ABSTRACT

The Effect of Current Ratio, Debt to Equity Ratio, and Total Asset Turnover on Return On Asset at PT Kimia Farma, Tbk

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The purpose of this research was to determine and analyze the effect of the Current Ratio, Debt to Equity Ratio, and Total Asset Turnover on Return On Assets at PT Kimia Farma Tbk. The research method used is a survey. The population in this research is financial report data at PT Kimia Farma Tbk, starting from the company being listed on the Indonesia Stock Exchange until now for 23 consecutive years with the period between 2001 and 2023. The sampling technique uses purposive sampling and is based on predetermined criteria obtained a sample of 10 years. The analytical tool used is Multiple Linear Regression.

Based on the research results it is known that simultaneously Current Ratio, Debt to Equity Ratio, and Total Asset Turnover have a significant effect on Return On Assets at PT Kimia Farma Tbk. Partially Current Ratio has a significant effect on Return On Assets at PT Kimia Farma Tbk, Debt to Equity Ratio has a significant effect on Return On Assets at PT Kimia Farma Tbk, and Total Asset Turnover has a significant effect on Return On Assets at PT Kimia Farma Tbk.

Keyword: Current Ratio, Debt to Equity Ratio, Total Asset Turnover, and Return On Asset