International Journal of Scientific Multidisciplinary Research (IJSMR)
Vol.3, No.5, 2025: 773-792

The Effect of Capital Structure, Profitability and Liquidity on Company Value in the Basic and Chemical Industry Sectors Listed on the Indonesia Stock Exchange in the Period 2020 to 2023

Putri Taasyanah[1], Gabriella Sri Gita Br Ginting[2], Thalita Bernica Debora S[3], Januardin[4*], Rinta Br. Saragih[5]
[1,2,3,4]Universitas Prima Indonesia, Medan
[5]Universitas Methodist Indonesia, Medan
Corresponding Author: Januardin januardin.manullang@gmail.com

A R T I C L E I N F O

Keywords: Capital Structure, Profitability, Liquidity and Firm Value

Received : 17 March
Revised : 20 April
Accepted: 13 May

A B S T R A C T

To observe the condition of the company's funds, analysis plays a major role in observing the fund ratio. The fund ratio functions primarily to monitor the total condition of funds for a more optimal period. This lesson is held to produce empirical facts about the contribution of the fund composition and profits to the value of the Chemical sector and the industry listed on the IDX. Secondary reports are calculated monthly published by the IDX. The sample was obtained from purposive sampling of 72 monthly data covering 2020-2023. The report was collected, analyzed and managed from multiple linear from SPSS media. The lesson displays (1) with personal fund composition contributing to Company Value, (2) with personal profit contributing to Company Value, (3) with personal Liquidity contributing to Company Value and (4) with together profit and fund composition contributing to Company Value

DOI: https://doi.org/10.55927/ijsmr.v3i5.274
ISSN-E: 2986-5042
https://mryformosapublisher.org/index.php/ijsmr

INTRODUCTION

The basic industry and chemical subsectors are fields that include the conversion of non-organic and raw materials organic managed with chemicals and producing a result to develop international and national marketing in supporting the manufacturing, infrastructure, and other sectors. During 2020, this sub-sector experienced a relatively sharp decline. The decline in stock value was due to a decrease in investors investing in the company. This decline was due to low marketing, resulting in shrinking profits. Generally, the target of a company is to optimize the prosperity of its shareholders. In optimizing its prosperity, the company needs to be able to increase its value. There are various aspects that can impact the value of the company, such as capital structure and profitability. The company's value can illustrate the condition and performance of the company in the past, present and future (Astuty, 2017) investors need to be able to utilize all data from financial information in analyzing the market and carrying out investments that expect to make a profit. From the investor's assumption, a high stock value indicates that the owner's welfare will also be high. Price book value (PBV) is a ratio used as a measure to assess a company (Rahyuda & K. Y. Dewi, 2020). Increasing PBV indicates that investors appreciate the company's shares, because the high company value shows the welfare of its shareholders (Velankar et al, 2017). PBV is a difference or calculation between the book value and market value of a share, so it can measure the level of stock value whether it is undervalued or overvalued (Rahyuda & K. Y. Dewi, 2020). In this study, PBV is proxied by company value. There are several relevant studies using this ratio which is proxied by company value, namely from studies conducted by (Yadnya & Astuti, 2019), (Merta Sudiartha & Rai Prastuti, 2016), (Darmayanti & Yanti, 2019). Capital structure is assumed to be the difference between personal capital and profit. From the assumptions of Houston & Brigham (2019) capital structure plays a major role for the company because it is related to and has an impact on the amount of risk that will be borne by shareholders and the desired level of profit. If the business conditions are stable, the use of liabilities to be used as business capital can support the development of the company, so this can attract investors to assume that their company can generate high profits. The higher the liabilities that the company uses, the higher its value, this is because high liabilities will result in the use of equity decreasing, so the capital will be small. The company's value will increase if the average cost of capital is low (Indriyani, 2019). There are 3 ratios that can be used to measure capital structure such as LTDER or Long Term Debt to Equity Ratio, DER or Debt to Equity Ratio, and DAR or Debt to Assets Ratio (Sjahrial, 2015). This study uses the DER ratio for capital structure. DER is used to assess equity with liabilities, this ratio is measured by distinguishing between equity and all liabilities (Sutrisno, 2013). This ratio can provide an illustration of the composition of capital owned by a company and is also assumed to be a ratio to manage equity that shows the company's ability to carry out its operations with loan funds presented by each shareholder (Houston & Brigham, 2019).

Dwimulyani & Novarianto, 2019, profitability is the company's ability to manage its resources in generating profits for each investor. Profitability is considered the main thing because it is used as an instrument to measure financial performance, so it can be a reference in assessing a company, (Sastrawan, 2016). From the signal theory, it is explained that if a company can develop its value by giving signals to each investor from performance data, it can share illustrations of the future process (Ayu & Suarjaya, 2017). The greater the total profitability presented in the financial data, the more optimal the company's financial performance, so that the level of investor prosperity will also increase. This study will measure profitability using ROA or Return On Asset. ROA is useful for measuring the level of efficiency of a company's activities to obtain net profit from the use of its assets. A high ROA value will show the use of the company's assets is more efficient. The development of ROA provides a positive signal to the market if the company can ensure investor prosperity from large profits. The development of ROA can attract investors if the company has a bright future for its business. So that every investor will be motivated to invest in the company (Ayu & Suarjaya, 2017).

Liquidity is considered an aspect that can impact the value of the company. This ratio is useful for measuring company performance (Wirawati & Cahyani, 2019). This ratio shows the company's ability to finance debt from changes in its assets to be used as cash (Sukamulja, 2019). This ratio can illustrate the threat of fast-term credit and the efficiency of using fast-term assets. The higher the level, the greater the company's ability to pay its debts. Managers must stabilize liquidity, because the better the liquidity of a company will get benefits that can increase the value of the company. A company is said to be liquid if it has smooth cash compared to its debts, then it can indicate that the company is in a healthy condition, then makes every investor interested in investing in it.

Liquidity is considered the company's ability to pay its debts through its cash ownership. For example, to pay off short-term debt, operational costs, salaries and others that require financing as soon as possible. A company's cash must be more fluid than its debt, so that the company can be called liquid which indicates its healthy condition (Wirawati & Cahyani, 2019). This ratio can be observed from the quick ratio (QR) and current ratio (CR). High CR and QR values indicate that the company has an optimal level of liquidity, so it can develop its value from the perspective of investors. Then from the assumption of Sukamulja (2019) it explains that liquidity can show the speed of the company to change its assets into cash. The high value of the company will make investors interested in investing. This high value can be affected by performance, such as capital structure and profitability. This study wants to observe the contribution of each variable and the ratio that has been determined to be used as a topic of discussion in this study. This study is quantitative. Where to find a population of 18 related companies. The sample will be determined from purposive sampling which found 72 financial data from the IDX from 2020-2023. The data will be analyzed from MRA (Moderated Regression Analysis) and multiple linear regression through SPSS version 22.

This study intends to test and analyze how some factors contribute to profitability and capital structure in the Basic and Chemical Sectors verified on the IDX, the following table presents some of the ratios that will be discussed in this study:

Table 1. Research Phenomenon (In Rupiah)

Company Code	Year	Capital Structure (DER)	Profitability (ROA)	Liquidity (CR)	Company Values (PBV)
AMFG	2020	58.226189	-5.413283	72.321343	70.043921
	2021	71.283716	4.304356	63.232442	67.931130
	2022	78.205148	5.857749	52.124120	22.284291
	2023	89.874313	7.776605	42.319411	33.676173
AMIN	2020	99.640454	2.432064	90.242813	92.320139
	2021	67.595971	-16.299115	67.139102	63.051116
	2022	91.290708	2.454780	90.134821	82.034086
	2023	93.548909	4.419042	89.214145	93.754842
APII	2020	186.157415	5.886616	180.230131	191.435483
	2021	199.859012	3.811751	112.123910	125.278979
	2022	202.278131	2.490176	105.219231	135.258681
	2023	215.695613	5.102303	231.239103	210.587312
	2020	1.961129	16.557623	150.232919	149.136635
	2021	2.346778	21.215889	182.123010	173.307175
	2022	2.458341	22.550874	140.123012	146.776101
	2023	2.423442	17.137247	40.238193	33.803042

Source: www.idx.co.id (Data Processed by Researchers in Rupiah)

Through the table, it can be observed that the AMFG code (PT. Asahimas Flat Glass Tbk), for the capital structure since 2022-2023 increased by 11,669,165, and PBV decreased by 1,1258,514,5522 Next, AMIN (PT Ateliers Mecaniques D Indonesie Tbk) for ROA since 2022-2023 increased by 1,964,262, and PBV increased by 3,720,756 Next, APII (PT Arita Prima Indonesia Tbk.) for the capital structure since 2021-2022 increased by 13,417,483, and PBV decreased by 34,671,369 Next, ARNA (PT. Arwana Citramulia Tbk) for ROA since 2022-2023 decreased by -5.413627, and PBV increased by -12.973059 Lastly ARNA (PT. Arwana Citramulia Tbk) for CR since 2021-2023 decreased by -1,761,805.

Through the background of the problem, the author wants to choose the title "The Effect of Capital Structure, Profitability and Liquidity on Company Value in the Basic and Chemical Industry Sectors Listed on the Indonesia Stock Exchange for the 2020-2023 Period"

LITERATURE REVIEW

Capital Structure Theory

From Sinta's assumption (2020) Capital structure is the financing of long-term assets that include preferred shares, fixed liabilities, and shareholders' capital. Or it can be called the difference between personal capital and long-term debt.

From the assumption of Sulindawati et al (2018:112) capital structure is the difference betweenpersonal capital and foreign capital. The capital structure will show the proportion of debt usage in financing its investment, so investors can balance their profits and risks.

Profitability Theory

From Prihadi's assumption (2020), profitability is the ability of a company to make a profit. Profitability is assumed to be the main aspect for a company because it can help it to increase its activities optimally.

From Darmawan's assumption (2020), profitability is used to calculate the company's profit in a period, assess development and profit position.

Liquidity Theory

Liquidity is considered an aspect that can impact the value of the company. This ratio is useful for measuring company performance (Wirawati & Cahyani, 2019). This ratio shows the company's ability to finance debt from changing its assets to become cash (Sukamulja, 2019). This ratio can illustrate the threat of fast-term credit and the efficiency of using fast-term assets.

This ratio can be observed from the quick ratio (QR) and current ratio (CR). High CR and QR values indicate that the company has an optimal level of liquidity, so it can develop its value from the perspective of investors. Then from the assumption Sukamulja (2019) explains that liquidity can show the speed of the company to change its assets into cash.

Company Value Theory

From the assumption (Kusmayanti & Lisda, 2021) Company Value is the value of shares that have been determined in the market. PBV or price to book value can measure the value of a company. Then the instrument to measure it is the market value per share divided by the book per share. It is necessary to first trace the book value of the shares by finding the value of the Total Equity distributed with the Total Capital Post that has been paid in.

Theory of the Impact of Capital Structure on Company Value

From the assumption of Darmayanti & Yanti (2019) Company Value is assumed as the investor's view of the company's level of success related to its profits and stock value.

DER will be used to calculate the capital structure in this study, or assumed as a ratio used to assess equity with debt by distinguishing between all debt and all equity. This ratio is useful for observing every rupiah of personal capital that is used as collateral for debt (Kasmir, 2020):

$$\text{DER} = \frac{\text{Debt}}{\text{Equity}}$$

Theory of Profitability Impact on Company Value

ROA in this study will be used to measure profitability, or assumed as a ratio that shows the company's ability to obtain net profit by using the assets owned. The higher the total profit obtained, the company will be assumed to be efficient in managing all its assets. ROA will be calculated using the following formula (Sudana, 2017):

$$ROA = \frac{\text{Net Profit After Tax}}{\text{Total Asset}}$$

Theory of the Impact of Liquidity on Company Value

Liquidity is considered an aspect that can affect the value of the company. This ratio is useful for measuring company performance (Wirawati & Cahyani, 2019). This ratio shows the company's ability to finance debt from changes in its assets to be converted into cash (Sukamulja, 2019). This ratio can illustrate the threat of fast-term credit and the efficiency of using fast-term assets. This ratio can be observed from the quick ratio (QR) and current ratio (CR). High CR and QR values indicate that the company has an optimal level of liquidity, so it can develop its value from the perspective of investors. Then from the assumption of Sukamulja (2019) it explains that liquidity can show the speed of the company to change its assets into cash. In order to observe the current ratio, it can be distinguished from the industry average.

$$CR = \frac{\text{Current Ratio}}{\text{Current Liabilitle}}$$

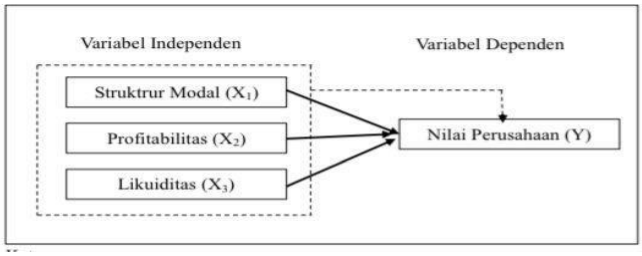


Figure 1. Conceptual Framework

Research Hypothesis

Through the image, a hypothesis can be proposed that can be developed as follows:

H1= Capital structure has a partial impact on the value of industrial sector companies verified on the IDX.

H2= Profitability has a partial impact on the value of industrial sector companies verified on the IDX.

H3= Liquidity has a partial impact on the value of industrial sector companies verified on the IDX.

H4= Capital structure, profitability and liquidity have a simultaneous impact on the value of industrial sector companies verified on the IDX.

METHODOLOGY

Understand and explore a phenomenon originating from financial data published on the IDX which will be processed using SPSS Version 22, 2024.

Types of research

This study is a quantitative descriptive study, where the problem formulation includes questions regarding a condition of an independent variable.

Nature of Research

The nature of this study is explanatory, or which intends to analyze the casual relationship between each variable by testing the hypothesis to reject or accept the proposed hypothesis.

Population

Population is assumed to be a scope that includes subjects or objects that have characteristics to be understood and then conclusions drawn (Sugiyono, 2015:80), this study population is the Basic Industry and Chemical sub-sector companies verified on the IDX since 2020-2023.

Sample

The sample is part of the population (Sugiyono, 2015:81). The sample of this study is the financial data of related companies verified on the IDX since 2020-2023 totaling 72 samples. The financial data used is annual data.

The criteria used in this study include:

1. Banking companies that are verified in Manufacturing Companies on the IDX since 2020-2023.
2. Companies that publish financial data as of December 31st and have been audited by a Public Accounting Firm and also publish data that has been formed by an independent auditor.
3. Companies with complete financial data.
4. Financial data that does not experience losses in a period.

Table 2. Sample Selection

NO	Criteria	TOTAL
1	Chemical & Basic Industry Subsector Companies Verified on the IDX since 2020-2023	66
2	Companies that have not published financial data since 2020-2023	(32)
3	Banking Companies that have made losses since 2020-2023	16
4	Total company samples	18
5	Total study samples (18 X 4 years)	72

Source: Processed Data (Researcher, 2025)

Data Collection Techniques

To collect data in this quantitative method study, it involves collecting numerical data which will then be analyzed statistically in testing the hypothesis. To collect the data, a documentation study will be used. The technique is carried out by observing the financial data of the related company verified at the IDX.

Type and Source of Data

In this study, the data is secondary in nature which is obtained indirectly or has been provided. The data used will be obtained from various sources, for example from publications, databases and surveys.

The data in this study comes from external sources or is obtained from outside the related company and is provided to the public. The data used is the annual financial data of the related company verified at the IDX which is obtained from the site https://www.idx.co.id/id.

Classic Assumption Test

Some of the criteria in carrying out this test can be described as follows.

Normality Test

From the assumption of Ghozali (2016) this test is carried out to test whether in a model, each variable is normally distributed or not. If it is not normally distributed, the statistical test results can decrease. This test will be operated using SPSS version 22 using the One Sample Kolmogorov-Smirnov Test.

a. If Prob (sig) is above 0.05, it means that the data is normally distributed.
b. If Prob (sig) is below 0.05, it means that the data is not normally distributed.

Multicollinearity Test

This test is useful for observing the presence of correlation between independent variables in a model. To check for symptoms of multicollinearity by observing the tolerance and VIF values. If tolerance ≤ 0.10 or VIF ≥ 10, it is assumed to have symptoms of multicollinearity.

Heteroscedasticity Test

From Ghozali's assumption (2018:120) this test is useful in testing whether there is a residual misalignment between each observation in the regression model. If the result is constant, it will be called Homoscedasticity and if it is different it will be called Heteroscedasticity. To determine or draw a decision, it can be observed from the Scatterplot graph.

Autocorrelation Test

From Ghozali's assumption (2017:121) this test is useful for testing whether there is a correlation between errors in period t and in the previous period t-1 in the model. Autocorrelation occurs if the correlation that appears is caused by observations that are interrelated.

Research Model

This study will use the analysis method of classical assumption testing which plays a role in observing whether or not data is suitable for use. The test includes normality, descriptive analysis, determinant coefficient, heteroscedasticity, multiple linear regression and model suitability. Then the equation can be made as follows:

$$Y = a + b1\ X1 + b2\ X2 + b3\ X3 + e$$

Description :
Y = Company Value
A= Constant
b1= Capital Structure Regression Coefficient
b2 = Profitability Regression Condition
b3 = Liquidity Regression Condition
X1 = Capital Structure
X2 = Profitability
X3 = Liquidity
e = Error Estimate

Determination Coefficient Test (R2)

The test predicts the range of model expertise to describe the dependent variable, the value ranges from 0-1. It is interpreted that if the value is close to 1, the independent variable shares all the data needed to describe the dependent variable (Ghonzali, 2018: 286)

Test (F)

From the assumption of Sari et al., (2019), this test is useful for observing the impact of independent variables on the dependent variable together. The test criteria are if the calculated f exceeds the table f and a sig of <0.05 is found, it is assumed that the independent variable has a significant impact simultaneously on the dependent variable. The criteria in this test are: If F count ≤ F table at the sig a level = 5%, it is assumed that H0 is accepted. If F count > F table at the sig a level = 5%, it is assumed that Ha is accepted.

T-Test

From the assumption of Sari et al., (2019), this test is useful for observing the impact of independent variables on dependent variables with partial. The test criteria are if t count exceeds t table and has a sig value <0.05, it is assumed that the independent variable has a significant impact on the dependent variable.

Table 3. Operational Definition of Research Variables

Variable	Concept	Indicator	Scale
X1 Capital Structure	Measurement of capital structure using solvency ratios, including debt to equity ratio. This ratio can also mean the company's ability to fulfill its debt payment obligations with its own capital guarantee. According to Kasmir (2017), Debt to Equity Ratio is a ratio used to assess debt with equity.	**DER =** $\frac{\text{Debt}}{\text{Equity}}_{\%} \times$ **100**	Ratio
X2 Profitability	Company profitability shows the comparison between profit and assets or capital that generate the profit. According to Kasmir (2017), ROA is used to show the company's ability to generate profit using the total assets owned.	***ROA*** **=** $\frac{\text{Net Profit After Tax}}{\text{Assets}}$	Ratio
X3 Liquidity	Likuiditas juga dapat diartikan sebagai kemampuan a person or company to fulfill obligations or debts that must be paid immediately with its current assets. According to Nantyo (2018) there is no absolute provision about what level of current ratio is considered good or must be maintained by a company because usually the level of current ratio also depends on the type of business of each company. To find out whether the company's current ratio is good, the results of the current ratio calculation must be compared with previous years or with similar industries.	***Current Ratio*** **=** $\frac{\text{Current Assets}}{\textbf{Current Liabilities}} \times$ **100** %	Ratio
Y Company Values	High company value will have many benefits and advantages for the company itself because the company will easily get access to obtain financing from external parties or financial institutions. According to Asmanto and Andayani (2020), the value of the company does not only depend on the company's ability to generate good cash flow, but the value of the company can also depend on the operations carried out by the company and the company's finances itself.	**PBV =** $\frac{\text{Share Price per sheet}}{\text{Book Value per sheet}}$	Ratio

Descriptive Statistics

This study uses a partial sample (N) whose ratio has been selected and made into a title.

A total of 72 samples were obtained. The sample results are listed in the following table:

Table 3. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Capital_Structure_X1	72	1.10	1.80	1.3213	.13401
Profitability_X2	72	2.20	3.20	2.5200	.24580
Liquidity_X3	72	3.50	4.50	3.8534	.35546
Firm_Value_Y1	72	7.90	10.00	8.6720	.51929
Valid N (listwise)	72				

Source: SPSS Version 22, 2024

From Table 3, showing the value of each variable.

1. Capital_Structure_X1

X1 is measured using DER, with a total sample of 72 data, producing a maximum value of 1.80, a minimum of 1.10, a standard deviation of 0.13401 and a mean of 1.3213. The value indicates that the average company has an optimal capital structure to be responsible for its short-term liabilities.

2. Profitability_X2

X2 is measured using ROA, with a total sample of 72 data, producing a maximum value of 3.20, a minimum of 2.20, a standard deviation of 0.24580 and a mean of 1.3213. The value indicates that the average company has an optimal capital structure to be responsible for its short-term liabilities.

3. Liquidity_X3

X3 is measured using CR, with a total sample of 72 data, producing a maximum value of 4.50, a minimum of 3.50, a standard deviation of 0.35546 and a mean of 3.8534. The value indicates that the average company has optimal liquidity to be responsible for its short-term liabilities.

4. Company_PBV_Y1 Value

X4 is measured using PBV, with a total sample of 72 data, producing a maximum value of 10.00, a minimum of 7.90, a standard deviation of 0.51929 and a mean of 8.6720. The value indicates that the average company has optimal assets and displays good financial balance.

5. Valid N (Listwise)

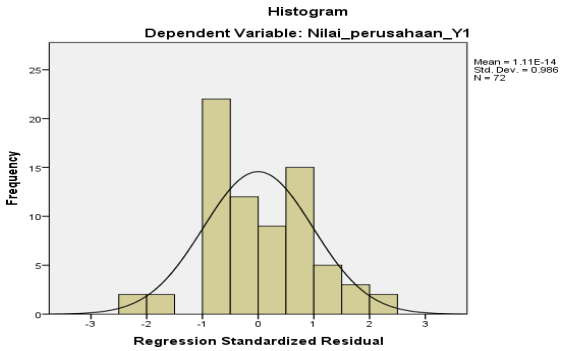
The total valid data used is 72 samples, which includes all variables in this study.

Results of the Classical Assumption Test

This test will include the Multicollinearity, Normality, Autocorrelation and Heteroscedasticity tests.

Normality Test

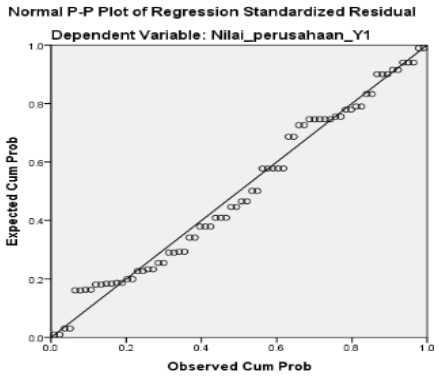
This test is useful to observe whether the data is normally distributed or not by applying probability plot analysis.



Source: SPSS Version 22, 2024

Figure 2. Histogram Normality Test

Through Figure 2, it is observed that the symmetrical skewed curve (U) is assumed that the data distribution is normal.



Source: SPSS Version 22, 2024

Figure 3. P-P Plot Normality Test

Through Figure 3, it is observed that the distribution of the points is in the direction of the diagonal line, so it is assumed that the data is normally distributed.

Table 4. Kolmogorov-Smirnov Normality Test

		Unstandardized Residual
N		72
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.26345445
Most Extreme Differences	Absolute	.065
	Positive	.054
	Negative	-.064
Test Statistic		.086
Asymp. Sig. (2-tailed)		.200[c,d]

Source: SPSS Version 22, 2024

Through Table 4 the test indicates that if the resulting sig> 0.05 is assumed to be normally distributed, then if the resulting sig<0.05 is assumed to be abnormally distributed.

Multicollinearity

This test is useful for predicting the presence of a correlation between independent variables in the regression model. The prediction can be done by observing the VIF value and tolerance between independent variables.

Table 5. Multicollinearity Test Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.164	.165		.978	.263		
Capital_Structure_X1	-.103	.073	-.155	-1.322	.130	.880	1.136
Profitability_X2	.222	.100	.270	2.230	.029	.880	1.136
Liquidity_X3	.324	.130	.340	2.860	.032	.880	1.136

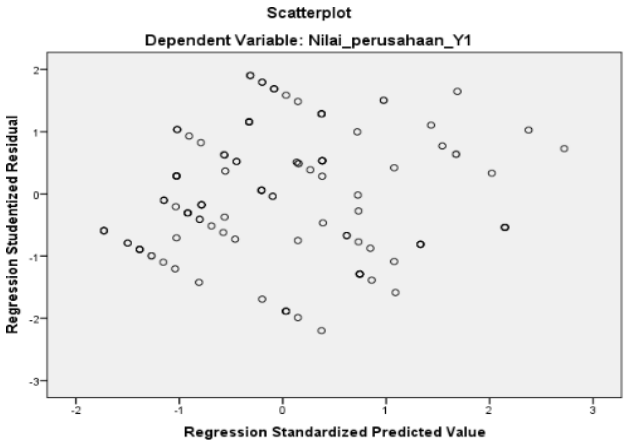
a. Dependent Variable: abs_RES

Source: SPSS Version 22, 2024

Through Table 5, the Tolerance of each variable above ≥ 0.10 is produced. This characterizes that there is no correlation between each independent variable. Then each variable gets a VIF of 1.136, which is below ≤ 10. This indicates that each variable or model is free from multicollinearity.

Heteroscedasticity Test

This test is useful for testing whether there is a residual alignment between each observation. The proxy in this test uses a Scatterplot Diagram where if there is a pattern it is interpreted as having symptoms of heteroscedasticity, if there is no pattern it is interpreted as being free from heteroscedasticity.



Source: SPSS Version 22, 2024

Figure 4. Heteroscedasticity Test

Through Figure 4, it is observed that the points are spread on the X and Y axes, it is assumed that the data is normally distributed, or the model is free from heteroscedasticity.

Autocorrelation Test

This test is useful for observing whether there is an error relationship at each time t in the regression model

Table 6. Autocorrelation Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.908[a]	.940	.920	.36447	1.589

Source: SPSS Version 22, 2024

Through the table, the DW value is sig 5% or 1.589. The DW table produces a dU of 1.689 and a dL of 1.301; assumed to be free from autocorrelation because it produces a DW below Du.

Research Method

In this analysis, the model listed in the following table is used:

Table 7. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.187	.195		.958	.341
	(Constant)	-.111	.073	-.184	-1.522	.132
	Capital_Structure_X1					
	Profitability _X2	.222	.100	.270	2.230	.029
	Liquidity _X3	.342	.143	.325	2.685	.035

a. Dependent Variable: abs_RES

Source: SPSS Version 22, 2024

Regression Model: Debt To Equity = 0.187 – 0.111 × Capital Structure +0.222 × Return On Asset + 0.342 × Liquidity

From the analysis, it can be described as follows:

1. Capital Structure_(X1):

X1 finds a t count of -0.111, dk = 72 – 4 = 68, resulting in a t table of 2.035. Or t count> t table (-0.111 < 2.035) means that X1 contributes to Y, then produces a sig of 0.132, above 0.05. This indicates that X1 contributes significantly to Y.

2. Profitability_(X2):

X2 finds a t count of 0.222, Sig. amounting to 0.029, below 0.05. This indicates that X2 contributes significantly to Y.

3. Liquidity_(X3):

X2 finds a t count of 2.685, then dk = 72 – 4 = 68, t table of 2,000. Or t count > t table (2.685 > 2.000) and Sig 0.035, below 0.05 this indicates that X3 contributes significantly to Y.

Hypothesis Determination Coefficient

This test is useful for observing the contribution of each independent variable to explain the dependent variable.

If one result is obtained, it is assumed that the independent variable can explain the variation of the dependent variable as a whole.

Table 8. Determination Coefficient Test Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.868[a]	.723	.746	.26689

a. Predictors: (Constant), debt_to_equity_X1, Return_On_ Asset_X2, Current Ratio_X3

b. Dependent Variable: Nilai_Perusahaan_PBV_Y1 Source: SPSS Version 22, 2024

c.

Through table 8, the R Square is 0.746 or 74.6%. It means that the independent variable can explain the variation of the dependent variable by 74.6%, with a difference of 25.4%, described by variables outside this study.

T-Test

This test is useful for displaying the contribution of the independent variable to the dependent variable with partial.

With sig α = 0.05 or p value <α.

Table 9. Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	3.826	.345		11.098	.000
	Struktur_Modal_X1	1.227	.129	.595	9.525	.000
	Profitabilitas_X2	1.289	.176	.458	7.326	.000
	Lidikuitas_X3	1.345	.245	.346	6.242	.000

a. Dependent Variable: Nilai_Perusahaan_PBV_Y1

Source: SPSS Version 22, 2024

Through Table III.6, the following conclusions are made:

a) Constant (t.count: 11.098): the resulting t of 11.098 indicates that if each independent variable is zero, Y still has a significant value basis.
b) X1 (t.count: 9.525): the resulting t of 9.525 from a p-value of 0.000, means that X1 contributes significantly to Y. or indicates that X1 contributes strongly in explaining the variation of Y.
c) X2 (t.count: 7.326): the resulting t of 7.326 from a p-value of 0.000. interpreted as X2 contributes significantly to Y. or indicates that X2 contributes strongly in explaining the variation of Y.
d) X3 (t.count: 6.242) produces t of 6.242 from a p-value of 0.000, interpreted as X3 contributes significantly to Y. or indicates that X3 contributes strongly in explaining the variation of Y.

F Test

This test is useful for displaying the contribution of independent variables to the dependent variable simultaneously.

With sig α = 0.05 or p value <α.

Tabel 10. ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.603	2	7.801	109.527	.000[b]
	Residual	5.128	72	.071		
	Total	20.731	74			

C. Dependent Variable: Nilai_Perusahaan_PBV_Y1

D. Predictors: (Constant), debt_to_equity_X1, Return_On_ Asset_X2

Source: SPSS Version 22, 2024

Table 10 produces if each independent variable contributes significantly to the dependent variable resulting in F count of 109,527 and sig 0.000 below α = 0.05. This indicates that the model is statistically significant, and a conclusion can be drawn if each independent variable contributes significantly to the dependent variable.

RESULT AND DISCUSSION

The Effect of Capital Structure on Company Value in the Basic and Chemical Industry Sector on the Indonesia Stock Exchange for the 2020-2023 Period

The results of the study carried out show a t count of 9,525 with a sig value of 0.000, meaning (Ha) is accepted and (Ho) is rejected, which means that X1 contributes significantly to Y. The results are in line with previous studies which indicate that companies with good capital structures will have high value. From the study of Nita Sari Ruth Sitepu (2022), this ratio contributes to the value of the company must be analyzed from the period 2020-2023. Her study shows that the capital structure contributes 89.61% to the value of the company. This indicates that a company needs to manage its capital structure to increase the value of the company.

The Effect of Profitability on Company Value in the Basic Industry and Chemical Sector on the Indonesia Stock Exchange for the 2020-2023 Period

The results of the study carried out show a t count of 7,326 and sig 0.000, or (Ha) is accepted or assumed if X2 contributes significantly to Y. From the study of Sri Widayanti (2023) it was recorded that large profits show the efficiency of a company to make a profit. However, from the study of Nita Ruth Sari Sitepu (2022), profitability does not contribute to some aspects. This indicates that if profit is important, its effects can vary depending on market conditions and the context of the field. So the results of this study emphasize that even though there is consistency in the effects of profitability with capital structure on company value, various other aspects need to be compared and further analysis carried out.

The Effect of Liquidity on Company Value in the Basic and Chemical Industry Sector on the Indonesia Stock Exchange for the 2020-2023 Period

The results of the study carried out showed a t count of 6,242 and sig 0.000, below 0.05. interpreted (Ha) accepted and (Ho) rejected which is assumed if X3 contributes significantly to Y. This characterizes that companies with high liquidity will have better value.

These results are in line with the theory that optimal liquidity will show the company's ability to finance its short-term debt smoothly which can ultimately gain investor confidence and increase the company's value. Companies that have high liquidity are seen as more financially stable and able to face market uncertainty, making them more attractive to investors.

This finding is in line with the study of Kurniawan & Dewi (2021), which resulted in CR contributing to company value, especially in sectors that require fast cash turnover and liquid assets. However, from the study of Lestari (2020), it was found that the contribution of liquidity to company value could be insignificant in market conditions that tend to be stable or in sectors with a dominant long-term asset structure

CONCLUSIONS AND RECOMMENDATION

Conclusion

From the discussion, study results, data analysis and data processing, the following conclusions can be drawn from the results of this study:

- With Partial X1 contributing significantly to the Value of Basic Industry and Chemical Sector Companies Verified on the IDX for the 2020-2023 Period. The T count is 9,525 and sig 0.000, meaning (Ha) is accepted and (Ho) is rejected.
- With Partial X2 contributing significantly to the Value of Basic Industry and Chemical Sector Companies Verified on the IDX for the 2020-2023 Period. The T count is 7,326 and sig 0.000, meaning (Ha) is accepted and (Ho) is rejected.
- With Partial X3 contributing significantly to the Value of Basic Industry and Chemical Sector Companies Verified on the IDX for the 2020-2023 Period. The T count is 6,242 and sig 0.000, meaning (Ha) is accepted and (Ho) is rejected.
- X1, X2 and X3 contribute significantly positive to the Value of Basic and Chemical Industry Sector Companies Verified on the IDX for the 2020-2023 Period. The R square is 0.723 or 72.3%. It means that each independent variable contributes 72.3% to the Company Value (Y).

Recommendation

Then some of the suggestions that researchers can provide include:

1. For Further Researchers

It is proposed to use other company objects and can include other variables such as ROE, liabilities and others.

2. For Universitas Prima Indonesia

It is used as additional library material and references for every student, especially in the Faculty of Economics, Management Study Program.

REFERENCES

Astuti, & Yadnya. (2019). Dampak Profitabilitas Pada Nilai Perusahaan Industri. Bali: Jurnal Ekonomi Terapan.

Astuty, P. (2017). Nilai Perusahaan: Sebuah Perspektif Investor. Jakarta: Penerbit XYZ.

Ayu, & Suarjaya. (2017). Teori Sinyal dalam Kinerja Perusahaan. Denpasar: Jurnal Manajemen Keuangan.

Beureukat. (2018). Dampak Profitabilitas Pada Nilai Perusahaan. Medan: Jurnal Bisnis dan Ekonomi.

Brigham, E. F., & Houston, J. F. (2019). Landasan Manajemen Financial. Jakarta: Salemba IV. Indriyani, D. (2019). Nilai Perusahaan Serta Susunan Modal. Surabaya: Jurnal Keuangan Perusahaan.

Bursa Efek Indonesia. (2020-2023). Data Financial Perusahaan Bidang Kimia & Industri Dasar. Diakses https://www.idx.id.co/id.

Cahyani, N. P. A., & Wirawati, N. G. P. (2019). Dampak Leverage, Profitabilitas serta Likuiditas pada Nilai Perusahaan. Jurnal Ilmiah Bisnis Akuntansi, 14(2), 134–140.

Dewi, K. Y., & Rahyuda. (2020). Analisis Price Book Value (PBV) dalam Evaluasi Saham. Surabaya: Jurnal Pasar Modal.

Dewi, N. P. S., & Kurniawan, A. (2021). Dampak CR Pada Nilai Perusahaan Bidang Produk Konsumsi. Jurnal Ilmu Manajemen, 9(1), 45–52.

Distyowati, & Purwohandoko. (2019). Hubungan Profitabilitas dengan Nilai Perusahaan. Yogyakarta: Jurnal Akuntansi.

Ghozali, I. (2016). Media Analisa Multivariate Berbasis IBM SPSS 23. Semarang: Terbitan Universitas Diponegoro.

Ghozali, I. (2017). Aplikasi Analisis Multivariate dengan Program IBM SPSS 24. Semarang: Badan Penerbit Universitas Diponegoro.

Ghozali, I. (2018). Media Analisa Multivariate Berbasis IBM SPSS 25. Semarang: Terbitan Universitas Diponegoro.

Harmono. (2017). Manajemen Financial Dengan Basis Scorecard Balance. Jakarta: Penerbit XYZ.

Kasmir. (2020). Pengantar Manajemen Financial. Jakarta: Salemba Empat.

Lestari, R. P. (2020). Analisa Efek Likuiditas Pada Nilai Perusahaan Sektor Manufaktur di BEI. Jurnal Riset Akuntansi dan Keuangan, 5(2), 110–120.

Lisda, & Kusmayanti. (2021). Pengukuran PBV Untuk Keuangan Perusahaan. Jakarta: Jurnal Keuangan.

Novarianto, & Dwimulyani. (2019). Profitabilitas sebagai Indikator Kinerja Keuangan Perusahaan. Jakarta: Jurnal Ekonomi Terapan.

Prihadi. (2020). Konsep Dasar Profitabilitas. Bandung: Alfabeta. Darmawan. (2020). Analisis Profitabilitas Perusahaan. Bandung: Alfabeta.

Putra, & Suarmanayasa. (2021). Dampak Kasualitas Profitabilitas Pada Nilai Perusahaan. Denpasar: Jurnal Pasar Modal.

Rai Prastuti, & Merta Sudiartha. (2016). PBV sebagai Proksi Nilai Perusahaan. Jakarta: Jurnal Manajemen Keuangan.

Sari, D., et al. (2019). Pengujian Pengaruh Variabel Bebas Secara Simultan dan Parsial. Jurnal Ekonomi dan Bisnis, 12(3), 45-56.

Sastrawan. (2016). Profitabilitas dan Prospek Perusahaan. Yogyakarta: Jurnal Bisnis.

Sinta. (2020). Pembiayaan Jangka Panjang dan Struktur Modal. Bandung: Penerbit ABC. Sulindawati, et al. (2018). Pengaruh Modal Asing terhadap Keseimbangan Investasi. Bali: Jurnal Ekonomi.

Sjahrial, D. (2015). Susunan Modal dalam Perspektif Keuangan. Jakarta: Salemba Empat.

Sudana, I. M. (2017). Manajemen Financial. Jakarta: Salemba Empat. Sugiyono. (2015). Teknik Kualitatif, R&D & Kuantitatif. Alfabeta; Bandung.

Sukamulja, S. (2019). Manajemen Financial: Aplikasi Serta Media. Jakarta: Mitra WacanaMedia.

Velankar, et al. (2017). PBV dalam Evaluasi Saham. India: Journal of Corporate Finance.

Yanti, & Darmayanti. (2019). Nilai Perusahaan sebagai Indikator Keberhasilan Perusahaan.Jakarta: Jurnal Manajemen Keuangan.