THE INFLUENCE OF THE DEBT TO EQUITY RATIO (DER) AND DEBT TO ASSET RATIO (DAR) AGAINST THE RETURN ON ASSET (ROA) ON PLANTATION COMPANIES IN INDONESIA STOCK EXCHANGE PERIOD IN 2013-2017

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Abstract

The purpose of this research is to know the influence of the Debt to Equity Ratio and the Debt to Asset Ratio either partially or simultaneously against the Return On Assets on the company's Plantations were listed on the Indonesia stock exchange in the period 2013-2017.

The approach used in this study is the associative approach. The number of samples obtained as many as eleven companies were listed on the Indonesia stock exchange. Data collection techniques in the study using multiple regression analysis, classic assumption test, t test, F test, and the coefficient of determination. The results of this research are partially (t-test) shows that the Debt to Equity Ratio (X 1) indicates the value thitung < thitung (-3,244 < 2,006) and significant value under 0,005 (0.002 < 0.05) mean H0 is rejected and Ha was accepted, meaning shows that in There is a significant negative influence of partial between the Debt to Equity Ratio against the Return On Assets. Debt to Asset Ratio (X 2) indicates the value thitung > thitung (6,180 > 2,006) and significant value under 0.05 (0000 < 0.05) mean H0 is accepted and Ha was rejected, which means there is no significant posiif influence among variables Debt to Asset Ratio against the Return On Assets. Simultaneously (FR F) collectively indicate that the Debt to Equity Ratio (X 1) and Debt-to-Assets Ratio (X 2) menunnjukkan the value Fhitung > Ftabel (28,526 > 3.18) and significant value under 0.05 (0000 < 0.05) mean H0 is rejected and accepted Ha, which means altogether there are influential but not significantly to Return On Asset (Y) on the company's Plantation and the components listed on the Indonesia stock exchange.

Keywords*: Debt to Equity Ratio, Debt to Assets Ratio and Return On Assets.*

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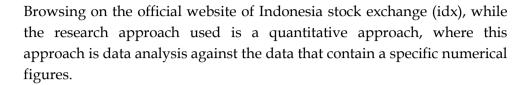*March 23rd, 2019*

A. Introduction

The estate is one of the strategic sectors of the economic and social culture played an important role in national development. According to law number 39 year 2014 of the estate that Providence plantations aimed at improving the welfare and prosperity of the people, improve the country's foreign exchange resources, providing jobs and opportunities businesses, to increase production, productivity, quality, added value, competitiveness and market share, improve and meet the needs of consumption and raw materials industry in the country, providing a shield cover to businessmen and plantation community, manage and develop plantation resources optimally, responsible and to improve the utilization of the service estate. To maintain the Providence plantations should still monitor the profit generated from the company so as not to bankruptcy.

Profitability shows the company's ability to generate a profit during a certain period, and the company's success can be measured as well as the ability to use assets and capital owned productively. The measurement of profit is important not only to determine the company's achievements but also as important information for the determination of the Division of profits and investment policies.

The ratio of solvency ratio to measure how far the ability of the company to pay debts or assets financed by outside parties, Debt to Equity Ratio (DER) one to measure solvency ratio or ratio of debt. Debt to Equity Ratio (DER) is used to measure how far a company assets in finance with debt by outside parties. Companies with high debt bankruptcy, as a result with the high debt thus unlikely company to get the profit or the profit of the company.

B. Methods

The research approach used in this study is the associative approach. According to Sugiyono (2010, p. 36) "associative Approaches is the outline of the research issues that is asking for the relationship between two or more variables". This study uses secondary data and empirical in nature, where the data is retrieved from documents by

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Browsing on the official website of Indonesia stock exchange (idx), while the research approach used is a quantitative approach, where this approach is data analysis against the data that contain a specific numerical figures.

C. Research Finding

The results of this research are partially (t-test) shows that the Debt to Equity Ratio (X 1) indicates the value thitung < thitung (-3,244 < 2,006) and significant value under 0,005 (0.002 < 0.05) mean H0 is rejected and Ha was accepted, meaning shows that in There is a significant negative influence of partial between the Debt to Equity Ratio against the Return On Assets. Debt to Asset Ratio (X 2) indicates the value thitung > thitung (6,180 > 2,006) and significant value under 0.05 (0000 < 0.05) mean H0 is accepted and Ha was rejected, which means there is no significant posiif influence among variables Debt to Asset Ratio against the Return On Assets. Simultaneously (FR F) collectively indicate that the Debt to Equity Ratio (X 1) and Debt-to-Assets Ratio (X 2) menunnjukkan the value Fhitung > Ftabel (28,526 > 3.18) and significant value under 0.05 (0000 < 0.05) mean H0 is rejected and accepted Ha, which means altogether there are influential but not significantly to Return On Asset (Y) on the company's Plantation and the components listed on the Indonesia stock exchange.

D. Discussion
1. The influence of the Debt to Equity Ratio Return On Assets against

Capital structure is a mix between a debt with capital or commonly referred to as debt to equity ratio (DER). The use of debt in a company will raise the stock value, due to an increase in the tax deduction is a great post towards the cost of debt, but at a certain point the use of debt can lower the value of stocks because of the presence of the influence costs bankruptcy and interest expense arising from the use of debt. With the taxes the company or stock prices are influenced by the capital structure, the higher the proportion of debt that is used it will be the higher the stock price the use of debt. The funding policy is reflected in the Debt to Equity Ratio (DER) greatly influence the achievement of

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profits obtained by the company. This ratio serves to know every rupiah in capital itself that was made to guarantee the debt.

According to Brigham and Houston (2004) in previous research and Luh Putu Agus Ardiana Kartini Eka Sari stated high operating leverage levels have consequences that changes in income in a relatively small number will result in a large change in profitability. And in the research of Putu Agus Ardiana and Luh Kartini Eka Sari stated Debt to Asset effect partial towards earning ratios.

According to earlier studies i.e. Meilinda Afriyanti (2011) concludes that the Debt to Equity Ratio has influence negatively to Return on Assets. The higher the DER will affect the magnitude of the earnings reached the company.

2. The influence of the Debt to Asset Ratio against the Return On Assets

To run the operations of each company has different needs, particularly with regard to the funds so that the company can run properly. Funding is always needed to cover all or part of the cost of that diprlukan, both for short-term funds as well as long-term funds. The Fund is also required to do expansion or expansion or new investments. That is, in the company must be always available funds in a certain amount so available in times of need. In this case, the Task Manager keunganlah on duty meet those needs.

Firms prefer internal financing instead of using the loan to fund its new investment as well as for additional capital. Companies with a high profitability will use better return on hold and less debt. Therefore, the magnitude of the debt component will be associated with this level of profitability.

According to Cashmere (2012, p. 156) Debt to Asset Ratio:

"Debt ratio used to measure a comparison between the total debt by total assets. In other words, how large the company's assets diiayai by debt or how much debt the company effect on pengolahaan assets.

From the results of measurement, when the ratio was high, meaning that funding with debt increasingly bnyak, then more and more difficult for the company to acquire additional loans because it was feared the company was not able to cover their debts with assets It owns.

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As for the results of the previous research Gods Kadek Oka Kusumajaya (2011) stated that the rate of rotation of the Debt to Asset Ratio (DAR) a positive effect against the Return on Asset (ROA). If the company decide set the modal structure in large numbers, the likelihood of liquidity will be maintained but the chance to earn big profits will decrease that ultimately resulted in a decrease in profitability.

According to Cashmere (2010, p. 152) stated that if the company turns out the company has a high solvency ratio, it will impact the onset of greater risk of loss, but also there is a chance of getting a profit is also great. Otherwise, once a company has more solvency ratios certainly have a smaller risk of loss, especially at a time when the economy is declining. The impact also left the low rate of return (return) at a time when the economy is high.

3. Influence of the Debt to Equity Ratio and the Debt to Asset Ratio against the Return On Assets

Return On Assets (ROA) is the rate of return or profit resulting from asset management or investment company. According to Munawir (2004, p. 33) "Ratio is the ratio of profitability to assess the ability of the company in search of profits or profit in a certain period. The profitability of a company is measured by the success of the company and the ability to use its assets productively. Thus the profitability of a company can be known by comparing between profits earned in a period with jumla assets or the amount of capital the company ".

According to Cashmere (2010, p. 156) stated: "the Debt to Equity ratio is used to assess the debt and equity. This ratio is sought by way of compare between the entire debt debt equity with the rest smoothly ".

While according to Sofyan Harahap Syafri (2010, p. 303) stated "this ratio illustrates the extent to which the owners of capital can cover debts to outside parties. The smaller this ratio the better. This ratio is also called the leverage ratio. To outsiders the best ratio of security if capital is greater than the amount of the debt or at least the same. But for shareholders or the management of this large should leverage ratio ".

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A second expert opinion from the above it can be concluded that the Debt to Equity Ratio is a ratio used to calculate the debt and capital, which can cover debts to outside parties. Debt to Equity Ratio at each company certainly vary, depending on the characteristics of current business and diversity kasnya. Companies with stable cash flow typically has a higher ratio of cash ratio is less stable.

This ratio indicates the relationship between the number of long term loans given to the lender by the amount of own capital provided by the owner of the company. This is usually used to measure financial leverage of a company.

Debt to Assets Ratio describes the great wealth of the companies in finance by debt. According to Cashmere (2010, p. 112) "Debt to Asset Ratio or Debt Ratio debt ratio is used to measure the extent of the company's assets are financed by the company's debt to the management of assets. The trick is to compare between the total debt by total assets ".

E. Conclusion
1. Partially between the Debt to Equity Ratio Return On Assets against shows that there are significant negative influence of the Debt to Equity Ratio against the Return On Assets on the Plantation companies listed on the Indonesia stock exchange period 2013-2017.
2. Partially between the Debt to Assets Ratio Return On Assets against shows that having a positive relationship and perpengaruh significantly to the Return On Assets on the Plantation companies in Indonesia stock exchange terdafatar period 2013-2017
3. Simultaneous Debt to Equity Ratio and Debt to Assets Ratio Return On Assets against shows that collectively there is no significant influence against the Return On Assets on the Plantation companies listed on the Indonesia stock exchange period 2013-2017.

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