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THE EFFECT OF RETURN ON EQUITY (ROE), DEBT TO ASSET RATIO (DAR) AND GROWTH TO PRICE EARNING RATIO (PER) IN FOOD AND SUB-SECTOR MANUFACTURING COMPANIES BEVERAGES LISTED ON THE INDONESIA STOCK EXCHANGE (IDX) 2017-2021

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Abstract:
Competition in the business world today has resulted in the economy in Indonesia growing and increasing rapidly. As a result, companies must compete with other companies by developing for market expansion so that these companies can maintain the viability of the company and increase company value. The purpose of this study was to determine the effect of Return On Equity (ROE), Debt to Asset Ratio (DAR), and Growth on the Price Earning Ratio (PER) and determine the effect of Return On Equity (ROE), Debt to Asset Ratio (DAR), and Growth simultaneously affect the Price Earning Ratio (PER). Population in this research is 26 companies using a sample of 18 companies based on the purposive sampling method. This research is a quantitative research with multiple linear regression analysis method. Based on the results of the study, it was found that there was a negative and significant effect between the ROE variable on PER that is 0,001 < 0,05, there was a positive and significant effect between the DAR variable on PER that is 0,042 < 0,05, but there was no and insignificant effect between the Growth variable and the PER that is 0,0769 > 0,05. Through the significance value for the effect of ROE, DAR and Growth simultaneously on PER is 0.002 < 0.05 (α). This proves that Ho is rejected and Ha is accepted. This means that there is an effect of ROE, DAR and Growth simultaneously on PER. The value of the coefficient of determination obtained is 0.235, which means that the magnitude of the effect of ROE, DAR and Growth on PER is 23.5%, the remaining 76.5% is influenced by other factors.
Keywords: Return On Equity (ROE), Debt to Asset Ratio (DAR), Growth and Price Earning Ratio (PER)

Background

Economic growth in Indonesia is largely influenced by growth in the manufacturing industry sector, including the consumer goods sector, the food and beverage sub-sector. This is faced by the need for consumer goods, especially food and beverages, which are needed by the community every day. Meanwhile, the growth of the manufacturing industry cannot be separated from the existence of market capital which functions as a means for business financing or as a means for companies to obtain funds from investors. According to (Tandelilin, 2010) "investment is a commitment to a number of funds or other resources made at this time, with the aim of obtaining a number of benefits in the future". An investor buys a number of shares at this time, with the hope of benefiting from an increase in the share price or some dividends in the future as a reward for the time and risk associated with those shares.

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The main objective of a company that has gone public or has been registered on the Indonesia Stock Exchange (IDX), is to generate profits in order to increase the prosperity of the owner or shareholders through increasing the value of the company which can describe the condition of the company. The better the value of the company, the company will be seen as more valuable by potential investors.

Increased company value will affect shareholder value if the increase is marked by a high rate of return on investment to shareholders. Basically, the value of the company can be measured through several aspects, one of which is the market price of the company's shares because the market price of the company's shares reflects the investor's overall assessment of each equity owned. The stock market price shows the central assessment of all market participants, the stock market price acts as a barometer of the company's management performance. One of the factors that can affect the value of the company is profitability, according to (Kasmir, 2015) "if the manager is able to manage the company well, the costs that will be incurred by the company will be smaller so that the profit generated will be greater, the size of this profit will affect the value of the company".

The better the profitability growth means that the company's prospects in the future are considered to be even better, meaning that the company's value is getting better in the eyes of investors. Profitability is related to the company's ability to generate profits in a certain period, so that the profitability ratio is used to measure it. Capital structure is the proportion of funding to company debt, namely the ratio of company debt as measured by the Debt to Asset Ratio (DAR).

Capital structure theory explains that funding policy company in determining the capital structure aims to optimizing the value of the company so as to maximize the company's stock price. Companies require very large capital requirements, in order to meet the achievement of company goals. According to (Zuraida, 2019) "fulfillment of company funds is a problem for the company and requires a large investment, because it is directly related to several parties, namely shareholders, creditors, and company management". Companies that go public can be categorized as large companies or companies that have better growth company growth can affect the value of the company. Investors will be more interested in large companies than small companies. Company growth can reflect that a company will develop or not.

The company's growth is a ratio that shows the company's ability to maintain its economic position amid economic growth and its business sector. (Hermuningsih, 2013) revealed "company growth has a significant positive influence on firm value, which means that the faster the growth of a company will result in a higher company value as well". The growth of the company can provide positive signal expected by both inside and outside the company.

2020 was a difficult year, the World Health Organization (WHO) officially declared the Coronavirus Disease 19 (Covid19) outbreak a pandemic on March 9 2020. The Covid-19 outbreak that hit the whole world forced various countries to make policies to prevent or manage this outbreak. such as the implementation of lockdowns, restrictions on large-scale business activities, to bans on traveling outside the region, Indonesia is no exception. WHO urges people to practice physical distancing, namely maintaining physical distance as a way to avoid the wider spread of Covid-19. In relation to the recommendation from WHO, large-scale social restrictions (PSBB) were implemented in Indonesia through the stipulation of Government Regulation Number 21 of 2020 on March 31, 2020. The Ministry of Manpower (Kemnaker), (2020) states that the implementation of the PSBB has had an impact on company operations because it has caused a reduction, even a stoppage, of the company's economic activity during the pandemic. In addition, the Ministry of Manpower (2020) conducted a survey to find out the implications of the pandemic for companies. The survey results show that 88% of companies in Indonesia have been affected by the pandemic which has resulted in companies generally being at a loss. This was caused by a decrease in demand which resulted in a decrease in sales causing a decrease in production.

Problems with economic conditions, especially in Indonesia, can affect investors' perceptions of the value of a company. Given the need for companies to have sufficient funding in terms of assets and equity in order to achieve maximum profits, companies must be able to display good financial performance in order to be able to convince investors.
Based on the description above, the authors conducted research with the title: " The Effect of Return On Equity (ROE), Debt to Asset Ratio (DAR) and Growth on Price Earning Ratio (PER) in Food and Beverage Sub-Sector Manufacturing Companies Listed on the Stock Exchange Indonesia (IDX) in 2017-2021".

LITERATURE REVIEW

Business Administration

In general, business administration is all activities that related within a company with the goal to achieve profit targeted by the company. Some opinions expert on the notion of business administration, according to (Poerwanto, 2006) that, "Business Administration is the whole cooperation in produce goods or services that customers need and want until the delivery of the goods or services to the customer by obtaining and providing benefits in a balanced manner, responsible and sustainable". That in business Administration includes carrying out business operations, namely making and implementing major decisions (major decision) for the organization. (Surepi, 2021) state that "Administrative knowledge business is to develop concepts and scientific basis such, in such a way that not only operational activities

Signaling Theory

According to (Al-Malkawi, 2007) "signaling theory is a theory that based on information asymmetry that occurs between managers and investors. Managers as agents who manage the company tend to have better informed than investors, so to bridge this information gap managers will use financial reports as a tool to convey information about company performance to shareholders. According to (Bhattacharya & Dittmar, 2011) "signal quality comes from a company that has good conditions and is trusted will generate a response that comes from investors, otherwise on companies that have unfavorable conditions and are less reliable do not will produce the same response due to poor signal sent by the company to investors.
There is influence and a strong relationship between financial ratios with company value. Financial ratios are expected to predict company value in the future due to financial ratios is a comparison between accounts in the financial statements. With information reflected in the financial statements, the users of the information will be able to assess the company's performance in managing its business, which ending in fluctuations in changes in company value and stock returns. A company going public always provides information on company's financial performance as a material consideration in investors make investment decisions to be made. From information that more or less the company can inform the situation that happened in the company. With these factors internal company in the form of ratios of the company's financial performance investors can analyze. This financial performance is used as a signal (signaling theory) for investors to determine the level company performance.

Financial Management

According to (Mulyawan, 2015) "financial management is part of the duties of the leadership of the company with primary responsibility in the form of important decisions regarding investment and financing company". If associated with management principles, activity acquisition and use of funds for investment and financing The company must be carried out effectively and efficiently. Management has the function of planning, directing, and internal control use and meet the company's financial needs. According to (Sukirno et al., 2006) , management functions can be divided into 4 types of activities, namely: Planning or planning, organizing or organizing, briefing or directing, and supervision or controlling. Management activities include the function of managing finances company. In essence financial management should strive to ensure that the business activities carried out are able to achieve objective is economically, that is measured on the basis of low cost and high sales results. Financial management duties include: is to plan where to obtain business financing, and with the way in which funds are allocated. From this operational function can It is known that financial management needs to ensure that income is maintained obtained from business activities are able to cover all costs incurred issued, even must be able to exceed the costs incurred as an indicator of achieving profit (Sukirno et al., 2006). Several things must be considered in financial management the company is mainly wealth management (assets), debt (liability), capital, profit and risk. Various aspects of management This finance if done properly and efficiently is very important role in helping ensure that a company achieve its goal. Every financial manager needs to be held accountable in ensuring that all of these elements are managed completely and carefully to avoid the occurrence of problems that greatly affect smooth running of company activities (Sukirno et al., 2006). Financial management (financial management) related to acquisition, financing, and asset management with multiple objectives general background. So, the decision function is in Financial management can be divided into three main areas, namely: investment, funding, and asset management (James C Van Horne & Wachowisz, 2008) Financial management, also called corporate finance, focuses on decisions related to how much and what kind what assets to acquire, how to raise that capital needed to buy assets and how to run the company to maximize its value. The same principle applies both to profit or not-for-profit organizations (Brigham & Houston, 2019).

Return On Equity (ROE)

The return on equity or Return on Equity or profitability of own capital is a ratio for measuring net profit after tax with own capital. This ratio shows the efficient use of own capital. Return On Equity (ROE), shows the extent to which the company manage own capital effectively, measure the level of profit from investment that has been made by the owner of the capital itself or the shareholde company. The greater this ratio the better. This ratio measures the rate of return from the business on all existing capital. ROE is one of the indicators used by shareholders to measure business success. The higher the ROE, means that the company is increasingly able to utilize equity/capital well to make a profit (Munawir, 2011).

$$Return\ on\ Equity = \frac{\text{Laba Rugi Bersih } (Earning\ After\ Interest\ and\ Tax)}{\text{Total Ekuitas } (Total\ Equity)} \times 100$$

Debt to Asset Ratio (DAR)

This ratio provides information about the company's ability in adapting the condition of reducing assets due to losses without reduce interest payments to creditors. The ratio used to measure the ratio between total debt and total assets. With in other words, how much the company's assets are financed by debt and how much the company's debt affects management assets. To assess this ratio other factors need to be considered is the stability of the company's earnings. In companies that have stable profit records, increased debt is more tolerable than companies that have unstable profit records. (Brigham & Houston, 2014) Debt to Asset Ratio (DAR) compare total debt to total assets. DAR is a proxy used to measure financial leverage. Financial leverage is the use of sources of funds that have fixed costs in the hope that the use of these sources of funds will provide an additional profit that is greater than the burden that arises from the use of sources of funds so that it will increase the rate of return for shareholders. The higher the level of financial leverage, the higher the reflected investment risk. Therefore, company managers will try to manage and maintain financial leverage so that they are always in a stable position. The debt policy carried out by the company is also one of the considerations for investors in making investment decisions. One of the ratios used is the DAR.

Because many investors think that the debt policy carried out by management will have an impact on the rate of return that will be generated due to the higher loan interest expense borne by management. In addition, investors think that the higher the driskier the investment. So many investors avoid a company with a high level of debt. As stated by (Alfredo, 2012) that "the more The smaller the debt ratio, the better the company's ability to survive in bad conditions.

$$Debt\ to\ Asset\ Ratio = \frac{\text{Total Liabilitas } (Total\ Liabilities)}{\text{Total Aset } (Total\ Assets)} \times 100$$

Debt to Asset Ratio (DAR), the ratio of debt to total assets is obtained from the company's total debt to its total assets. This ratio emphasizes the important role of debt financing for companies by showing the percentage of company assets supported by debt financing. The higher the DAR ratio, the greater the risk financially, the lower the DAR ratio, the lower the financial risk (James C Van Horne & Wachowisz, 2008).

Growth

The of the company can be seen through growth sales and total assets owned by the company each year. The growth rate in this study is proxied in growth with see the amount of sales at the moment with the previous sales. Large companies are more desirable than small companies Company growth greatly affects the value of the company. Fast growing companies also enjoy profits and positive image obtained. So that rapid growth has no meaning uncontrollable cost growth, then in managing growth, companies must have operations control with emphasis on cost control. The company's growth is increasingquickly can reflect the magnitude of the need for funds if the company wants to expand its business, thus increasing the demand company to retain profits (J. C. Van Horne & Wachowicz, 2013).

$$Growth = \frac{Sales\ 1 - Sales\ 0}{Sales\ 0} \times 100$$

Price Earning Ratio (PER)

According to (Kumar & Warne., 2009) Price Earnings Ratio is "the most popular parameter of stock analysis, although there are other important factors that an investor must consider before making an investment decision". Price Earnings Ratio describes the price paid by an investor against the return investors will get. Whereas according to (Rahma et al., 2014) Price Earning Ratio (PER) is "one of the approaches often used by securities analysis to assess a stock". This ratio provides management with an indication of how investors view the company's risks and prospects in the future

$$Price\ Earning\ Ratio = \frac{\text{Harga Saham}}{\text{Laba Perlembar Saham}} \times 100$$

PER, namely the ratio of price per share to earnings per share, shows the amount of diesel that investors will pay for $1 of current income (Brigham & Houston, 2019).

Research Hypothesis

H1: The level of Return On Equity (ROE) has an effect on the Price Earning Ratio (PER).
H2: The level of Debt to Asset Ratio (DAR) affects the Price Earning Ratio (PER).
H3: The Growth Rate has an effect on the Price Earning Ratio (PER).
H4: Return On Equity (ROE), Debt to Asset Ratio (DAR) and Growth Rate simultaneously influence the Price Earning Ratio (PER).

METHOD

In this research is a quantitative research with the method of analysis used is the method of multiple linear regression analysis. According to (Sugiyono, 2013) "Quantitative research is research that based

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on the philosophy of positivism, used to research on certain populations and samples. Data collection uses research instruments, data analysis is quantitative or statistical, with the aim of testing the hypotheses that have been set. Descriptive statistics is a method of collecting, organizing, concluding and describing a data with informative delivery. The measures used in the description include: frequency, central tendency (mean, median, mode). Commonly used measures to see the spread of a data are Standard Deviation, Variance, and Standard Error Means.

RESULT

For the selection of a suitable quantitative research with multiple linear regression analysis method, the following tests must be carried out:

Descriptive Analysis

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Return On Equity	90	-167,00	145,48	11,8912	33,94852
Debt to Asset Ratio	90	10,85	290,00	44,0217	35,35592
Growth	90	-88,442	940,146	17,73712	104,493967
Price Earning Ratio	90	-76428,57	58750,00	1874,9989	11145,68623
Valid N (listwise)	90				

Based on table 8 it can be seen that the data used as a sample is 90 data, which comes from 18 companies within a span of 5 years.

Descriptive statistical output results from Return on Equity (ROE) shows the lowest value of -167% which occurred at PT. Prashida Aneka Niaga Tbk in 2021. The level of losses that have occurred to PT. Prashida Aneka Niaga Tbk that year made the company's ROE percentage the lowest among the other samples. While the highest value of 145.48% is owned by PT. Tiga Pilar Sejahtera Food Tbk in 2020. The high level of profit achieved by the company in 2020 makes the percentage of ROE owned to be the largest among other samples. From the table 8 it is known that the average value of ROE is 11.8912% with a standard deviation value of 33.94852% which describes the level of ROE varied from the existing sample.

Descriptive statistical output results from the Debt to Asset Ratio (DAR) shows the lowest value of 10.85% which occurred at PT. Campina Ice Cream Industry Tbk in 2021. The low debt owned by PT. Campina Ice Cream Industry Tbk that year made the company's DAR percentage the lowest among them other samples. While the highest value of 290% is owned by PT. Tiga Pilar Sejahtera Food Tbk in 2020. High level of debt larger owned by those companies in 2020 makes the percentage of DAR owned is the largest among the other samples. From table 8 it is known that the average DAR value is 44.0217% with a standard deviation value of 35.35592% which illustrates the varying DAR levels of the existing samples. The results of the descriptive statistical output of Growth show value the lowest was -88.442% which occurred at PT. Mayora Indah Tbk in 2018. The level of sales in that year was lower than the previous year making the company's Growth percentage negative and is the lowest among the other samples. While value the highest of 940.146% owned by PT. Mayora Indah Tbk in 2019. A drastic increase in the level of sales that was much larger was owned by the company in 2019 making the percentage Growthwhich in the previous year was negative became positive and the biggest among other samples. From table 8 it is known that the average value of Growth is of 17.73712% with a standard deviation value of 104.493967% which describes the varying growth rates of the existing samples.

Descriptive statistical output results from the Price Earning Ratio (PER) shows the lowest value of -76,428.57% which occurred at PT. Prima Cakrawala Abadi Tbk in 2018. The low rate income per share owned by PT. Eternal Firmament Prima Tbk that year made the percentage of the company's PER to the lowest among other samples. While the highest value 58,750% owned by PT. Prima Cakrawala

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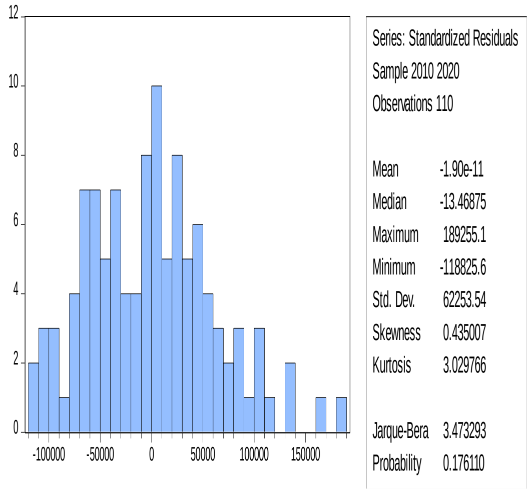
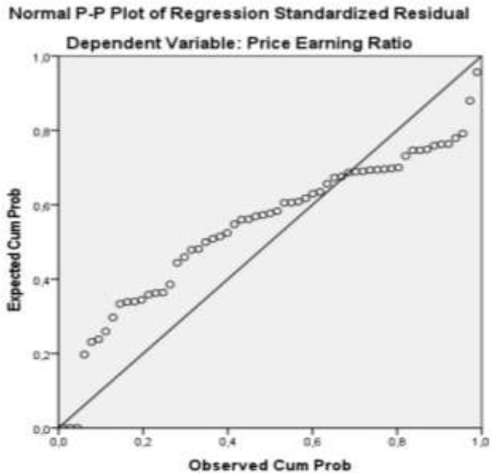
Abadi Tbk in 2021. A much higher level of income per share major owned by the company in 2021 make the percentage of PER owned is the largest among the samples other. From table 8 it is known that the average value of PER is equal to 1,874.9989% with a standard deviation value of 11,145.68623% which describe the varying levels of PER from the existing sample.

UJI ASUMSI KLASIK
Normality Test



Based on the graph gives a normal distribution pattern. The following shows a graph plot of normality test results.



Based on the picture above, it can be seen that the points are close diagonal line. If the residual data distribution is normal, then the line is describes the actual data will follow the diagonal line. Thus it can be concluded that the model is fit or good and can also stated that the distribution of residual data is normal.

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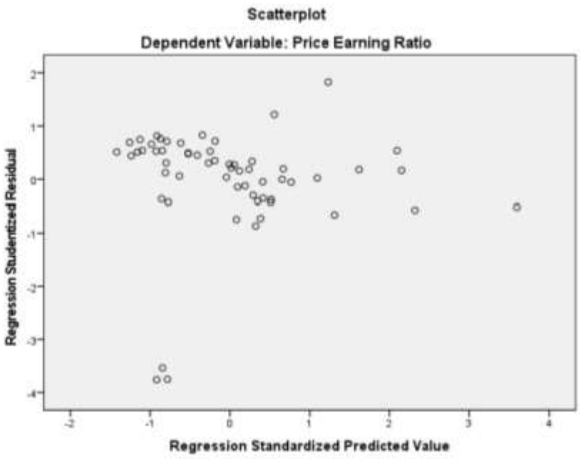
Multycollinearity Test

Model		Unstandardized Coefficients		Standardized Coefficients	Collinearity Statistics	
		B	Std. Error	Beta	Tolerance	VIF
1	(Constant)	5,988	1,493			
	Return On Equity	-0,530	0,156	-0,412	0,953	1,049
	Debt to Asset Ratio	0,843	0,404	0,249	0,977	1,023
	Growth	-0,041	0,140	-0,036	0,934	1,070

Based on the table it is known that the Tolerance value of the Return on Equity (X1) variable is 0.953 ≥ 0.10, the Debt to Asset Ratio (X2) variable is 0.977 ≥ 0.10, the Growth variable is 0.934 ≥ 0.10 and the VIF value of the Return on Equity variable (X1) of 1.049 ≤ 10, Debt to Asset variable The ratio (X2) is 1.023 ≤ 10, the Growth variable (X3) is 1.070 ≤ 10, so that the data does not have multicollinearity in this study.

Heterokedastisitas Test



Based on the picture shows that the data does not form a certain pattern, the data points spread above and below or around the number 0 and does not collect just above or below but rather spread. So, it can be concluded that there is no problem heteroscedasticity in the data.

Autocorrelation Test

Model Summary[b]

Model	Durbin-Watson
1	0,576

a. Predictors: (Constant), Growth, Debt to Asset Ratio, Return On Equity

b. Dependent Variable: Price Earning Ratio

Besed from the results of the Durbin-Watson value it shows the number 0.576 which meaning that there is no autocorrelation because the DW value is between -2 to +2.

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Hypothesis Test
Koefisien Determinasi

Model Summary[b]

Model	R Square
1	0,235

a. Predictors: (Constant), Growth, Debt to Asset Ratio, Return On Equity

b. Dependent Variable: Price Earning Ratio

Based on the R-squared value (R2) of 0.235 which means the magnitude of the effect of ROE, DAR and Growth on PER is of 23.5% (0.235 x 100) while the rest is influenced by variables which were not used in this study. The magnitude of the coefficient for variables outside the study can be known with the following formula:

y Ɛ = √1 – R2 = √1 –0,235 = 0,875

Then the magnitude of the coefficient for other variables outside the research is equal to 0.875.

Multiple Linear Regression Results

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5,988	1,493		4,012	,000
	Return On Equity	-,530	,156	-,412	-3,409	,001
	Debt to Asset Ratio	,843	,404	,249	2,086	,042
	Growth	-,041	,140	-,036	-,295	,769

a. Dependent Variable: Price Earning Ratio

Based on data analysis using SPSS, then the regression equation is obtained as follows:

Y = a + b1 X1 + b2 X2 + b3 X3 + €

Y = 5.988 – 0.530 X1 + 0.843 X2 – 0.041 X3+ 0.875

The regression equation above shows the relationship between variables independent with partially dependent variable, from the equation it can be concluded that:

1. The constant value a shows a value of 5.988 meaning if not there is a change in the independent variable (values X1 and X2 are 0) then the value dependent variable (Y value) of 5.988.
2. The value of the regression coefficient of the ROE variable (X1) is – 0.530 with a negative value so that if ROE decreases by 1 value, then PER will decrease of – 0.530.
3. The value of the DAR variable (X2) shows a positive value of 0.843 meaning every an increase of 1 value in the DAR variable, it will increase PER by 0.315.
4. The value of the Growth variable (X3) shows a negative value – 0.041 meaning every decrease of 1 value in the Growth variable, it will increase PER of – 0.041.

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T-Test

Based on the results of data processing, Individual test in multiple linear regression is intended for test whether the parameters (regression coefficients and constants) are correct parameters or not.

Ttable = t (α/2 ; n-k-1)

α = 5%

= t (0.05/2 ; 90-4-1)

= 0.025 ; 85

= 1.991 (or according to the t-benchmark table on significant 0.025).

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	5,988	1,493		4,012	,000
	Return On Equity	-,530	,156	-,412	-3,409	,001
	Debt to Asset Ratio	,843	,404	,249	2,086	,042
	Growth	-,041	,140	-,036	-,295	,769

a. Dependent Variable: Price Earning Ratio

F-Test

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	34,869	3	11,623	5,623	,002[b]
	Residual	113,693	55	2,067		
	Total	148,561	58			

a. Dependent Variable: Price Earning Ratio
b. Predictors: (Constant), Growth, Debt to Asset Ratio, Return On Equity

Besed ob table it can be seen that the significance value for the effect of ROE (X1), DAR (X2) and Growth (X3) simultaneously on PER (Y) is 0.002 <0.05 (α). This proves that Ho is rejected and Ha accepted. This means that there is influence of ROE (X1), DAR (X2) and Growth (X3) simultaneously on PER (Y)**.**

DISCUSSION

The Effect of Retrun On Equity (ROE) on Price Earning Ratio (PER)

Based on the test results using the multiple linear regression method. The effect of ROE (X1) on PER (Y), according to Table namely the results of the t test (partial) indicate that the significance value of the effect ROE (X1) to PER (Y) is 0.001 <0.05 and the tcount is -3.409 < ttable value of 1.991 means that there is a negative and significant influence between the variable ROE (X1) to PER (Y). This research supports the result research by Vivian Firsera (2012) and Meygawan Nurseto (2012) that Return on Equity has a significant influence on Price Earning Ratio. In Vivian's research the significant value was 0.010 and was seen from the test results statistics (t test) which gives a negative sign to the variable Return onEquity means that if Return on Equity has increased then Price Earning Ratio increases and vice versa if Return on Equity has decreased, the Price Earning Ratio has decreased. In ROE research has decreased. This can be caused because several factors such as the company's activity ratio, debt ratio and ratio liquidity. The first hypothesis proposed in this study is Level Return

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on Equity (ROE) affects the Price Earning Ratio (PER). From the research results obtained a significance level of 0.001 on the test partial which signifies that the ROE level variable in this case has a partial effect on PER because 0.001 <0.05. Results that shown in this study is the same as the research conducted Vivian Firsera (2012) stated that ROE has a negative effect against PER. While the results of this study are different from research carried out by Bintari and Kusnandar (2020) which stated that ROE has no effect on PER

The effect of Debt To Asset Ratio (DAR) on Price Earning Ratio (PER)

The effect of DAR (X2) on PER (Y), according to Table namely the results of the t test (partial) indicate that the significance value of the effect DAR (X2) to PER (Y) is 0.042 <0.05 and tcount is 2.086 > value t table 1.991, it means that there is a positive and significant influence between variable DAR (X2) to PER (Y). This research is not in line with the results of research by Dewi Agustina (2016) that DAR has no effect against PER. The results of the DAR variable test show the value a significance of 0.916, where this value is greater than the alpha value of 0.05. It is possible that this is due to Dewi Agustina's research, Period The research is not long so it does not describe the condition company. The second hypothesis proposed in this study is Level Debt to Asset Ratio (DAR) affects the Price Earning Ratio (PER). From the research results obtained a significance level of 0.042 on the partial test indicating that the DAR level variable in terms this has a partial effect on PER because 0.042 <0.05. Results shown in this study is different from that research conducted by Dewi Agustina (2016) and several previous studies which stated that DAR had no effect on PER.

The Effect of Growth on Price Earning Ratio (PER)

Effect of Growth (X3) on PER (Y), according to Table namely the results of the t test (partial) indicate that the significance value of the effect Growth (X3) to PER (Y) is 0.769 > 0.05 and the tcount is -2.955 < the ttable value is 1.991, it means that there is no influence and it is not significant between the variable Growth (X3) to PER (Y). This research supports the research results of Dewi Agustina (2016) and Vivian Firsera (2012) that Growth (X3) has no significant effect on the Price Earning Ratio (Y). In both studies it has a significant value > 0.05 (0.330 and 0.875), This is because investors pay less attention to internal growth invest.

The third hypothesis proposed in this study is Level Growth affects the Price Earning Ratio (PER). From the result research obtained a significance level of 0.769 in the partial test indicates that the Growth rate variable in this case is not has a partial effect on PER because 0.769 > 0.05. Results that shown in this study is the same as the research conducted Vivian Firsera (2012) and Dewi Agustina (2016) which state that Growth has no effect on PER.

The Effect of Retrun On Equity (ROE), Debt To Asset Ratio (DAR), and Growth on Price Earning Ratio (PER)

The fourth hypothesis proposed in this study is Level Return On Equity (ROE), Debt to Asset Ratio (DAR) and Rate Growth has a simultaneous effect on Price Earning Ratio (PER). From the results of data processing it is known that the significance value for The effect of ROE (X1), DAR (X2) and Growth (X3) simultaneously on PER (Y) is 0.002 <0.05. This means that the independent variable simultaneously or jointly have a significant effect to the dependent variable

CONCLUSION

From the discussions that have been made in the chapter previously, the following conclusions were obtained:

1. The results of this study, Return on Equity (ROE) has a negative effect significantly to the Price Earning Ratio (PER) of 0.001, this statement means that if there is a decrease in ROE then it will happen to the PER of manufacturing companies in the food and beverage sub-sector, in this study ROE

experienced decline. This can be caused by several factors such as the company's activity ratio, debt ratio and liquidity ratio.

2. The results of the Debt to Asset Ratio (DAR) have a significant positive effect of 0.042 partially on the Price Earning Ratio (PER). This statement means that if there is an increase in DAR, it will happen to PER.

3. Growth results obtained a significant level of 0.769 so that it can be said that Growth has no partial effect on PER because 0.769 > 0.05.

4. The independent variables, namely ROE, DAR and Growth simultaneously affect the dependent variable, namely PER, because the results obtained are 0.002 <0.05 indicating a significance value that is smaller than the value of α (alpha). The magnitude of the Coefficient of Determination obtained is 0.235, which means that the magnitude of the effect of ROE, DAR and Growth on PER is of 23.5%, the remaining 76.5% is influenced by other factors.

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