IJSSR
International Journal of Social Service and Research

Vol. 03, No. 08, August 2023
e - ISSN : 2807-8691 | p- ISSN : 2807-839X

The Effect of Company Growth and Liquidity on Company Value with Capital Structure as an Intervening Variable

Lydia Indah Permatasari[1*], Yanuar Ramadhan[2]
[1*,2] Esa Unggul University, Indonesia
e-mail: [1] lydiaindah21@gmail.com, [2]Yanuar.ramadhan@esaunggul.ac.id

Keywords
Company growth, liquidity, capital structure, company value

ABSTRACT
This study aims to obtain empirical evidence about the effect of company growth and liquidity on firm value, with capital structure as the intervening variable. The company's growth variable is measured using the percentage increase in the company's total sales, the difference between the company's total sales in this period and the previous period's total sales. The variable liquidity is measured by the current ratio, which is a measurement of the current assets owned by the company and the current liabilities of the company. The capital structure variable as an intervening variable is measured by the debt-to-equity ratio, which is the ratio between the total debt owned by the company and the capital owned by the company itself. The firm value variable as the dependent variable is measured based on the book value of the stock price, namely the stock price compared to the book value per share. The population in this study used 24 coal sub-sector mining companies listed on the IDX for the 2018–2022 period. The sample was selected using a purposive sampling method. The researcher obtained a sample of 11 companies in the coal mining sub-sector. The results of this study found that while company growth has no effect on capital structure, liquidity has a negative effect on capital structure. Company growth, liquidity, and capital structure have no effect on firm value. The capital structure is unable to mediate the relationship between company growth and liquidity and firm value.

INTRODUCTION

Companies are formed to achieve expected profits and maximize their value. The value of future profits will be reflected in the company's share price (Farid & Ramadhan, 2022). The performance of a company is an informative signal that a company is in good health and has investment prospects in the future. To increase business value, businesses must be able to operate efficiently. Growth in company value in the long term is by increasing company performance so that share prices on the IDX are pushed higher (Munandar & Alvian, 2022). The company will have a value expressed through the value of business assets and the ability to generate business profits (Yulianti & Ramadhan, 2022). The measure for investors in assessing the success of a company is how well the company can manage its resources at the end of each current year, this can be seen from its share price. The high value of the company shows the prosperity of large shareholders and will build a positive image that will make potential investors interested in investing in a business (Fajariyah & Susetyo, 2020).

In the capital market, an increase in share prices will be accompanied by an increase in the value of the company and if it goes down, it will be followed by a decrease in the value of the company. The Indonesian economy felt the effects of the Covid-19 outbreak in early 2020. The Coordinating Minister for the Economy Susiwijono Moegiarso explained that from an economic perspective, most sectors were affected and the Indonesian economic slowdown was most felt in the second quarter of 2020. The

https://doi.org/10.46799/ijssr.v3i9.521

national economy experienced a significant contraction, i.e. minus 5.32%, and this growth was recorded as the worst in recent years (Merdeka.com, 2021).

The coal industry is one of the industries affected. The coal mining industry has made a significant contribution to the economy because it is the primary sector for many sectors and as a supplier of energy resources, the coal industry has a large contribution to national income every year. Revenue from this industry is a major contributor to government revenue. In 2021, state revenue from the mining and coal sector will amount to IDR 124.4 trillion. This value includes taxes, export duties, PNBP and until September 2022. The Ministry of Energy and Mineral Resources records PNBP in the mineral and coal sector reaching IDR 130 trillion (CNBC Indonesia, 2022). With the existence of this coal company, the state can work together in order to be able to manage and utilize abundant natural resources. The results can be used for people's welfare and can provide maximum benefits for Indonesia's economic growth and the development of a strong and competitive national industry (Ministry of Energy and Mineral Resources, 2021).

A country that has abundant natural resources and the fifth largest coal producer in the world is Indonesia (Kompas.com, 2022). The emergence of news in the media regarding the Covid-19 outbreak can affect the stock market index in Indonesia (Bi.go.id, 2022). There is a different impact on the coal sub-sector regarding the company's share price. PT Adaro Energy Indonesia (ADRO) in 2018-2019 saw its share price increase by 22%, in 2019-2020 it fell by -4%, in 2020-2021 it rose by 57% and in 2021-2022 it rose by 71%. In the company Baramulti Suksessarana Tbk (BSSR) in 2018-2019 the share price fell by -22%, in 2019-2020 it fell by -7% and in 2020-2022 it rose drastically to 100%. Meanwhile for the Samindo Resources Tbk (MYOH) company in 2018-2019 it rose by 24%, in 2019-2020 it rose by 0.39%, 2020-2021 rose by 35% and in 2021-2022 it fell by -9%. In the company PT Evidence Asam Tbk (PTBA) in 2018-2019 it fell by -38%, in 2019-2020 it rose by 5.64%, in 2020-2021 it fell by -4% and in 2021-2022 it rose by 36%. According to a study conducted by the Institute for Energy Economics and Financial Analysis (IEEFA) to assess the resilience of coal companies in Indonesia during the Covid-19 pandemic, the majority of coal companies listed on the IDX are threatened with financial condition, this is due to the drop in reference coal prices. The decline in coal prices will make it difficult for company management to manage company costs, be unable to achieve efficiency and even have difficulty maintaining the company's cash flow (Tirto.id, 2020).

From the phenomenon explained above, the share price of each company listed on the IDX must be able to maintain the company's value. Steps that can be taken so that company value can be maintained is to improve the company's financial condition, because mining companies really need large enough funds to be used to explore natural resources. To strengthen finances and absorb more investment, many mining companies have entered the capital market. Factors that can influence company value include company size, profitability, liquidity, growth rate, size, interest rates, inflation and capital structure (Syaifuddin, 2021) (Sari & Sedana, 2020).

The growth rate is assessed by making a comparison between the current year's sales minus the previous period. The existence of growth shows that the company is making a profit so that the company's image is valued well by investors so that the value of the company can increase (Fauziah & Jamal, 2020). With an increase in sales volume, the company's income increases and it can cover all costs for operational needs and can obtain the expected profits. If the revenue growth rate increases, then it can be said that the financial income in the company is stable. Thus, companies that experience an increase in sales attract investors to invest and the company value gets the impact, namely an increase in its value. There are previous studies that have been conducted before, namely by Fauziah & Jamal (2020), Adnyani & Suaryana (2020) and IAPT Dewi & Sujaya (2019) proving that there is a positive effect of company growth on firm value while the results of research from Rahayu et al. (2020), Alfinur & Hidayat (2021), Romadhina & Andhitiyara (2021) found that there was no effect of the growth rate on company value.

Liquidity reflects the amount of capital required to fund the company's operational activities, this has a direct impact on business profitability. Companies with high liquidity values indicate that the company can fulfill its short-term commitments (Dominika, 2017). Companies need to plan and monitor liquidity to avoid the risk of being unable to finance short-term debt. The company's success is monitored and maintained by measuring the potential of capital structure to influence liquidity and ultimately create value (Sari & Sedana, 2020). A company that cannot fulfill all its obligations will give a negative signal and give the impression that the company is experiencing financial problems, which will

have an impact on investors' lack of confidence in investing and will result in a decrease in company value. Previous researchers Yanti & Darmayanti (2019), N. Dewi et al. (2018), IAPT Dewi & Sujaya (2019) and Widayanthi & Sudiartha (2018) have examined the relationship between liquidity and company value and found that there is an influence. However, different results were found by Aslindar & Lestari (2020), Iman et al. (2021), Afinindy et al. (2021) and Pertiwi et al. (2022) who found that there was no effect of liquidity on company value.

The comparison between total debt and total equity is a calculation of capital structure (Ermaini et al., 2021). Companies need to make the right decisions when choosing capital structure because it is closely related to company value (Fajariyah & Susetyo, 2020). Making the right decision regarding capital structure will affect financial performance and company value (Yulianti & Ramadhan, 2022). Capital structure is very important for a company because it has an influence on the risks that shareholders will accept and the level of profit that will be obtained. Capital structure is used by researchers as an intermediary variable to measure the influence of company growth and liquidity on company value. Khoiril et al. (2018), N. Dewi et al., (2018) and Atiningsih & Wahyuni (2020) obtained results where the growth rate can influence value through capital structure. However, different results were obtained by Wijaya (2019), Isnawati & Widjajanti, (2019) and Afinindy et al. (2021) where company growth has no effect on company value through capital structure. Research conducted by N. Dewi et al. (2018), Aslindar & Lestari (2020) and Pertiwi et al. (2022) liquidity influences company value through capital structure as an intermediary variable, while different research results from Rahmatullah (2019), Uli (2020) and Hamdani et al. (2022) argue that liquidity cannot influence company value through capital structure.

There are still research gaps based on research that has been carried out by previous researchers and theory development will be carried out. The coal industry listed on the IDX for 5 years from 2018-2022 was chosen by researchers in conducting this research. The aim of this research is to analyze the relationship between company growth and company liquidity on company value with capital structure as an intermediary variable.

METHODS

Quantitative methods and secondary data were chosen in this research. Secondary data is in the form of annual financial reports published by the BEI between 2018 and 2022. Companies in the coal subsector of the mining industry registered on the BEI constitute the population of this study. The purposive sampling method was chosen in this research by considering several conditions such as: companies in the coal subsector that use rupiah and foreign currency, companies in the coal subsector that publish financial reports during the observation period, companies in the coal subsector that do not conduct initial public offerings during the period. Observations and companies in the coal subsector that generated profits in 2018-2022 were all considered for inclusion in the sample. Panel data regression analysis method using eviews software version 10 was used in this study. The data analysis techniques used in the research are descriptive statistical analysis, selecting panel data regression models (Common, Fixed and Random Effect) by conducting Chow, Hausman and Langrange multiplier tests. Classic assumption test, hypothesis, sobel test. The Sobel test uses the Sobel Test Calculator for the Significance of Mediation which is accessed through www.danielsoper.com. The Sobel test is a test to determine whether a relationship through intervening variables tends to mediate the relationship significantly. The form of the path analysis regression equation can be described as follows:

$$SM=\beta\_1\ PP+\ \beta\_2\ LIK+\ \varepsilon\_2$$
$$NP=\beta\_1\ PP+\ \beta\_2\ LIK+\beta\_3\ SM+\ \varepsilon\_1$$

Information:

SM	: Capital structure	NP	: Company Value	ε_1 : Error sub structure 1	
PP	: Sales Growth	β_0	: Constant	ε_2 : Error sub structure 2	

LIK : Liquidity $\beta_{1-}\beta_{n}$: Coefficient

RESULTS

Table 1
Descriptive statistics

	SG	CR	DER	PBV
Mean	0.288364	2.658909	0.701455	2.382727
Median	0.190000	1.980000	0.570000	1.500000
Maximum	1.970000	10.07000	1.910000	22.30000
Minimum	-0.390000	0.730000	0.090000	0.550000
std. Dev.	0.494173	2.017338	0.465210	3.243763
Observations	55	55	55	55

This data analysis is used to explain in general by taking into account the minimum, maximum, average and standard deviation values. Table 1 provides a summary of the information for 11 samples of coal companies that have been listed on the IDX in 2018-2022. The average business growth rate is 0.288 and std. dev 0.494, which means the distribution of company growth data is different. The maximum value for company growth is 1.970 and the minimum value is -0.390. Liquidity has an average of 2.658 with a standard deviation of 2.017 lower than that average, which means the distribution of liquidity data is homogeneous. The maximum liquidity value is 10.070 and the minimum value is 0.730. Capital structure has an average of 0.701 with std.dev 0.465 smaller than that average, which means that the distribution of capital structure data is homogeneous. Capital structure maximum value is 1.910 and minimum value is 0.090. Company value has an average of 2.382 with std.dev 3.243 which is higher than the average, which means that the distribution of company value data changes or fluctuates. The maximum value of the company value is 22.300 and the minimum value is 0.550.

Selection of the Regression Equation Model

The selection of the research model used the Chow, Hausman and Lagrange tests.

Table 2
Selection of Regression Equation Models

	Model Equation 1		Model Equation 2	
	Results	**Selected Models**	**Results**	**Selected Models**
Test Chow	0.0000 < 0.05	FEM	0.0000 < 0.05	FEM
Hausman test	0.0572 > 0.05	BRAKE	0.3211 > 0.05	BRAKE
LM test	0.0000 < 0.05	BRAKE	0.0000 < 0.05	BRAKE
Selected Model Equation 1 & 2 REM				

Classical Assumption Testing

To find out whether the regression model in this research is feasible or not, a hypothesis test is carried out. This test is carried out with a normality test as proven by a probability value > 0.05 so the sample is normally distributed, a multicollinearity test to see whether there are similarities between independent variables as proven by a coefficient value < 80 so it is free from multicollinearity problems and a heteroscedasticity test as proven by the variable probability value independent > 0.05, thus avoiding the problem of heteroscedasticity, this test is carried out to see whether the regression model has unequal variances from the residuals of one observation to another. Testing the normality of equation 1 obtained a probability value of 0.100594 > 0.05, it was concluded that the data in equation 1 was normally distributed. Testing the normality of equation 2, the probability value was 0.397327 > 0.05, it was concluded that the data in equation 2 was normally distributed. The multicollinearity test in equation 1 shows that the independent variable has a coefficient <0.80, so equation 1 does not have a multicollinearity problem. The multicollinearity test of equation 2 shows that the independent variable has a coefficient <0.80, so that equation 2 does not experience multicollinearity problems. The

heteroscedasticity test in regression 1 and regression 2 using the Glejser test obtained a probability value for the independent variable > 0.05, so the data used avoided heteroscedasticity problems.

Hypothesis test

Hypothesis testing in model 1 and model 2 uses the Random Effect Model (REM).

Table 3
Hypothesis testing

	Model 1 (REM)				Model 2 (REM)			
	Coeff.	**SE**	**t-stat**	**Prob.**	**Coeff.**	**SE**	**t-stat**	**Prob.**
SG	-0.0448	0.0551	-0.8125	0.4202	0.8596	0.7454	1.1532	0.2542
CR	-0.0644	0.0203	-3.1656	0.0026	0.0254	0.2835	0.0898	0.9288
DER					2.2968	1.4880	1.5434	0.1289
F-Stat	4.6886			0.0134	1.4601			0.2363
Adj. R^2	0.1201				0.0249			
Obs	55				55			

Model 1 in table 3 proves the results of the influence of company growth and liquidity on capital structure. There is no effect between growth and capital structure with -tcount<-ttable of -0.8125 < -2.0066 and a significance of 0.4202 > 0.05. Liquidity has a significant negative effect on capital structure with -tcount>-ttable of -3.1656 > -2.0066 and a significance value of 0.0026 <0.05. The results of the F model 1 test show that company growth and liquidity simultaneously and significantly affect capital structure with Fcount>Ftable of 4.6886 > 3.1751 and a prob value. 0.0013 <0.05. The adjusted r square value is 0.1201 or 12.01%, this indicates that the joint influence of company growth and liquidity on capital structure is 12.01% and 87.99% is explained by other variables not explained in this research.

Model 2 in table 3 shows the impact of company growth, liquidity and capital structure on firm value. There is no influence between company growth on firm value with tcount<ttable of 0.7454 <2.0076 and a significance of 0.2542 > 0.05. Liquidity has no effect on firm value with tcount<ttable of -0.0898 < -2.0076 and a significance of 0.9288 > 0.05. There is no influence between capital structure and firm value with tcount<ttable of 1.5434 <2.0076 and a significance of 0.1289 > 0.05. The results of the F model 2 test show that company growth, liquidity and capital structure simultaneously have no effect on firm value with Fcount<Ftable of 1.4601 <2.7862 and a prob value. 0.2363 > 0.05. The adjusted r square value is 0.0249 or 2.49%, this indicates that together company growth, liquidity and capital structure have an influence on firm value of 2.49% and 97.51% is explained by other variables that are not explained in this research.

Table 4
Sobel Test

	Coefficient	**SE**	**Sobel test Stat.**	**One-Tailed Prob.**	**Two-tailed Prob.**
SG	-0.0448	0.0552	-0.7224	0.2349	0.4699
CR	-0.0645	0.0204	-1.4176	0.0781	0.1562

The results of the Sobel test prove that capital structure is unable to mediate the relationship between company growth and company value with a value of Z < t table or -0.0448 < 2.0066 and a two-tailed prob of 0.4699 > 0.05. The results of the Sobel test prove that capital structure is unable to mediate the relationship between liquidity and company value with a value of Z < t table or -0.0645 < 2.0066 and a two-tailed prob of 0.1562 > 0.05.

Table 5
Conclusion Hypothesis Testing

Hypothesis	X	Y	Prob.	Conclusion
H1	pp	BC	0.4202	Rejected
H2	CR	BC	0.0026	Accepted
H3	pp	N.P	0.2542	Rejected
H4	CR	N.P	0.9288	Rejected
H5	BC	N.P	0.1289	Rejected
H6	PP-SM-NP		0.4699	Rejected
H7	CR-SM-NP		0.1562	Rejected

Source: Lydia Indah P (2023)

Discussion

The partial results of the first hypothesis show a value of -tcount <-ttable of -0.8125 < -2.0066 and a significance of 0.4202 > 0.05. The results show a figure of more than 0.05, which means the hypothesis is rejected. These results are not in accordance with the research of Khoiril et al. (2018), Dewiningrat & Mustanda (2018), Wijaya (2019) and Atiningsih & Wahyuni (2020) which state that income growth has a negative impact on capital structure. The company's high revenue growth will minimize the use of debt. With an increase in sales levels, the company will receive more cash so that the company uses internal funds for its operations (Purba et al., 2020). In line with Andayani & Suardana's (2018) research, Purba et al. (2020) and Afinindy et al. (2021) which states that there is no effect of company growth on capital structure.

The results of the second hypothesis research partially show that the -tcount>-ttable value is -3.1656 > -2.0066 and the significance value is 0.0026 <0.05, which means the hypothesis is accepted. The research results are in line with Dewiningrat & Mustanda (2018), Deviani & Sudjarni (2018), Uli (2020), Afinindy et al. (2021) and Pertiwi et al. (2022) which states that liquidity has a negative influence on capital structure. The current ratio is used to assess whether or not a company is able to pay all its obligations, so that it can attract investors to invest. Reducing the portion of debt in the capital structure can be done by paying off short-term debt. When cash rises, the capital structure of the business falls. Companies with lots of cash will look to their own resources first before making large investments, as the pecking order principle suggests. High liquidity companies often avoid debt because they can fund their operations with existing resources rather than having to go out and borrow money. Companies that have excess liquid assets are able to finance their operational activities and will reduce the use of debt in a company's capital structure (Deviani & Sudjarni, 2018).

The results of the third hypothesis research partially show a value with tcount <ttable of 0.7454 < 2.0076 and a significance of 0.2542 > 0.05, which means the hypothesis is rejected. These results are not in line with research by N. Dewi et al. (2018), Amanda et al. (2018) and Adnyani & Suaryana (2020) which show that company growth has a positive effect on company value. The sales growth rate is not a consideration for investors when investing because high or low sales levels in a business cannot be a guarantee of the return on investment that investors expect (Afinindy et al., 2021). If there are fluctuations in sales levels in each company, the effect will not directly affect the value of a company. Investors are more interested in seeing the level of profit or profits generated by the company compared to the level of sales and this will attract more investors to invest. This result is not in line with signaling theory where the level of sales can be a signal that has an impact on investors' investment decisions. The research results are in line with the findings of Rahayu et al. (2020), Alfinur & Hidayat (2021), Romadhina & Andhitiyara (2021), Afinindy et al. (2021) and Yusmaniarti et al. (2021) and Mutiara et al. (2022) which states that company growth has no influence on company value.

The results of the fourth hypothesis research partially show a tcount <ttable value of -0.0898 < -2.0076 and a significance of 0.9288 > 0.05, which means the hypothesis is rejected. This result is not in accordance with Yanti & Darmayanti (2019), N. Dewi et al. (2018), Uli, (2020) and Hapsoro & Falih (2020) where the results of this research show that liquidity has a positive effect on company value. The level of liquidity a company has cannot affect the value of the business. Low liquidity does not affect the value of the company, it only shows that the ability to pay short-term debt is problematic, it does not

mean that the value of the company will immediately decrease. However, too much liquidity is also not good because it shows a lot of idle money, that is, there is no cash flow to generate profits (Afinindy et al., 2021). Liquidity is related to the company's internal conditions in fulfilling short-term obligations, investors look more at the long-term return on investments made which can be assessed from the profitability ratio. This result is not in accordance with signal theory where companies that have the ability to fulfill their obligations will receive a positive signal because they can provide guarantees for future prospects. The results of this study are in accordance with the findings of Aslindar & Lestari (2020), Iman et al. (2021), Afinindy et al. (2021) and Pertiwi et al. (2022).

The results of the fifth hypothesis research partially show a tcount <ttable value of 1.5434 < 2.0076 and a significance of 0.1289 > 0.05, which means the hypothesis is rejected. These results are not in accordance with research conducted by Khoiril et al. (2018), Wijaya (2019), Isnawati & Widjajanti (2019) and N. Dewi et al. (2018) which states that capital structure does not have a positive influence on company value. The value of the company, as represented in the share price, is not affected by changes in capital structure. Financial decisions made by management are considered to have little impact on the choices made by investors. The size of the debt owned by the company is less attractive to investors, because investors will see how effectively the funds are used to increase the company's value (Uli, 2020). Companies that expand their business will require additional debt so that it will make the company more developed. In the coal mining industry, it definitely requires large amounts of financing obtained from both internal and external companies to carry out its operational activities, so high or low capital structure is not a concern for potential investors as long as the company is able to manage and fulfill all its obligations. Investors can measure the company's long-term financial health and can assess the investment decisions to be taken. Apart from capital structure, income growth and liquidity also have no effect on company value, it seems that potential investors do not see this when investing. Investors will be more interested in seeing how long a company has been established or seeing the existence of companies that have been listed on the IDX as well as seeing the company's track record in general and the rate of return investors receive while investing in a company. The results of this study are not in line with the signal theory where an increase in the value of debt will give a positive signal to firm value. The conclusion of this study that capital structure does not affect firm value is consistent with the findings of Tumangkeng (2019), Hutahaean & Bu'ulolo (2020), (Uli, 2020) and (Mahanani & Kartika, 2022).

The results of the Sobel test prove that capital structure cannot mediate the relationship between company growth and company value with a value of Z < ttable or -0.0448 < 2.0066 and a two-tailed probability of 0.4699 > 0.05, which means the hypothesis is rejected. Research inconsistent with Khoiril et al. (2018), N. Dewi et al., (2018) and Atiningsih & Wahyuni (2020) which emphasize that capital structure can play a mediating role in company growth and value. The level of financial structure cannot affect the relationship between revenue growth and company value because revenue growth can only increase if the company implements a good marketing strategy based on these conditions (Afinindy et al., 2021). There is no influence between income growth and capital structure and there is no influence of capital structure on company value, so capital structure cannot be used as an intermediary variable in this research. The research results of Wijaya (2019), Isnawati & Widjajanti, (2019) and Afinindy et al. (2021) are consistent with this conclusion.

The results of the Sobel test show that capital structure cannot mediate the relationship between liquidity and company value with a value of Z < ttable or -0.0645 < 2.0066 and a two-tailed prob of 0.1562 > 0.05, which means the hypothesis is rejected. This result is not in line with N. Dewi et al. (2018), Aslindar & Lestari (2020) and Pertiwi et al. (2022) who argue that capital structure can mediate between liquidity and company value. Since capital structure has little impact on a company's value, investors focus on whether or not the company uses capital efficiently and whether it creates added value for investors. Companies and investors find that there are other factors that can influence company value. Liquidity has a negative impact on capital structure so it has no impact on company value. These results are in line with the findings of Rahmatullah (2019), Uli (2020) and Hamdani et al. (2022).

CONCLUSION

The relationship between liquidity and capital structure has a negative effect, but there is no growth effect on capital structure. There is no impact of growth rate, liquidity or capital structure on firm value. The results of the Sobel test explain that capital structure cannot mediate the relationship between growth and liquidity on firm value. It can be concluded that coal sector companies do not use sales levels, liquidity and capital structure as a reference or determinant in investing because it can be seen from the results of hypothesis testing where the influence of the variables studied has a small percentage influence on company value. Prospective investors will look more in terms of the profits generated by this industry, how much profit investors will get if they invest their capital in the coal industry, apart from that the coal industry also definitely has liquid assets whose use can be maximized so that they can be an addition in increasing profit. Companies need to manage their assets and inventory optimally so that it will have an impact on investor decisions.

Researchers found that there were limitations in this research, firstly, in selecting the sample companies, not all mining companies in Indonesia were sampled, only the coal sub-sector, there were companies that did not publish financial reports so they could not be included in the data processing and the companies selected were only those that obtained profit in the research period. The variables used are minimal and do not have a significant influence on the coal industry.

Suggestions to future researchers could be to choose a sample with a larger scope and use samples from other industries on the IDX or by using a sample of mining industry companies as a whole using different variables so that they can find other factors that can influence company value such as profitability to find out how Companies are able to obtain profits from business activities and also value for shareholders by calculating return ROA, ROI, ROE and activity ratios to measure the efficiency of a business in converting its assets into income by measuring total asset and inventory turnover. It is hoped that in further research, results will be obtained that are more appropriate and reflect conditions that suit the company.

REFERENCES

Adisurya, P. (2022). Covid-19 and its Effects on Indonesian Capital Market Performance. Bi. Go. Id. https://www.bi.go.id/id/bi-institute/BI-Epsilon/Pages/Covid-19-dan-Efeknya-ke-Performa-Pasar-Modal-Indonesia.aspx

Adnyani, IGNS, & Suaryana, IGNA (2020). The Effect of Company Sizes, Sales Growth, and Profitability on Firm Values. American Journal of Humanities and Social Sciences Research (AJHSSR), 4(6).

Afinindy, I., Salim, U., & Ratnawati, K. (2021). The Effect of Profitability, Firm Size, Liquidity, Sales Growth on Firm Value Mediated Capital Structure. International Journal of Business, Economics and Law, 24(4).

Alfinur, & Hidayat, CW (2021). Firm Size, Sales Growth, Profitability and Firm Value in the Basic Industry and Chemical Sector. MBR (Management and Business Review), 5(1).

Amanda, R., Utary, AR, & Defung, F. (2018). The influence of capital structure and company growth and commodity prices on profitability and company value in the coal mining industry in Indonesia. The influence of capital structure and company growth and commodity prices on profitabi. Journal of Management, 10(2), 147–158.

Andayani, IAKT, & Suardana, KA (2018). The Influence of Profitability, Liquidity, Sales Growth, and Asset Structure on Capital Structure. Udayana University Accounting E-Journal, 24(1).

Aslindar, DA, & Lestari, UP (2020). The Influence of Profitability, Liquidity and Growth Opportunities on Company Value with Capital Structure as an Intervening Variable. Dynamics of Accounting, Finance and Banking, 9(1), 91–106.

Atiningsih, S., & Wahyuni, AN (2020). The Influence of Firm Size, Sales Growth, Asset Structure and Profitability on Company Value with Capital Structure as an Intervening Variable (Empirical Study of Manufacturing Companies Listed on the Indonesia Stock Exchange (BEI) for the 2012 - 2017 Period). Journal of STIE Semarang, 12(1).

Chabachib, M., Hersugondo, H., Septiviardi, D., & Pamungkas, ID (2020). The effect of investment opportunity sets and company growth on firm value: Capital structure as an intervening variable. International Journal of Innovation, Creativity and Change, 12(11), 139–156.

Chasanah, N., & Sucipto, A. (2019). Liquidity Ratio, Profitability, and Solvency on Stock Returns With Capital Structure As An Intervening Variable (Study On Food And Beverage Sub Sector Listed In

Indonesia Stock Exchange (Idx) Period 2013-2017). Ekspektra: Journal of Business and Management, 3, 52–68. https://doi.org/10.25139/ekt.v3i1.1476

Darmawan. (2022). Sharia Financial Management (I). UNY Press.

Deviani, MY, & Sudjarni, LK (2018). The Effect of Growth Rate, Asset Structure, Profitability, and Liquidity on the Capital Structure of Mining Companies in Bei. Udayana University Management E-Journal, 7(3), 1222. https://doi.org/10.24843/ejmunud.2018.v7.i03.p04

Dewi, IAPT, & Sujaya, IK (2019). The Effect of Liquidity, Sales Growth, and Business Risk on Company Value. Udayana University Accounting E-Journal, 26(1).

Dewi, N., Andini, R., & Santoso, EB (2018). The influence of liquidity and company growth on company value with the capital structure variable as an intervening variable. Journal of Accounting Pandanaran Semarang University, 4(4), 1–19.

Dewiningrat, AI, & Mustanda, IK (2018). The Influence of Liquidity, Profitability, and Asset Structure on Capital Structure. Unud Management E-Journal, 7(7), 18–31. https://doi.org/10.32877/eb.v2i3.137

Dominika, D. (2017). The Influence of Liquidity and Capital Structure on Company Value with Profitability as an Intervening Variable in Companies Listed on the Indonesian Stock Exchange. UPN Faculty of Economics and Business. Vol 20. No.1. https://repository.upnvj.ac.id/4477/. Angewandte Chemie International Edition, 6(11), 951–952., 3(1), 103–111.

Endiana, IDM, & Suryandari, NNA (2021). Going Concern Opinion: In terms of agency theory and triggers. EQUITY (Journal of Economics and Finance), 5(2), 224–242. https://doi.org/10.24034/j25485024.y2021.v5.i2.4490

Ermaini, Suryani, AI, Sari, MI, & Hafidzi, AH (2021). Fundamentals of Financial Management (M. Suardi (ed.); First). Blue Ocean Publishers.

Fajariyah, Z., & Susetyo, A. (2020). Effect of Profitability Ratio, Liquidity Ratio, Company Growth on Firm Value and Capital Structure as Intervening Variables. Scientific Journal of Management, Business and Accounting Students (JIMMBA), 2(2), 259–270. https://doi.org/10.32639/jimmba.v2i2.474

Farid, F. Al, & Ramadhan, Y. (2022). Financial Performance as Mediator: Liquidity, Leverage, Corporate Tax, Corporate Value. Indonesian Scientific Journal, 7.

Fauziah, F., & Jamal, SW (2020). Analysis of the Influence of Leverage, Financial Performance, Firm Size and Sales Growth on Firm Value in Manufacturing Companies on the Indonesian Stock Exchange. Research Journal of Accounting and Business Management (RJABM), 4(2).

Franita, R. (2018). Good Corporate Governance and Company Values (H. Wahyuni (ed.); First). AQLI Scientific Research and Writing Institute.

Hamdani, ML, Partini, S., & Pratama, AA (2022). Analysis of the Effect of Profitability, Company Size and Liquidity on Company Value with Capital Structure as an Intervening Variable. Jempper Journal, 2(2).

Handini, S., & Astawinetu, ED (2020). Portfolio Theory and Indonesian Capital Markets. Scopindo Media Library.

Hantono. (2018). Concept of Financial Report Analysis Using the Ratio & SPSS Approach (First). CV Budi Utama.

Hapsoro, D., & Falih, ZN (2020). The Effect of Firm Size, Profitability, and Liquidity on the Firm Value Moderated by Carbon Emission Disclosure. Journal of Accounting and Investment, 21(2). https://doi.org/10.18196/jai.2102147

Harry. (2016). Financial Statement Analysis: Integrated and Comprehensive Edition. PT Grasindo.

Harry. (2017). Accounting Research Review. PT Grasindo.

HS, S., & Anlia, VLB (2021). Corporate Financial Performance of the Jakarta Islamic Index during the Covid -19 Pandemic (FA Pratama (Ed.)). Insania Publisher.

Hutahaean, T.F., & Bu'ulolo, E.K. (2020). The Effect of Capital Structure, Interest Rates and Company Size on Firm Value. Economics, Finance, Investment and Sharia (EQUITY), 2(1).

Faith, C., Sari, FN, & Pujiati, N. (2021). The Effect of Liquidity and Profitability on Firm Value. Journal of Perspectives, 19(2), 191–198. https://doi.org/10.31294/jp.v19i2.11393

Indrarini, S. (2019). Corporate Value through Profit Quality (Good Governance and Corporate Policy) (N. Azizah (Ed.)). Scopindo Media Library.

Isnawati, FN, & Widjajanti, K. (2019). The Influence of Institutional Ownership, Profitability, Company Size and Sales Growth on Company Value with Capital Structure as an Intervening Variable. Journal of Economics and Business Research, 12(1).

Indonesian Ministry of Energy and Mineral Resources. (2021). Government Encourages Mineral and Coal Utilization Policy to Maintain Domestic Energy Security. Indonesian Ministry of Energy and Mineral Resources. https://www.esdm.go.id/id/media-center/arsip-berita/gov-jangan-politik-pecepatan-mineral-dan-batubara-untuk-jaga-kelahanan-energi-domestik

Khoiril, S., Pranaditya, A., & Supriyanto, A. (2018). The Influence of Company Profitability and Growth on Company Value with Capital Structure as an Intervening Variable (Case Study at the company's most active in BEI and the period 2011-2015). Journal of Accounting, 8, 1–16. http://jurnal.unpand.ac.id/index.php/AKS/article/view/977

Kompas.com. (2022). Potential of Indonesia's Natural Resources. Kompas.Com. https://www.kompas.com/skola/read/2020/05/28/110000269/potensi-source-daya-alam-indonesia?page=2

Kustiningsih, N., & Farhan, A. (2022). Financial Management: Basics of Financial Management (CV Globalcare (Ed.)). CV Globalcare.

Mahanani, HT, & Kartika, A. (2022). The influence of capital structure, liquidity, company size, and profitability on company value. Fair Value: Scientific Journal of Accounting and Finance, 5(1).

Mulyadi, O., Suryadi, D., Sari, DP, & Sari, PIP (2022). Advanced Financial Management (Case Study Theory and Problem Solving). Media Scholar Partners CV.

Munandar, A., & Alvian, R. (2022). The Influence of Debt to Equity Ratio, Net Profit Margin and Cash Ratio on Firm Value. Fair Value: Scientific Journal of Accounting and Finance, 5(2), 2622–2205.

Mutiara, N., Purwohedi, U., & Zulaihati, S. (2022). The Influence of Firm Size, Sales Growth and Profitability on Company Value in Companies Listed in the Healthcare, Technology and Food and Beverage Sectors on the Indonesian Stock Exchange for the 2018-2020 Period. Indonesian Journal of Economy, Business, Entrepreneurship and Finance, 2(3).

Nita, N., & Hairul, A. (2017). Analysis of Factors that Influence the Capital Structure of Mining Sector Companies. JSHP (Journal of Social Humanities and Education), 1(1), 53. https://doi.org/10.32487/jshp.v1i1.235

Pertiwi, S., Rahmawati, IY, Darmawan, A., & Innayah, MN (2022). Effect of Profitability, Firm Size and Liquidity on Firm Value With Capital Structure as Intervening Variable (Case Study on Manufacturing Companies Listed on the Indonesia Stock Exchange for the 2017-2020 Period). Economic Media, 22(2).

Purba, MN, Kristiany, E., Djilani, A., & Farera, W. (2020). The Effect of Current Ratio, Return on Assets, Total Asset Turnover and Sales Growth on Capital Structure in Manufacturing Company. International Journal of Social Science and Business, 4(3).

Putra, DA (2021). Coordinating Ministry for Economic Affairs on a Year of Covid-19: Almost All Sectors Are Affected. Merdeka. Com. https://www.merdeka.com/uang/kemenko-perekonomian-soal-setahun-covid-19-virtually-all-sector-terdampak.html

RM, B., & DA, K. (1986). The moderator–mediator variable distinction in social psychological research: Conceptual, strategic, and statistical considerations. Journal of Personality and Social Psychology, 51(6).

Rahayu, VS, Mustikowati, RI, & Suroso, A. (2020). The Influence of Company Size, Sales Growth and Profitability on Company Value. Management Student Research Journal (JRMM), 8(1).

Rahmatullah, DD (2019). The Influence of Profitability and Liquidity on Company Value with Capital Structure as an Intervening Variable. AKUNESA Accounting Journal, 7. https://ejournal.unesa.ac.id/index.php/jurnal-akuntansi/article/view/29926

Romadhina, AP, & Andhitiyara, R. (2021). The Influence of Tax Planning, Sales Growth and Dividend Policy on Company Value. Journal of Information Systems, Applied, Management, Accounting and Research, 5(2).

Saluy, AB, Fitri, EM, Sudjono, & K, N. (2020). The Effect of Capital Structure, Dividend Policies, and Working Capital Routing on Company Value and Profitability as Intervening Variables in Property and Real Estate Companies in Indonesia Stock Exchange 2014-2018. International Research Journal of Innovations in Engineering and Technology, 4(10), 14–19. https://doi.org/10.47001/irjiet/2020.410003

Sari, IAGDM, & Sedana, IBP (2020). Profitability and liquidity on firm value and capital structure as intervening variables. International Research Journal of Management, IT and Social Sciences, 7(1), 116–127. https://doi.org/10.21744/irjmis.v7n1.828

Sivalingam, L., & Kengatharan, L. (2018). Capital structure and financial performance: A study on commercial banks in Sri Lanka. Asian Economic and Financial Review, 8(5), 586–598. https://doi.org/10.18488/journal.aefr.2018.85.586.598

Sudarno, Renaldo, N., Hutauruk, MB, Junaedi, AT, & Suyono. (2022). Financial Research Theory (Andi (ed.); I). CV. Eternal Archipelago Literacy.

Syahputra, E. (2022). This is the Role of the Coal Industry in the National & Regional Economy. CNBC Indonesia. https://www.cnbcindonesia.com/market/20221004113736-17-377028/ini-peran-industri-batu-bara-ke-economic-national-region

Syaifuddin, MS (2021). The Effect of Investment Opportunity Set, Capital Structure, Interest Rate and Inflation on Firm Value. Journal of Islamic Economic Scholar, 2(2), 62. https://doi.org/10.14421/jies.2021.2.2.62-72

Thomas, VF (2020). Corona Impact: 6 out of 11 Coal Companies Threatened with Collapse. Tirto. Id. https://tirto.id/dampak-corona-6-dari-11-corporation-batu-bara-terancam-terpuruk-frdo

Tumangkeng, MF (2019). The Influence of Capital Structure, Company Growth, Profitability and Company Size on Company Value. Journal of Accounting Science and Research, 7(6).

Uli, R. (2020). The Effect of Liquidity on Company Value through Capital Structure and Profitability. Tirtayasa Economics, 15(2).

Widayanthi, NMDG, & Sudiartha, GM (2018). The Effect of Growth Rate on Company Value with Capital Structure as a Moderating Variable. Udayana University Management E-Journal, 7(4), 2196. https://doi.org/10.24843/ejmunud.2018.v07.i04.p17

Wijaya, IGNS (2019). The Effect of Sales Growth on Firm Value with Capital Structure as an Intervening Variable. Journal of Management Science (JUIMA), 9(2).

Yanti, IGADN, & Darmayanti, NPA (2019). Effect of Profitability, Company Size, Leverage and Liquidity on Company Value. Journal of Management, 8(4).

Yulianti, V., & Ramadhan, Y. (2022). Effect of Capital Structure, Profitability and Company Size on Firm Value. Indonesian Scientific Journal, 7.

Yusmaniarti, Sauma, A., Khair, U., Marini, & Ratnawili. (2021). the Influence of Company Growth, Solvability and Profitability on Firm Value in Indonesian Property and Real Estate Companies. Ekombis Review Journal - Scientific Journal of Economics and Business, 9(1).