

THE INFLUENCE OF LIQUIDITY AND SALES GROWTH ON CAPITAL ADEQUACY RATIO IN SHARIA COMMERCIAL BANKS LISTED ON THE INDONESIAN STOCK EXCHANGE

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ABSTRACT

The growth of the sharia banking industry in Indonesia has attracted the attention of both market players and regulators. Along with this growth, attention to the factors that influence the health and stability of Islamic banks has become increasingly important. One of the main indicators used to measure a bank's financial health is the capital adequacy ratio (CAR), which reflects the bank's ability to bear the risks that arise in its operations. This research aims to determine the effect of liquidity and sales growth on capital. Adequacy ratio in sharia commercial banks listed on the Indonesian stock exchange.

This research uses an associative quantitative method with data collection techniques in the form of documentation using secondary data, and processing using SPSS version 25. The data analysis techniques for this research are classical assumption testing and hypothesis testing.

The research results obtained show 1) Partial liquidity has a significant influence on the Capital Adequacy Ratio. This is proven by the t-test carried out, where the calculated t value ($5.53 > 2.03$) and a significant value of $0.000 < 0.05$ are obtained. 2) Sales Growth has no significant influence on the Capital Adequacy Ratio. This is proven by the t-test carried out, where the calculated t value was obtained ($-0.60 < 2.03$) and a significant value of $0.549 > 0.05$. 3) Simultaneously Liquidity and Sales Growth have a significant influence on the Capital Adequacy Ratio which has been proven from the F-Test results where the calculated f value ($15.34 > 3.27$) and a significant value of $0.00 < 0.05$.

Keywords: Liquidity, Sales Growth, Capital Adequacy Ratio

INTRODUCTION

The growth of Sharia Commercial Banks in Indonesia has progressed quite rapidly, as can be seen from data published by Bank Indonesia. One factor is caused by the support for demand for Islamic products from the Indonesia population, the majority of whom are Muslims. In maintaining public trust, banks must maintain their financial performance. Bank financial performance is a description of the bank's financial condition in a certain period, including aspects of collecting funds and distributing funds.¹ The Accumulation of bank funds is used as the main source of capital apart from owner's capital to carry out operational activities. Adequate capital is a reflection of protecting the bank from unexpected losses, supporting future growth, and fostering public confidence in the bank condition.

¹ Irvan Stiawan, Tri Puji Syarifah, and Nawang Kalbuana, 'The influence of liquidity, NPF and NOM on profitability in Islamic commercial banks in Indonesia (2013–2018)', *Sitra*, 2.2 (2020), 96–105.

The development of sharia banks in Indonesia must be accompanied by an increase in the quality and quantity of sharia banks, so that they gain more trust in the eyes of their customers. One of the efforts to maintain the existence of sharia banks is that management needs to pay attention to the criteria for measuring banking health and performance. One very important indicator of banking health is the capital indicator.

Banking capital indicators must be prioritized considering that in its mechanism banking is an industry whose business relies on public trust. The public should see the health of the bank, which can be seen using capital indicators, to build trust in handing over funds to the bank. This is because the image of national banking has been tarnished by various cases of misappropriation of customer funds by bank management, as well as problems with illiquid banking.²

The performance of banking companies can be seen through various variables or indicators. The variable used as the basis for the assessment is the financial report of the company concerned. If the performance of a public company increases, its business value will be high. Information on financial position and performance in the past is often used as a basis for predicting future financial position and performance and other things that directly attract the attention of users such as dividends, wages, securities price movements and the company's ability to fulfill its commitments when they fall due.

In 1997, the public lost confidence in banking companies after the financial crisis resulted in many banking institutions going into liquidation, so Bank Indonesia attempted to issue policies that regulate and supervise banking companies in Indonesia. The policy issued by banking companies is capital adequacy (Capital Adequacy Ratio). Data from the Financial Services Authority (OJK) shows that since March 2020, the capital adequacy ratio, aka banking CAR, has actually continued to increase. OJK records show that as of June 2020, the CAR position was at the level of 22.59%. This position increased from the March 2020 period which amounted to 21.67%. Even though it is still high, OJK continues to provide a series of stimuli to keep CAR at a safe level.³ The following data used in this research can be seen in the following table:

**List of Sharia Commercial Banks Registered
on the Indonesian Stock Exchange**

NO	Company	Code
1.	PTBank Aladin Syariah Tbk	947
2.	PTBank Syariah Indonesia Tbk	451
3.	PTBank BTPN Syariah Tbk	213
4.	PTBank Panin Dubai Syariah Tbk	517
5.	PT Bank Muamalat Indonesia Tbk	147
6.	PT Bank Mega Tbk	426
7	PT Bank Viktoria Syariah Tbk	401
8	PT Bank Maybank Syariah Indonesia	427
9	PT Bank BCA Syariah Tbk	536
10	PT Bank BNI Syariah	009
11	PT Bank Aceh Syariah	116
12	PT Bank Nusa Tenggara Barat Syariah	128

Data Source: Financial Services Authority 2022

Government regulations regarding the soundness level of commercial banks, each bank tries to maintain the CAR value of its company with the aim of maintaining the bank's soundness level. In its implementation, Sharia Bank as the bank with the largest assets continues to experience fluctuations in the development of its capital adequacy.⁴ Capital Adequacy Ratio (CAR) is a capital ratio used to measure

² Siti Fatimah, 'The Influence of Profitability, Efficiency and Liquidity on the Capital Adequacy of Sharia Commercial Banks', BCA Finance, 10 (2013), 42–58.

³ Amalia Mustika and Al Et, Introduction to Business, Angewandte Chemie International Edition, 6(11), 951–952., 2018, iii.

⁴ Siti Fatimah, 'The Influence of Profitability, Efficiency and Liquidity on the Capital Adequacy of Sharia Commercial Banks', BCA Finance, 10 (2013).

bank performance in providing funds to overcome problems that arise due to problematic or risky assets owned by the bank. For example, credit or financing provided.

A very important factor for banks in developing their business is capital. Capital for banks, like companies in general, apart from functioning as the main source of financing for their operational activities, also acts as a buffer against possible losses.⁵ Basically, the capital owned by a bank must be sufficient to cover all business risks faced by the bank. The capital adequacy ratio is a ratio that aims to ensure that the bank can absorb losses arising from the activities it carries out. Based on Bank Indonesia Regulation no. 7/13/PBI/2005 concerning Minimum Capital Requirements for Commercial Banks Based on Sharia Principles Article 2 states that banks are required to provide minimum capital of 8% of risk-weighted assets. Based on Bank Indonesia regulations, a bank that is declared a healthy bank must have a CAR of at least 8%.⁶

Companies do something very important to survive the intense competition between companies, namely growth. Therefore, to achieve the desired growth managers are required to have managerial abilities. One way to achieve the desired growth, the company must be in a healthy condition. One measure used to assess the health of a company is the company's financial performance, so companies must continually improve their financial performance.⁷

The usual problems faced by developing companies are financial problems, including how the company should obtain capital, how to maintain the company's continued growth, and how to increase the company's income. Several options for companies to obtain capital to finance all their operational activities include borrowing funds from external parties and short-term bank credit. Each of these loans has fees and loan interest according to what has been agreed.⁸

Analysis is carried out to see the extent to which a company has carried out finances properly and correctly, namely financial performance. The company's financial performance is one of the main aspects of assessing the company's financial condition which can be carried out based on the company's financial ratios, including: liquidity ratios, leverage ratios, activity ratios and profitability ratios.⁹ There are times when companies that have been registered (listed) on the capital market still need sources of funds in their development to finance their business activities, but the company's internal sources and bank loans are considered inadequate or profitable. Companies that want to obtain funds to increase capital can sell shares by taking advantage of the existence of the capital market so that the company can obtain long-term capital.¹⁰

In this research, the liquidity ratio used is the Financing Deposit Ratio (FDR). The higher this ratio, the lower the liquidity capacity of the bank concerned. This is because the amount of funds required to finance credit becomes increasingly large. On the other hand, the lower the FDR indicates the less effective the bank is in distributing credit. A low FDR indicates a liquid bank with excess capacity of funds ready to lend. So the FDR ratio is the most appropriate to use to measure the liquidity of a banking sector. FDR is a ratio to measure the level of use of funds received by the public in the form of credit.

Increasingly tight competition between companies causes the costs to be incurred by companies to be higher. This will affect the company's performance and if a company is unable to compete then

⁵ Delsy Setiawati Ratu Edo and Ni Luh Putu Wiagustini, 'The Influence of Third Party Funds, Non-Performing Loans, and Capital Adequacy Ratio on Loan to Deposit Ratio and Return on Assets in the Banking Sector on the Indonesian Stock Exchange', E-Journal of Economics and Business, Udayana University , 3.11 (2014), 650–73.

⁶ Aswand Hasoloan, 'The Role of Business Ethics in Business Companies', Warta Dharmawangsa, 57, 2018.

⁷ Indira Shofia Maulida, Srie Hartutie Moehaditoyo, and Mulyanto Nugroho, 'Financial Ratio Analysis to Predict Financial Distress in Manufacturing Companies Listed on the Indonesian Stock Exchange 2014-2016', Scientific Journal of Business Administration and Innovation, 2.1 (2018), 180–94.

⁸ Irham Fahmi, 'Financial Performance Analysis: A Guide for Academics, Managers and Investors to Assess and Analyze Business from Financial Aspects', 2012.

⁹ Lamtiar Elisabet Sihaloho and Siti Ragil Handayani, 'Differences in Company Financial Performance Before and After the Rights Issue (Study of Companies Listed on the Indonesian Stock Exchange (BEI) Non-Banking and Financial Institutions for the Period of 2014 and 2015)', Journal of Business Administration (JAB) | Vol. 61.3 (2018).

¹⁰ Ilintannes Putri Basse and Ade Sofyan Mulazid, 'Analysis of the Influence of Asset Quality, Liquidity, Business Efficiency and Profitability on Capital Adequacy Ratios in General Sharia for the 2012-2015 Period', Al-Tijary, 2017, 109–23.

the company will experience losses.¹¹ To detect financial difficulties of a company, financial ratio analysis can be used. In general, ratios such as profitability, liquidity, leverage and cash flow coverage act as the most significant indicators in predicting financial difficulties or bankruptcy. Liquidity is one of the most significant indicators in predicting financial difficulties.¹² Liquidity is an indicator to determine a company's ability to meet its short-term capabilities. The aspect that influences the achievement of company profits which is included in the company's profitability aspect is sales. According to Widarjo & Setiawan, sales growth is a reflection of a company's capabilities in a period. The high level of sales of a company means it can be said that the company is successful in carrying out its strategy. The higher the company's sales growth level, the company's profit will increase so that the company is less likely to experience losses.¹³

The ultimate goal of the bank is to maintain the bank's survival through efforts to gain profits. This means that income must be greater than all costs incurred, especially considering that banks work with funds obtained from the public which are entrusted to the bank on a trust basis. Therefore, operational activities must be carried out as effectively and efficiently as possible to gain profits for the company. Because by looking at the profits obtained, you can assess the health of a bank and determine the success of a bank. Assessment of the health of Islamic banks can be carried out based on Bank Indonesia Regulation (PBI) No. 9/1/PBI/2007.

Previous research, namely research conducted by Sitti Fatimah, showed that the liquidity ratio variable had a negative effect on the Capital Adequacy Ratio.¹⁴ However, research conducted by Ni Made Winda Parascintya Bukian and Gede Merta Sudiartha shows that the liquidity ratio has a positive effect on the Capital Adequacy Ratio.¹⁵

Seeing inconsistencies in previous research motivated the author to examine the effect of liquidity and sales growth on the capital adequacy ratio in Islamic commercial banks listed on the Indonesian stock exchange. In this research, liquidity was chosen to be researched because it is an important component in fulfilling a bank's obligations. Sales growth was chosen because it can describe the sales growth of a company. The Capital Adequacy Ratio or CAR variable is a ratio that shows the extent to which all bank assets that contain risk are financed from the bank's own capital funds, in addition to obtaining funds from sources outside the bank, such as funds from the public, loans, etc.

The research objectives to be achieved in this research are:

1. To determine the effect of liquidity ratios on capital adequacy ratios in Islamic commercial banks listed on the Indonesian stock exchange.
2. To determine the effect of the sales growth ratio on the capital adequacy ratio in Islamic commercial banks listed on the Indonesian stock exchange.

METHOD

This research method uses quantitative research methods with an associative approach. Associative is a research approach that utilizes existing data to search for and analyze causal relationships between two or more variables, between the independent variable and the dependent variable. Quantitative research methods can be interpreted as research methods that are based on the philosophy of positivism, used to research certain populations or samples, collect data using field research, and analyze data in quantitative/statistical form, with the aim of testing existing hypotheses.

¹¹ Khofifah Ayu Virnanda, 'The Influence of Liquidity, Sales Growth and Leverage on Financial Distress with Profitability as a Moderating Variable: Study of Sharia Commercial Banks Listed on the BEI 2014-2020' (Maulana Malik Ibrahim State Islamic University, 2023).

¹² Orina Andre and Salma Taqwa, 'The Influence of Profitability, Liquidity, and Leverage in Predicting Financial Distress (Empirical Study of Companies in Various Industries Listed on the IDX in 2006-2010)', Accounting Research Forum, 2.1 (2014), 293–312.

¹³ Agustina Khoeriyah, 'The Influence of Company Size, Leverage, Sales Growth and Investment Opportunity Set on Company Value', Profita: Scientific Communication and Taxation, 13.1 (2020), 96–111.

¹⁴ Fatimah, S. (2013). The influence of profitability, efficiency and liquidity on the capital adequacy of sharia commercial banks. BCA Finance, 10, 42-58.

¹⁵ Bukian, NMWP, & Sudiartha, GM (2016). The Influence of Asset Quality, Liquidity, Profitability and Operational Efficiency on Capital Adequacy Ratios. Unud Management E-Journal, 5(2), 1189-1221.

This research uses the following ratio calculations: Quick Ratio (QR), Sales Growth Ratio (SGR) and Capital Adequacy Ratio (CAR). To find out whether liquidity and sales growth affect the capital adequacy ratio.¹⁶

This research obtained data and information on the problem under study, so this research was carried out by collecting annual financial data carried out at sharia commercial banks listed on the Indonesian Stock Exchange (BEI) Makassar Branch Jl.A. Pettarani Makassar. The population in this research is Sharia Commercial Banks listed on the Indonesia Stock Exchange. The following are Islamic commercial banks listed on the Indonesia Stock Exchange. The sample obtained by mining companies registered on the Indonesia Stock Exchange (BEI) has certain criteria, namely, Sharia commercial banks that publish complete quarterly financial reports in 2021-2023 and have been audited by Public Accountants

RESULTS

Liquidty

The first independent variable (X1) of this research is liquidity which is measured using the quick ratio and can be used to measure the liquidity of a company and become a constituent company on the Indonesian Stock Exchange. The following is quick ratio data on the Indonesian stock exchange for 2021-2023.

Quick Ratio of Sharia banks on the Indonesian Stock Exchange 2021-2023.

No	Code	Quick Ratio								
		2021			2022			2023		
		Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
1	BANK	41.16%	60.35%	23.95%	13.91%	46.85%	29.26%	2.73%	5.39%	34.75%
2	PNBS	11.61%	20.86%	11.67%	14.60%	15.83%	9.02%	4.64%	13.28%	13.42%
3	BTPS	7.00%	7.28%	7.03%	6.84%	6.30%	6.81%	7.79%	7.65%	7.64%
4	BRIS	5.24%	5.76%	5.94%	5.05%	5.06%	4.95%	5.20%	4.46%	6.35%
Average		16.25%	23.56%	12.15%	10.10%	18.51%	12.51%	5.09%	7.69%	15.54%

(Data Source: Data Processed in 2024)

Table Quick Ratio of Sharia banks on the Indonesian Stock Exchange 2021-2023 above shows the movement of the quick ratio in Islamic commercial banks in the quarterly period during 2021-2023. Where it looks at the bank Aladin Syariah in 2021 the quick ratio in the first quarter is 41.16%, in the second quarter it was 60.35% while in the third quarter it was 23.95%. The difference in quick ratio values in 2021 quarters I, II and III is due to high current assets, low inventory to pay short-term debt. In 2022, the first quarter is 13.91%, in the second quarter it is 46.89%, while in the third quarter it is 29.26%. The difference in the quick ratio value in 2022, the first, second and third quarters, high current assets, low inventory to pay debts short term. Then in 2023, the first quarter will be 27.3%, in the second quarter it will be 5.39%, while in the third quarter it will be 34.75%. The difference in the quick ratio value in 2023 for the first, second and third quarters is high current assets, low inventory to pay debts short term.

Bank Panin Dubai Syariah shows quick ratio movements in Islamic commercial banks in the quarterly period during 2021-2023. Where can be seen at Panin Bank DubaiShariain 2021 the quick ratio in the first quarter is 11.61%, in the second quarter it was 20.86% while in the third quarter it was 11.67%. The difference in quick ratio values in 2021 quarters I, II and III is due to high current assets, low inventory to pay short-term debt. And in 2022, the first quarter will be 14.60%, in the second quarter it will be 15.83%, while in the third quarter it will be 9.02%. The difference in the quick ratio value in 2022 for the first, second and third quarters is due to high current assets, low inventories for pay short-term debt. Then in 2023, the first quarter will be 4.64%, in the second quarter it will be 13.28%, while in the third quarter it will be 13.42%. The difference in the quick ratio value in 2023 for the first, second

¹⁶ Dr Sugiono, Educational Research Methods, 2014.

and third quarters is due to high current assets, low inventory to pay short term debt.

The Sharia National Pension Savings Bank shows quick ratio movements in sharia commercial banks in the quarterly period during 2021-2023. Where it looks at the banknational retirement savingsin 2021 the quick ratio in the first quarter is7.00%, in the second quarter it was 7.28% while in the third quarter it was 7.03%. The difference in quick ratio values in 2021 quarters I, II and III is due to high current assets, low inventory to pay short-term debt. And in 2022, the first quarter will be 6.84%, in the second quarter it will be 6.30%, while in the third quarter it will be 6.81%. The difference in the quick ratio value in 2022 for the first, second and third quarters is due to high current assets, low inventories for pay short-term debt. Then in 2023, the first quarter will be 7.79%, in the second quarter it will be 7.65%, while in the third quarter it will be 7.64%. The difference in the quick ratio value in 2023 for the first, second and third quarters is due to high current assets, low inventory to pay. short term debt.

Bank Syariah Indonesia shows quick ratio movements in sharia commercial banks in the quarterly period during 2021-2023. Where it looks at the bankIndonesian shariain 2021 the quick ratio in the first quarter is5.24%, in the second quarter it was 5.76% while in the third quarter it was 5.94%. The difference in quick ratio values in 2021 quarters I, II and III is due to high current assets, low inventory to pay short-term debt. And in 2022, the first quarter will be 5.05%, in the second quarter it will be 5.06%, while in the third quarter it will be 4.95%. The difference in the quick ratio value in 2022 for the first, second and third quarters is high current assets, low inventory to pay short term debt. Then in 2023, the first quarter will be 5.20%, in the second quarter it will be 4.46%, while in the third quarter it will be 6.35%. The difference in the quick ratio value in 2023 for the first, second and third quarters is due to high current assets, low inventory to pay short term debt.

Sales Growth

The second independent variable (X2) of this research is Sales Growth. How does a bank know the level of measurement of the influence of debt policy. The following are the results of Sales Growth in Islamic commercial banks during 2021-2023.

Sales Growth on the Indonesian Stock Exchange.

No	Code	Sales Growth								
		2021			2022			2023		
		Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
1	BANK	0.10%	0.09%	0.12%	0.34%	0.79%	1.11%	4.47%	5.05%	3.93%
2	PNBS	-0.12%	-0.07%	-0.05%	0.28%	0.28%	0.28%	0.24%	0.24%	0.23%
3	BTPS	-0.06%	0.18%	0.17%	0.13%	0.12%	0.15%	0.10%	0.10%	0.05%
4	BRIS	0.05%	0.13%	0.07%	0.03%	0.05%	0.08%	0.18%	0.16%	0.15%
Average		-0.01%	0.08%	0.08%	0.20%	0.31%	0.41%	1.25%	1.39%	1.09%

(Data Source: Data Processed in 2024)

Table Sales Growth on the Indonesian Stock Exchange above shows the level of Sales Growth in Islamic commercial banks during 2021-2023. Where it can be seen at Bank Aladin Syariah that in 2021, the first quarter of sales growth was 0.1 and in the second quarter it was 0.09. Meanwhile in the third quarter it was 0.12. The difference in sales growth values in 2021 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.in 2022, first quarter sales growth will be0.34 And in the second quarter it was 0.79. Meanwhile in the third quarter it was 1.11. The difference in sales growth values in 2022 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.in 2023, first quarter sales growth will be4.47 And in the second quarter it was 5.05. Meanwhile in the third quarter it was 3.93. The difference in sales growth values in 2023 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.

Bank Panin Dubai Syariah shows the level of Sales Growth in sharia commercial banks during 2021-2023. Where it can be seen that in Bank Panin Dubai Syariah in 2021, first quarter sales growth was equal to-1.12 And in the second quarter it was -0.07. Meanwhile in the third quarter it was -0.05. The

difference in sales growth values in 2021 for quarters I, II and III, the value of sales growth income from the previous year is greater than the value of sales growth income from the current year. in 2022, first quarter sales growth will be 0.28 And in the second quarter it was 0.28. Meanwhile in the third quarter it was 0.28. The difference in sales growth values in 2022 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year. in 2023, first quarter sales growth will be 0.24 And in the second quarter it was 0.24. Meanwhile in the third quarter it was 0.23. The difference in sales growth values in 2023 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.

The Sharia National Pension Savings Bank shows the level of Sales Growth in sharia commercial banks during 2021-2023. Where it can be seen that in the national sharia retirement savings bank in 2021, first quarter sales growth was equal to -0.06 And in the second quarter it was 0.18. Meanwhile in the third quarter it was 0.17. The difference in sales growth values in 2021 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year. in 2022, first quarter sales growth will be 0.13 And in the second quarter it was 0.12. Meanwhile in the third quarter it was 0.15. The difference in sales growth values in 2022 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year. 2023, first quarter sales growth will be 0.1 And in the second quarter it was 0.1. Meanwhile in the third quarter it was 0.05. The difference in sales growth values in 2023 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.

Bank Syariah Indonesia shows the level of Sales Growth in Islamic commercial banks during 2021-2023. This can be seen from Indonesian sharia banks in 2021, first quarter sales growth of 0.05 and the second quarter it was 0.13. Meanwhile in the third quarter it was 0.07. The difference in sales growth values in 2021 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year. 2022, first quarter sales growth will be 0.03 And in the second quarter it was 0.05. Meanwhile in the third quarter it was 0.08. The difference in sales growth values in 2022 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year. 2023, first quarter sales growth will be 0.18 And in the second quarter it was 0.16. Meanwhile in the third quarter it was 0.15. The difference in sales growth values in 2023 for quarters I, II and III, the value of sales growth income for the current year is higher than the value of sales growth income for the previous year.

Capital Adequacy Ratio (CAR)

The dependent variable (Y) of this research is the Capital Adequacy Ratio (CAR). This capital coverage ratio is measured using risk-weighted capital and assets measurements with this ratio being able to accommodate the risk of loss that may be faced by the bank. The following are the results of the Capital Adequacy Ratio (CAR) for each Islamic commercial bank during 2021-2023.

Capital Adequacy Ratio (CAR) banks on the Indonesian Stock Exchange 2021-2023.

No	Code	Capital Adequacy Ratio								
		2021			2022			2023		
		Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
1	BANK	2.05%	10.05	2.05%	5.21%	3.47%	2.74%	0.81%	0.74%	0.57%
2	PNBS	0.42%	0.41%	0.41%	0.45%	0.42%	0.40%	3.39%	3.27%	3.20%
3	BTPS	0.65%	0.65%	0.65%	0.56%	0.53%	0.50%	0.47%	0.45%	0.46%
4	BRIS	0.20%	0.19%	0.19%	0.27%	0.27%	0.26%	0.24%	0.24%	0.23%
Average		0.83%	251.54%	0.83%	1.62%	1.17%	0.98%	1.23%	1.17%	1.12%

(Data Source: Data Processed in 2024)

The capital adequacy ratio value above shows the company's capital adequacy ability to provide funds that can be used to overcome the risks of loss. If the value of Bank Aladin Syariah in 2021 in the first quarter of the capital adequacy ratio is 2.05%, it means that the company's capital adequacy in

providing funds to overcome risks is only 2.05%. And in the second quarter it has increased by 10.05% due to the bank's capital adequacy in The second quarter experienced a quite drastic increase of 10.05%, then in the third quarter there was a decrease of 2.05% because the company's capital only provided funds of 2.05%.

In 2022, in the first quarter, the capital adequacy ratio was 5.21%, meaning that the company's capital adequacy in providing funds to overcome risks was only 5.21%, in the second quarter, the capital adequacy ratio was 3.47%, which decreased because the company's capital only provided funds of 3.47%. Then in the third quarter it decreased by 2.74% because the company's capital only provided funds of 2.74%.

In 2023, the capital adequacy ratio in the first quarter was 0.81%, meaning the company's capital adequacy in providing funds to overcome risks was only 0.81%. And in the second quarter it was 0.74, meaning the company's capital adequacy in providing funds to overcome risks was only 0.74%. Then in the third quarter it was 0.57, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.57%.

Bank Panin Dubai Syariah shows the company's capital adequacy capability in providing funds that are used to overcome the risks of loss. If the value of Panin Dubai Syariah Bank in 2021 in the first quarter of the capital adequacy ratio is 0.42%, it means that the company's capital adequacy in providing funds to overcome risks is only 0.42%. And in the second quarter it is 0.41%, meaning the company's capital adequacy in providing funds to overcome risks were only 0.41%. Then in the third quarter it was 0.41%, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.41%.

In 2022, in the first quarter, the capital adequacy ratio is 0.45%, meaning that the company's capital adequacy in providing funds to overcome risks is only 0.45%, in the second quarter the capital adequacy ratio is 0.42%, which has decreased because the company's capital only provides funds of 0.42%. Then in the third quarter it was 0.40%, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.40%.

In 2023, the capital adequacy ratio in the first quarter has increased from the previous year of 3.39%, meaning the company's capital adequacy in providing funds to overcome risks is only 3.39%. And in the second quarter it is 3.27, meaning the company's capital adequacy in providing funds to overcome the risk is only 3.27%. Then in the third quarter it was 3.20, meaning that the company's capital adequacy in providing funds to overcome risks was only 3.20%.

The Sharia National Pension Savings Bank shows the company's capital adequacy capability in providing funds that are used to overcome the risks of loss. If the value of the national pension savings bank in 2021 in the first quarter of the capital adequacy ratio is 0.65%, it means that the company's capital adequacy in providing funds to overcome risks is only 0.65%. And in the second quarter it is 0.65%, meaning the company's capital adequacy in providing funds to overcome risks were only 0.65%. Then in the third quarter it was 0.65%, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.65%.

In 2022, in the first quarter, the capital adequacy ratio is 0.56%, meaning that the company's capital adequacy in providing funds to overcome risks is only 0.56%, in the second quarter the capital adequacy ratio is 0.53%, which has decreased because the company's capital only provides funds of 0.53%. Then in the third quarter it was 0.50%, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.50%.

In 2023, the capital adequacy ratio in the first quarter was 0.47%, meaning the company's capital adequacy in providing funds to overcome risks was only 0.47%. And in the second quarter it was 0.45, meaning the company's capital adequacy in providing funds to overcome risks was only 0.45%. Then in the third quarter it was 0.46, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.46%.

Bank Syariah Indonesia shows the company's capital adequacy capability in providing funds that are used to overcome risks of loss. If the value of Indonesian sharia banks in 2021 in the first quarter of the capital adequacy ratio is 0.20%, it means that the company's capital adequacy in providing funds to overcome risks is only 0.20%. And in the second quarter it is 0.19%, it means that the company's capital adequacy in providing funds to overcome risks only 0.19%, then in the third quarter it was 0.19%,

meaning that the company's capital adequacy in providing funds to overcome risks was only 0.19%.

In 2022, in the first quarter, the capital adequacy ratio is 0.27%, meaning that the company's capital adequacy in providing funds to overcome risks is only 0.27%, in the second quarter the capital adequacy ratio is 0.27%, which has decreased because the company's capital only provides funds of 0.27%. Then in the third quarter it was 0.26%, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.26%.

In 2023, the capital adequacy ratio in the first quarter was 0.24%, meaning the company's capital adequacy in providing funds to overcome risks was only 0.24%. And in the second quarter it was 0.24, meaning the company's capital adequacy in providing funds to overcome risks was only 0.24%. Then in the third quarter it was 0.23, meaning that the company's capital adequacy in providing funds to overcome risks was only 0.23%.

Hypothesis Testing

Multiple Linear Regression Analysis Test

Multiple linear regression analysis is carried out to test the influence between two or more variables. This is done to find out whether the regression obtained can estimate changes in the value of the dependent variable or not. The model of multiple linear regression can be seen below:

Multiple Linear Regression Analysis Test.

Coefficientsa					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	-0.003	0.358		-0.008 0.994
	Liquidity	0.102	0.018	0.694 5,536	0,000
	Sales Growth	-0.120	0.198	-0.076 -0.605	0.549
a. Dependent Variable: CAR					

(Source) Data: SPSS Version 25.0, 2023)

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$$

$$\text{Capital Adequacy Ratio} = -0.003 + 0.102X_1 - 0.120X_2 + \varepsilon$$

The multiple linear regression equation above can be explained as follows:

1. The constant value (α) has a negative value of -0.003. This shows that there is no relationship between the independent variable and the dependent variable. This means that if the value of the independent variable increases, the value of the dependent variable will also increase vice versa.
2. The Liquidity coefficient value has a positive value of 0.102. This shows that there is a unidirectional influence between the Liquidity variables and the Capital adequacy ratio. This means that every 1% value added to the Liquidity variable will cause the Capital adequacy ratio variable to increase by 0.102, assuming that the other independent variables have constant values.
3. The Sales growth coefficient value has a negative value of -0.003. This shows there is no relationship between the independent variable and the dependent variable. This means that if the value of the independent variable Sales growth increases, then the value of the dependent variable (Capital adequacy ratio) will also increase vice versa.

Determination Coefficient Test (Adjusted R²)

This testing method is used to measure the extent of the model's ability to explain variations in the dependent variable. The R² value is between 0 and 1. A small value indicates that the ability of the independent variable to explain variations in the dependent variable is limited, so the resulting value will be better if it is closer to 1.

Determination Coefficient Test (Adjusted R2)

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,698a	0.487	0.455	1,438
a. Predictors: (Constant), Sales Growth, Liquidity				

(Source) Data: SPSS Version 25.0, 2023)

The results of the coefficient of determination test above obtained an Adjusted R Square value of 0.055. This shows that the ability of the independent variables (Liquidity and Sales Growth) in this study influences the dependent variable (Capital Adequacy Ratio) by 5.5%. Meanwhile, the remaining 94.5% is influenced by other variables outside the variables used in this research.

Partial Test (T)

This testing method is carried out to find out how much the independent variable is able to influence the dependent variable individually. If the calculated t value $> t$ table and the sig value. < 0.05 , then partially there is a significant influence of the independent variable on the dependent variable. Conversely, if the calculated t value $< t$ table and the sig value. > 0.05 , then partially there is no significant influence of the independent variable on the dependent variable. The following are the results of the partial test (t-test) obtained through SPSS data processing.

Partial (t Test)

Coefficientsa						
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	-0.003	0.358		-0.008	0.994
	Liquidity	0.102	0.018	0.694	5,536	0,000
	Sales Growth	-0.120	0.198	-0.076	-0.605	0.549
a. Dependent Variable: CAR						

(Source) Data: SPSS Version 25.0, 2023)

1. Liquidity

Liquidity (X1) The partial test results on the Liquidity variable (X1) show the calculated t value (5.536) $< t$ table value (2.03452) and a significant value of 0.000 < 0.05 . This means that the independent variable Liquidity (X1) has a significant influence on the dependent variable Capital Adequacy Ratio (Y). So it can be concluded that the null hypothesis (H0) is rejected and the first hypothesis (H1) is accepted.

2. Sales Growth

Sales Growth (X2) The partial test results on the Sales Growth variable (X2) show the calculated t value (-0.605) $< t$ table value (2.03452) and a significant value of 0.549 > 0.05 . This means that the independent variable Capital Adequacy Ratio (X2) has no influence and is significant on the dependent variable Company Value (Y). So it can be concluded that the null hypothesis (H0) is accepted and the first hypothesis (H2) is rejected.

Simultaneous Testing (F)

Simultaneous testing is a testing method carried out to see whether the independent variables together have an effect on the dependent variable. If the calculated F value $> F$ table and the significant value < 0.05 , then simultaneously there is a significant influence of the independent variable on the dependent variable. On the other hand, if the calculated F value $< F$ table and the significant value is > 0.05 , then simultaneously there is no significant influence of the independent variable on the dependent variable.

Simultaneous Test (F Test)					
ANOVAa					
Model	Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	64,069	2	32,034	15,374
	Residual	68,763	33	2,084	
	Total	132,832	35		
a. Dependent Variable: CAR					
b. Predictors: (Constant), Sales Growth, Liquidity					

(Source) Data: SPSS Version 25.0, 2023)

Table Simultaneous Test (F) above shows the results of the simultaneous test of the independent variable and the dependent variable. Where it can be seen that the calculated F value is (15.347) > table F value (3.27) and the significant value is 0.000 < 0.05. This means that the independent variables (Liquidity and Sales growth) simultaneously have a significant influence on the dependent variable Capital adequacy ratio (Y). So it can be concluded that H3 is accepted and H0 rejected.

DISCUSSION

Liquidity affects the Capital adequacy ratio in sharia Commercial Banks listed on the Indonesia Stock Exchange for the 2021-2023 period

Based on the results of research conducted by researchers on banks listed on the Indonesian stock exchange regarding whether liquidity affects the capital adequacy ratio of Islamic commercial banks listed on the Indonesian stock exchange for the 2021-2023 period. The results of the tests that have been carried out show that there is a significant influence between liquidity and capital adequacy ratio in Islamic commercial banks listed on the Indonesian Stock Exchange in 2021-2023. Liquidity influences the Capital Adequacy Ratio because there are direct and indirect influences. Direct effect, high liquidity means the bank has more current assets. Current assets generally have a lower risk weight in CAR calculations. Thus, higher liquidity tends to increase CAR. The indirect effect is that good liquidity allows banks to be more flexible in managing their assets, which can have a positive impact on profitability and ultimately on bank capital. Low liquidity can force banks to sell assets at a discount, which can reduce capital and reduce CAR. One of the liquidity ratios that shows a company's ability to fulfill or pay current obligations or debt (short-term debt) is the quick ratio. The quick ratio or very current ratio or acid test ratio is a ratio that shows the company's ability to fulfill or pay obligations or current debt (short-term debt) with current assets without taking into account the stock value (inventory). This means that we ignore the inventory value, by subtracting it from the total value of current assets. This is done because inventory is considered to require a relatively longer time to be cashed, if the company needs funds quickly to pay its obligations compared to other current assets.¹⁷

The results of this research support research conducted by Ni Made Winda which stated that the liquidity value (Quick Ratio) has a positive and significant influence on the CAR value. According to this research, the liquidity value which has a positive influence on CAR indicates that the amount of credit provided is increasing. The increase in the amount of credit and the large allocation of funds to credit, causes an increase in credit interest income obtained by banks. Apart from interest income, bank capital can be obtained from administrative funds, commissions, fees and other income.¹⁸ Then this research is also in line with research conducted by Andreani Caroline Barus which states that the liquidity value (Quick Ratio) has a significant influence on CAR. According to him, the quick ratio value, which is the bank's ability to fulfill repayment or disbursement of depositors' funds when they are

¹⁷ Concerned Ning Tias, U. (2017). The Influence of Liquidity (Quick Ratio) and Working Capital Turnover on Return on Assets (Doctoral dissertation, Indonesian Computer University).

¹⁸ Ramadhani, d. (2018). The influence of asset quality and liquidity on the level of capital adequacy of conventional commercial banks listed on the Indonesian Stock Exchange for the 2015-2016 period (doctoral dissertation, Jakarta State University).

billed and can fulfill credit requests that have been submitted, can also provide an idea of the bank's capital adequacy. Where the higher the quick ratio value, the higher the capital adequacy of a banking company.¹⁹ In contrast to the results of research conducted by Chaerunisa Riskia Ramadhani et al.²⁰ Which states that there is no influence of liquidity on capital adequacy.

This shows that there is a link between liquidity and the growth of capital coverage. If related to agency theory, there are agents (management) who act on behalf of the owner (shareholders). Shareholders want to ensure that management manages the bank well to maximize company value, while management tends to have personal interests which may not always be in line with the interests of shares. Thus, the test results can be understood within the framework of agency theory as an effort to ensure that public bank management sharia acts in accordance with the interests of shareholders by maintaining sufficient liquidity and adequate CAR. The significant influence between liquidity and CAR, it can be concluded that the level of liquidity of sharia commercial banks influences their ability to maintain sufficient levels of capital to cover the risks they face. This shows that good liquidity management will help banks to maintain their capital adequacy levels, which in turn will strengthen the bank's stability and resilience to economic and financial pressures.

Sales Growth has no effect on the Capital adequacy ratio of Sharia Commercial Banks listed on the Indonesia Stock Exchange for the 2021-2023 period

Based on the results of research conducted by researchers on Islamic commercial banks listed on the Indonesian stock exchange regarding whether sales growth affects the capital adequacy ratio of Islamic commercial banks listed on the Indonesian stock exchange for the 2021-2023 period. The results of the tests that have been carried out show that there is no significant influence between sales growth on the Capital Adequate Ratio listed on the Indonesian Stock Exchange in 2021-2023. Sales growth (Sales Growth) has no effect on the Capital Adequacy Ratio because CAR is the ratio between bank capital and risk-weighted assets (RWA). Sales growth does not directly affect this component, CAR reflects the strength of the bank's capital structure, not its operational performance. Sales growth is an operational metric that may not directly change the capital structure and Even if sales increase, if the additional income is used for operational costs or business expansion, there may not be a significant addition to the bank's core capital. Sales growth is the process of increasing the size or volume of sales. Sales growth is an important indicator of market acceptance of the company's products and services, where the income generated from sales can be used to measure the level of sales growth.²¹

This is in line with research conducted by Jeany Clarensia (2012) with research results showing that sales growth has a positive but not significant effect on stock prices. According to him, sales growth measures how well a company maintains its overall economic position. The growth rate of a company will influence its ability to maintain profits in funding opportunities in the future.²² In contrast to research conducted by Putu Andre Sucita Wijaya (2014), the research results show that sales growth has a positive and significant effect on stock prices. Research conducted by Felicia Angela (2016), the results showed that sales growth had no effect and was not significant on share prices.²³ According to him, in predicting the prospects for changes in investment in the form of shares in companies, investors cannot analyze the financial condition of the company before deciding to invest, see whether

¹⁹ Barus, AC (2011). Profitability and liquidity analysis of the capital adequacy ratio (car) in open banking institutions on the Indonesian stock exchange. *Journal of Microskill Economics*, 1(1), 1-12.

²⁰ Ramadhani, cr (2022). The Influence of Liquidity and Profitability on Capital Adequacy. *Competitive journal of Accounting and Finance*, 6(1), 1-6.

²¹ Dewi, WC (2020). The Effect of Liquidity and Sales Growth on Company Value in Telecommunication Companies Listed on the Indonesian Stock Exchange in 2015-2018 (Doctoral dissertation, Medan Area University).

²² Clarensia, J., Rahayu, S., & Azizah, N. (2017). The Influence of Liquidity, Profitability, Sales Growth and Dividend Policy on Share Prices (Empirical Study of Manufacturing Companies Listed on the Indonesian Stock Exchange 2007-2010). *Journal of Accounting and Finance*, 1(1).

²³ Angela, F. (2016). The Influence of Liquidity, Profitability and Sales Growth on Share Prices in Property Companies Listed on the Indonesian Stock Exchange in 2010-2014. *Journal of the University Faculty of Economics*, 17.

the financial condition of the property company, as assessed by the size of the financial ratio, is in accordance with the standards set by the IDX, both from aspects related to capital structure, asset management, profit generation and others because they are based on the analysis results obtained from the assessment of the company's financial performance in this research.

Referring to the context of agency theory, companies listed on the stock exchange act as agents who manage assets and operational activities on behalf of shareholders (principals). Shareholders have an interest in ensuring that the company is well managed and has healthy financial performance, including an adequate capital adequacy ratio (CAR). Although sales growth is considered an indicator of company performance, the research results show that sales growth does not have a significant effect on CAR. In the context of agency theory, shareholders (principals) still need to supervise and hold company management (agents) accountable regarding company capital management, even though sales growth is not the main determining factor. Thus, even though sales growth does not have a significant effect on CAR, the principles of agency theory still apply, where shareholders (principals) supervise and hold company management (agents) accountable in managing company capital to maintain the company's financial performance and health in accordance with their interests. shareholders.

Liquidity and Sales Growth influence the Capital adequacy ratio of Sharia Commercial Banks listed on the Indonesia Stock Exchange for the 2021-2023 period

The results of the simultaneous tests carried out show that together there is a significant influence between whether liquidity and sales growth have an effect on the capital adequacy ratio of Islamic commercial banks listed on the Indonesian stock exchange for the 2021-2023 period. When tested together, these two factors provide a more comprehensive picture of a bank's health and stability, which is directly related to CAR. The complex interaction between liquidity and sales growth can produce a stronger effect on CAR than if each factor were analyzed separately. The higher the liquidity value, the better the company's position. There is a possibility for the company to pay its obligations on time, the company's ability to pay short-term obligations will be responded to positively by the market, the market will have confidence in the company when the level of liquidity is high, this shows that the company has good performance.²⁴ Sales growth is the level of change in sales from year to year which can be seen from each company's profit and loss report as a prediction for the company in the future as an impact of demand and the company's competitiveness.²⁵ In carrying out the capital coverage ratio, it is very necessary to adapt it to sharia accounting principles. There are three basic principles in sharia accounting, namely the principles of justice, accountability and truth.

Referring to agency theory, the following perspectives can be seen, In the context of sharia banking, shareholders (principals) are the owners of the bank, while bank management acts as an agent who manages bank operations and assets. Shareholders have an interest in ensuring that the bank is managed well, including having a level of liquidity, sales/funding growth, and capital adequacy. (CAR) which is healthy in accordance with banking regulations. The results of the research show that liquidity and sales growth (sales/funding growth) have an influence on the CAR or capital adequacy of Islamic banks. In the context of agency theory, shareholders (principals) will supervise and hold management accountable bank (agent) related to liquidity management, sales/funding growth, and bank capital. Thus, the research results showing the influence of liquidity and sales growth on CAR are in line with the principles of agency theory, where shareholders (principals) supervise and hold bank management (agents) accountable in managing liquidity, sales/funding growth and capital. Bank to maintain the performance and health of the bank in accordance with sharia banking regulations.

Referring to sharia accounting theory which states that the principles of sharia accounting are: 1) Sharia accounting has the principle of responsibility as a form of implementation of the teachings stated in the Al-Qur'an. This means that every human being is taught to always be responsible for his actions. 2) The principle of justice comes from the word fair which is fundamental and based on sharia and moral

²⁴ Dewi, WC (2020). The Effect of Liquidity and Sales Growth on Company Value in Telecommunication Companies Listed on the Indonesian Stock Exchange in 2015-2018 (Doctoral dissertation, Medan Area University).

²⁵ Setiawan, A. (2022). Liquidity and Sales Growth on Company Value in Telecommunication Companies Listed on the Indonesian Stock Exchange (BEI). Scientific Journal of Economics and Business Students [JIMEIS], 2(6).

values. This means that justice is a driving force for deconstructing efforts to develop modern accounting into a better alternative accounting. 3) Sharia accounting also has the principle of truth which is continuous with the principle of justice.

CONCLUSION

Based on the results of research and discussion regarding the Influence of Liquidity and Sales Growth on the Capital Adequacy Ratio in Islamic commercial banks listed on the Indonesian Stock Exchange, the following conclusions can be drawn:

1. Based on research that has been carried out, partial liquidity has a significant influence on the capital adequacy ratio of Islamic commercial banks listed on the Indonesian Stock Exchange 2021-2023. This is because there are direct and indirect influences. Direct effect, high liquidity means the bank has more current assets. Current assets generally have a lower risk weight in CAR calculations. Thus, higher liquidity tends to increase CAR. The indirect effect is that good liquidity allows banks to be more flexible in managing their assets, which can have a positive impact on profitability and ultimately on bank capital. Low liquidity can force banks to sell assets at a discount, which can reduce capital and reduce CAR.
2. Based on research that has been conducted, partial sales growth does not have a significant influence on the capital adequacy ratio of Islamic commercial banks listed on the Indonesian Stock Exchange 2021-2023. This is because sales growth has no effect on the capital adequacy ratio because CAR is the ratio between bank capital and risk-weighted assets (RWA). Sales growth does not directly affect this component, CAR reflects the strength of the bank's capital structure, not its operational performance. Sales growth is an operational metric that may not directly change the capital structure and Even if sales increase, if the additional income is used for operational costs or business expansion, there may not be a significant addition to the bank's core capital.
3. Based on research that has been carried out, it is known that together there is a significant influence between liquidity and sales growth on the capital adequacy ratio in Islamic commercial banks listed on the Indonesian Stock Exchange in 2021-2023. This is because the complex interaction between liquidity and sales growth can produce a stronger effect on CAR than if each factor were analyzed separately.

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