the Liquidity Ratio/CR (X1) variable is free from multicollinearity.
The Profitability Ratio/ROA (X2) variable has a tolerance value of 0.668, which is greater than 0.10, and a VIF of 1.497, which is less than 10. Therefore, it can be concluded that the Profitability Ratio/ROA (X2) variable is free from multicollinearity.
The Solvency Ratio/DER (X3) variable has a tolerance value of 0.438 where the value is greater than 0.10 and has a VIF value of 2.282 where the value is less than 10. So it can be concluded that the Solvency Ratio/DER (X3) variable is free from multicollinearity problems.
Heteroscedasticity Test
The results of the heteroscedasticity test for the relationship between the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3) and Firm Value/PER (Y1) are shown in the following scatterplot:



The scatterplot image above shows that the 60 data points are randomly spread above and below the 0 line on the Y-axis, and the data points do not form a clear pattern. This indicates that there is no heteroscedasticity in the regression model of the relationship between the.

Autocorrelation Test

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.638[a]	.407	.344	1743.1066611	1.058
a. Predictors: (Constant), DER, ROA, Current Ratio					
b. Dependent Variable: Nilai Perusahaan					

Based on the results of the auto-correlation test, it can be seen that the R value of 0.638 as a multiple correlation value means that the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3) to the Company Value/PER (Y1) have a moderate relationship. The R square and adjusted R values represent the coefficient of determination, but in multiple regression it is more appropriate to use the adjusted R square value of 0.407 or 40.7%. This means that the variation of the Company Value/PER (Y1) can be explained by 40.7% by the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3) while the remaining 59.3% is influenced by other variables that are not included in the model or not studied.

Then, based on the Watson durbun results of 1.058, which is between 1-3, the data is declared free from autocorrelation problems.

C. Multiple Regression Analysis Test

This multiple linear regression analysis is used to determine the influence of the independent variables Liquidity Ratio (CR) (X1), Profitability Ratio (ROA) (X2), and Solvency Ratio (DER) (X3) on Firm Value (PER) (Y1). Multiple linear regression analysis determines whether the relationship between the three variables is positive or negative and predicts whether the value of the dependent variable will increase or decrease. The following is the equation for multiple linear regression analysis.

Coefficients[a]						
Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Collinearity Statistics
		B	Std. Error	Beta		Tolerance	VIF
1	(Constant)	6796.116	1388.285		4.895	.000		
	Current Ratio	-374.676	124.998	-.568	-2.997	.006	.590	1.695
	ROA	-165.234	61.078	-.482	-2.705	.011	.668	1.497
	DER	-4377.829	1002.074	-.960	-4.369	.000	.438	2.282
a. Dependent Variable: Nilai Perusahaan								

Y= a+b1x1+b2x2+ b3x3e

Y= 6796.116-374.676X1-165.234X2-4377.829X3+e

Constant Value this has meaning, if Current Ratio (CR), ROA, dan DER is equal to zero or constant then the Company Value is 67963.116.

Coefficient value CR -374.676 This has meaning if CR increased 1% then the company's value will also decrease by -374.676.

Coefficient value ROA -165.234 This has meaning if ROA increases by 1% then the company's value will also decrease by -165.234.

Coefficient value DER -4377.829 This has meaning if DER increases 1% then the company's value will also decrease by -4377.829.

D. Hypothesis Testing

t-Test (Partial Test)

The t-statistic essentially indicates the extent of influence each independent variable has on the dependent variable. To determine whether the independent variables individually have a significant relationship with the dependent variable, they must be processed using a t-test, with the following results:

Coefficients[a]							
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	6796.116	1388.285		4.895	.000		
	Current Ratio	-374.676	124.998	-.568	2.997	.006	.590	1.695
	ROA	-165.234	61.078	-.482	2.705	.011	.668	1.497
	DER	-4377.829	1002.074	-.960	4.369	.000	.438	2.282
a. Dependent Variable: Nilai Perusahaan								

Based on the table above, the partial results can be seen as follows:

1) *Variabel X1 (Current Ratio)*

The calculated t value for CR is 2.997, so the calculated t value is > t table or 2.997 > 1.663 with a significance value of 0.006 < 0.05. Therefore, Ho is

rejected and H1 is accepted, which means that the current ratio variable partially has a positive and significant effect on company value.

2) *Variabel X2 (Return on Asset)*
The calculated t value for ROA is 2,705, thus the calculated t value is > t table, or 2,705 > 1.663, with a significance value of 0.011 < 0.05. Therefore, Ho is rejected and H1 is accepted, which means that the return on assets variable has a partial positive and significant effect on company value.

3) *Variabel X3 (DER)*
The calculated t value for ROA is 2,705, thus the calculated t value is > t table, or 2,705 > 1.663, with a significance value of 0.011 < 0.05. Therefore, Ho is rejected and H1 is accepted

E. F Test (Simultaneous Test)

The F-statistical test essentially shows how much influence all independent variables have on the dependent variable. To find out, it is necessary to use the F-test (simultaneous test), the results of which can be seen in the table below:

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	58473894.295	3	19491298.098	6.415	.002[b]
	Residual	85075783.299	28	3038420.832		
	Total	143549677.594	31			

a. Dependent Variable: Nilai Perusahaan
b. Predictors: (Constant), DER, ROA, Current Ratio

Based on the table above, the calculated F value of the Current Ratio, ROA, and DER is 6.415 and the F table is 3.33. Thus, the calculated F is greater than the F table or 6.415>3.33. Then, seen from the results, the company's value is significant at 0.002<0.05. Thus, Ho is rejected and Ha is accepted. Based on these results, it shows that there is a positive and significant influence simultaneously on the current ratio, ROA, and DER on company value.

F. Coefficient of Determination Test

The R-square value of the coefficient of determination is used to determine how the variation in the dependent variable's value is influenced by the independent variable's value. The coefficient of determination ranges between 0 and 1. The closer the R-square value is to 1 (one), the greater the influence of the independent variable on the dependent variable. The results of this statistical test are as follows:

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.638[a]	.407	.344	1743.1066611	1.058

a. Predictors: (Constant), DER, ROA, Current Ratio
b. Dependent Variable: Nilai Perusahaan

Based on the table above, it can be seen that the overall analysis results show an R-square of 0.407, which means that the correlation or relationship between the independent variables and the dependent variables has a close level.

V. DISCUSSION

The Effect of the Liquidity Ratio (CR) on Firm Value (PER)
The liquidity ratio, also often called the working capital ratio, is used to measure a company's liquidity. For companies experiencing excess funds, meaning an abundance of cash and readily available funds, this is also unfavorable for the company, as some activities are not being carried out optimally. In this situation, management is less able to carry out the company's operations, especially in terms of utilizing available funds. This will undoubtedly impact efforts to achieve desired profits. This is a negative signal for the market, which will result in falling stock prices and, consequently, the company's value. An empirical study by Novalia (2015) demonstrated that high company liquidity significantly reduces company value.

A. The Effect of Profitability Ratios/ROA on Company Value/PER

Profitability ratios have a positive effect as a tool for evaluating a company's ability to generate profits from the sale of goods or services. The higher the profitability ratio, the better the company's ability to generate profits. This can contribute to the prosperity of its shareholders. For the market, if the investor's return on total invested assets is high, this is a positive signal. Consequently, demand for the shares increases, which ultimately leads to an increase in share prices, which in turn increases the company's value. In line with this idea, an empirical study conducted by Yunita (2015) demonstrated that the return on total assets If invested assets (return on assets) perform well, the company's value will increase.

B. The Effect of the Solvency Ratio (DER) on Company Value (PER)

The Solvency Ratio, also known as the debt-to-equity ratio, is the ratio between equity and creditor funds. This ratio is crucial for creditors and potential creditors to determine the extent of the company's funds held by the owners (shareholders). This is necessary to determine the level of security for creditors. The benefit of the leverage ratio is that it provides useful information in determining the benefits of debt (Macfoedz in Kurniasari, 2017).
The results of this study demonstrate that a high DER is a positive signal for the market and potential investors. This company applies the concept of trade-off theory. If a company chooses a capital structure that utilizes debt while still being profitable, then using debt is the right alternative. From the perspective of potential investors, a company in this condition is perceived as having good credibility. Consequently, creditors trust it when it needs additional external funding, due to its high capacity to repay long-term debt and profitability. Furthermore, this condition indicates that the company is experiencing rapid growth, thus requiring additional funding. This development allows the company to expand and diversify by forming a portfolio. This condition creates market interest in investing, resulting in increased stock prices and, in turn, an increase in the company's value.

VI. Conclusions and Suggestions

A. Conclusion

Based on the analysis and discussion, the following conclusions can be drawn:

- Firm Value/PER (Y1) is explained by 40.7% of the Liquidity Ratio/CR (X1), Profitability Ratio/ROA (X2), and Solvency Ratio/DER (X3), while the remaining 48.2% is influenced by other variables not included in the model or not examined.
- The Liquidity Ratio/CR (X1) does not significantly influence Firm Value/PER (Y1). This indicates management's inability to effectively manage the company's operations, particularly in utilizing its available funds.
- The Profitability Ratio/ROA (X2) significantly influences Firm Value/PER (Y1). A good return on assets performance leads to an increase in the firm's value.
- The Profitability Ratio/DER (X3) significantly influences Firm Value/PER (Y1). A high DER is a positive signal for the market and potential investors.

B. Suggestion

Based on the conclusions obtained in this study, the following recommendations are proposed to complement the research findings:

- For future researchers, it is recommended to examine other variables that contribute to company value information in subsequent research.
- Future researchers could also examine companies listed on the Indonesia Stock Exchange during other periods.
- Future researchers are also expected to use a longer period of company reporting in subsequent research to provide more concrete results.

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