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Abstract: This research was conducted on Consumer Goods companies listed on the IDX (Indonesia Stock Exchange) for the period 2011-2017, aiming to examine the effect of Return on Assets (ROA), Non debt tax shield (NDTS), Asset Growth (GROWTH) Company Size (Size) , and Current Ratio (CR) simultaneously or partially to Debt to Asset Ratio (DAR). The sampling technique used was purposive sampling. The sample used in this study amounted to 26 companies, a total of 182 data. The data analysis technique in this research is multiple linear regression analysis, classic assumption test (normality, multicollinearity, heteroscedasticity, and autocorrelation), hypothesis testing, and the coefficient of determination. The software used for data processing is SPSS 22.0. The results of multiple linear regression analysis show the equation Ln_DAR = 2.119 - 0.041Ln_ROA + 0.091 Ln_NDTS + 0.0003 Ln_GROWTH - 0.030 Ln_SIZE - 0.565 Ln_CR + e with an F test of 103.468. The t-test value for the Return on Assets (ROA) variable is -2.529; the t-test value for the Non debt tax shield (NDTS) variable was 2.629; t test value for asset growth variable (GROWTH) is -0.014. t test value for variable firm size (Size) is -0.172; Current Ratio (CR) variable t test value of -21,437. The coefficient of determination (Adjusted R Square) is 0.739 or 73.9%, while the remaining 26.1% is influenced by other factors outside of this research model.

Keywords: Return on Assets (ROA), Non Debt Tax Shield (NDTS), Asset Growth (GROWTH), Size, Current Ratio (CR), Debt to Asset Ratio (DAR)

INTRODUCTION

Competition in the business world is getting tougher to make a company to increase company value. One of the ways that can be done to increase the value of the company is by increasing the prosperity of ownership or shareholders. The existence of shareholders and their management is very important to determine the amount of profits that will be obtained later. In facing such conditions, every company is recommended or required to be able and
smart to see and read the situation so that it can manage properly in order to be superior in competition.

A decision made by the manager in a lesson must be carefully considered the nature and cost of the source of funds to be selected because each of these sources of funds has different financial consequences. Sources of funds are all estimates contained on the liability side of the balance sheet, from trade payables to retained earnings. The need for capital is very important in building and ensuring the continuity of the company in addition to other supporting factors. Companies need capital in carrying out their business activities which are used to finance the company's operational activities so that they can live and continue to grow from year to year. The capital used by the company is its own capital (equity) and debt (debt), both short term debt and long term debt. Short-term debt is often called current debt, which is an obligation that must be fulfilled in a period of less than one year or within the company's business cycle, while long-term debt is an obligation that must be fulfilled in a period of more than one year.

The capital structure decision is a financial decision related to the composition of debt, preferred stock and common stock used by the company, the manager must be able to raise capital both from within the company and from outside the company efficiently, in the sense that the funding decision is able to minimize the cost of capital that is must be borne by the company. Determining the proportion of debt and equity in its use as a source of company funds is called the capital structure. In an effort to increase company value, one thing that cannot be separated is how to determine the capital structure carried out by the management and the company's shareholders.

Profitability is useful for showing the success of the company in generating profits. Potential investors will carefully analyze the smooth running of a company and its ability to get dividends and market prices from its shares. This ratio is intended to measure the efficiency of the use of company assets (Fahmi, 2017:).

Non debt tax shield as a determinant of capital structure instead of debt, takes the form of depreciation and amortization charges against profit and loss and as a tax deduction is the depreciation value of assets. Depreciation and amortization are driving forces for companies to reduce debt, because depreciation and amortization are cash flows as sources of capital from within the company so that they can reduce debt financing (Djumahir, 2012: 307). Asset growth is the change (increase or decrease) in total assets owned by the company. Asset growth is calculated as the percentage change in assets in a particular year in the preceding year. Asset shows the assets used for the company's operational activities. The greater the assets owned, it is expected that the greater the operational results generated by the company (Kasmir, 2015: 144). Company size is used to see the size of the company according to grouping, namely growth industry, defensive industry, cyclical industry. The size of the company (size) states that the company with a larger size will tend to be diverse and have a smaller chance of failure. Lower bankruptcy costs allow the company to issue more debt and gain greater market access and can create good conditions for the company (Sunyoto, 2013: 115).

Liquidity is the ratio used to measure the company's ability to pay short-term obligations. The liquidity ratio compares short-term liabilities with short-term resources. The more liquidity of a company, the easier it will be to obtain debt funding (Kasmir, 2015: 130).

Several studies that have been conducted include Sansoethan (2016: 1) examining the factors that affect the capital structure of food and beverage companies 2010-2014. The population in this study are food and beverage companies listed on the Indonesia Stock Exchange during the 2010-2014 period. Sampling using purposive sampling technique, so that the samples in this study were 11 food and beverage companies. The results showed that the effect of profitability, asset structure, asset growth, company size, and liquidity together
had a significant effect on capital structure. While the partial test results show that of the five variables used, namely profitability, asset structure, asset growth, company size, and liquidity that have a significant effect on capital structure are asset structure and liquidity variables, while profitability, asset growth, and company size variables do not. has a significant effect on the capital structure.

Margaretha, Farah and Ramadhan (2010: 12) examined the factors that influence the capital structure of the manufacturing industry on the Indonesia Stock Exchange. The population in this study are manufacturing industrial companies listed on the Indonesia Stock Exchange during the period 2005-2008. Sampling using purposive sampling technique, so that the sample in this study were 40 manufacturing industrial companies. The results of the study size, tangibility, profitability, liquidity, growth, and age affect the capital structure. Meanwhile, the non-debt tax shield and investment have no effect on the capital structure.

Dang (2013: 1) examines the capital structure theory using the Error Correction model in companies in three countries, namely England, France and Germany. The theories tested in this study are the trade-off theory and pecking-order theory. The results showed that companies in the three countries did not follow the pecking-order theory. The variable profitability, size, growth opportunities have an effect on capital structure, except for the variable Non debt tax shield does not affect the capital structure of companies in Germany.

Jantarakolica (2015: 207) examines the factors that influence the optimization of the capital structure of companies in the ASEAN region. This study uses a sample of go public companies in five ASEAN countries, namely Indonesia, the Philippines, Malaysia, Singapore, and Thailand. The research period started from 2000 - 2013. The theories that underlie this research are the trade-off theory and pecking-order theory. The results show that companies in Singapore and Thailand behave in accordance with the trade-off theory and pecking-order theory, while companies in Indonesia, the Philippines, and Thailand have a tendency to pecking-order theory in determining the company's capital structure. The variable size, tangibility, non debt tax sheilds, profitability, liquidity have an effect on the capital structure while growth opportunity does not affect the capital structure.

Research conducted by Jantarakolica (2015: 207), Syahara (2015: 191), and Chandra (2016: 47) shows that companies in Indonesia still adhere to pecking order theory. This means that companies in Indonesia are still conservative in making capital structure decisions. Pecking order theory explains that companies prefer internal financing (funding from the company's operations), which costs less than external financing. However, the phenomenon that occurs in Indonesia is that financing with external financing (funding from debt) continues to increase from year to year, both from domestic and foreign loans, this can be seen in two figures 1 below.

LITERATURE REVIEW

The capital structure decision is a financial decision related to the composition of debt, preferred stock and common stock used by the company, the manager must be able to raise capital both from within the company and from outside the company efficiently, in the sense that the funding decision is able to minimize the cost of capital that is must be borne by the company. Determining the proportion of debt and equity in its use as a source of company funds is called the capital structure. In an effort to increase company value, one thing that cannot be separated is how to determine the capital structure carried out by the management and the company's shareholders.

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METHODS

This research uses secondary data obtained from various literatures such as books, journals, internet and others related to research aspects. The population of this research is consumer goods companies listed on the Indonesian Stock Exchange. There are 37 companies registered. The research period uses data from the financial statements of consumer goods companies in 2011-2017.

The method used by researchers to obtain secondary data is to collect data in the form of names of consumer goods companies, as well as other information related to this research. The research data was obtained through internet media by downloading data about mining companies needed in this research. The research data was obtained through the website www.idx.co.id

FINDINGS AND DISCUSSION

The normality test aims to test whether in the regression model, confounding or residual variables have a normal distribution. A good regression model is to have normal or near normal data distribution (Ghozali, 2014: 161).

The multicollinearity test aims to test whether the regression model finds a correlation between independent or independent variables (Ghozali, 2016: 107). In simple terms, each independent variable becomes the dependent variable and regresses to other independent variables. Multicollinearity occurs when there is a significant relationship between the independent variables. So a low tolerance value is the same as a high VIF value (because VIF = 1 / tolerance) and shows high collinearity. The cut off value that is commonly used is a tolerance value> 0.10 or equal to a VIF value above 10. A good regression model should not have correlation between independent (independent) variables. The following are the results of the multicollinearity test.

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from the residuals of one observation to another. If the residual variance from one observation to another is constant, it is called homoscedasticity, and if it is different it is called heteroscedasticity. Heteroscedasticity testing in this study used the scatter plot test. With the assumption that if the independent variable is statistically significant to affect the dependent variable (absolute), there is an indication that heteroscedasticity occurs and vice versa.

The autocorrelation test aims to test whether in the linear regression model there is a correlation between confounding error in period t and confounding error in period t-1 (Ghozali, 2016: 111). The following are the results of the autocorrelation test. The autocorrelation test for this study uses the Durbin Watson test, where it is said that there is no autocorrelation if the durbin Watson value is greater than -2 and less than +2 (-2 <DW <+2). Based on the results of multiple linear analysis with panel data, the coefficient for the independent variable X1 = - 0.041 X2 = 0.091 X3 = 0.0003 X4 = 0.030 X4 = 0.565 constant.
is 2.119, so the regression equation model obtained is as follows 
\[ \text{Ln}_{\text{DAR}} = 2.119 - 0.041 \text{Ln}_{\text{ROA}} + 0.091 \text{Ln}_{\text{NDTS}} + 0.0003 \text{Ln}_{\text{GROWTH}} - 0.030 \text{Ln}_{\text{SIZE}} - 0.565 \text{Ln}_{\text{CR}} + e \]

The results of the F test above show that the value of Fcount > Ftable where 103.468 > 2.27 (df = 182 - 6 = 176; k = 6 - 1 = 5) and the significance value of the test above is 0.000 <0.05 (α = 5%). This proves that the variable Return on Asset (ROA), Non debt tax shield (NDTS) Asset growth (GROWTH) Company size (Size) and Current Ratio (CR) simultaneously affect the variable Debt to Asset Ratio (DAR) (H1 accepted.).

The results of the t test or partial test of the effect of the variable Return on Asset (ROA), Non debt tax shield (NDTS) Asset growth (GROWTH) Company size (Size) and Current Ratio (CR) simultaneously on the variable Debt to Asset Ratio (DAR). The t-count value of the Return on Asset (ROA) variable to the Debt to Asset Ratio (DAR) is -2.529 smaller than the -t-table -1.97353 (df = 182 - 6 = 176; α = 5%) and the significance value 0.012 <0.05 (α = 5%). These results explain that Return on Asset (ROA) affects the Debt to Asset Ratio (DAR) (H2 accepted).

The t-count value of the Non debt tax shield (NDTS) variable to the Debt to Asset Ratio (DAR) of 2.629 is greater than the -t-table of 1.97353 (df = 182 - 6 = 176; α = 5%) and a significance value of 0.009 < 0.05 (α = 5%). These results explain that the Non debt tax shield (NDTS) affects the Debt to Asset Ratio (DAR) (H3 accepted).

The t-count value of the asset growth variable (GROWTH) to the Debt to Asset Ratio (DAR) of -0.014 is greater than -t-table -1.97353 (df = 182 - 6 = 176; α = 5%) and a significance value of 0.989 > 0.05 (α = 5%). These results explain that asset growth (GROWTH) does not comply with the Debt to Asset Ratio (DAR) (H4 is rejected).

The t-count value of the firm size (Size) variable to the Debt to Asset Ratio (DAR) of -0.172 is greater than -t-table -1.97353 (df = 172 - 4 = 168; α = 5%) and a significance value of 0.864 > 0.05 (α = 5%). These results explain that the size of the company (Size) has no effect on the Debt to Asset Ratio (DAR) (H5 is rejected).

The t-count value of the variable Current Ratio (CR) to Debt to Asset Ratio (DAR) of -21.437 is smaller than -t-table -1.97353 (df = 172 - 4 = 168; α = 5%) and a significance value of 0,000 <0.05 (α = 5%). These results explain that the Current Ratio (CR) affects the Debt to Asset Ratio (DAR) (H6 accepted).

a. Effect of Return on Asset (ROA), Non debt tax shield (NDTS), Asset Growth (GROWTH), Company Size (Size), Current Ratio (CR) to Debt to Asset Ratio (DAR)

The results of this study prove that the effect of Return on Assets (ROA), Non debt tax shield (NDTS), Asset Growth (GROWTH), Company Size (Size), Current Ratio (CR) to Debt to Asset (DAR). The value of Fcount > Ftable where 103.468 > 2.27 (df = 182 - 6 = 176; k = 6 - 1 = 5) and the significance value of the test above is 0.000 <0.05 (α = 5%) so that H1 is accepted. This means that the variable Return on Asset (ROA), Non debt tax shield (NDTS) Asset growth (GROWTH) Company size (Size) and Current Ratio (CR) simultaneously to the variable Debt to Asset Ratio (DAR) H1 is accepted.

The results of the Profitability study are in line with research conducted by Firnanti (2011: 127) that profitability affects the capital structure, explaining that companies with higher levels of profitability, thus encourage the use of less debt. This is consistent with the pecking order theory, which states that higher profitability encourages lower debt levels.

When the company earns a large profit, it is likely that the company will distribute more profit to shareholders as dividends. The distribution of dividends is intended to maximize prosperity for shareholders, because the high dividends paid will affect the company's stock price. By paying dividends, it is hoped that the company's performance in the eyes of investors will be good so that it can be recognized that the company is able to face economic turmoil and is able to provide good results to investors. This dividend distribution
may result in a reduced proportion of the company's retained earnings to be used for investment financing in the future. This makes companies have to find other sources of funding to finance corporate investment. The alternative funding that companies can use is external financing that can come from long-term debt. In other words, companies increase the use of debt in financing their investment activities, which means that companies will use more of their long-term debt, thereby increasing the value of their capital structure (Sansoetan, 2016: 16).

The results of the research firm size (Size) are in line with research conducted by Sansoetan (2016: 17) that company size (Size) has no effect on capital structure. Sansoetan (2016: 17) explains that the size of the company (Size) affects the capital structure, meaning that large companies can easily finance their investment through the capital market because of the small information asymmetry that occurs. Investors can get a lot of information from large companies when compared to small companies. So, obtaining funds through the capital market makes the proportion of debt smaller in the capital structure. In every use of sources of funds, either from own capital or foreign capital, must have different capital costs and different levels of risk. Every company, both large and small, will definitely use a safer source of funds first (internal funding), rather than using external sources of funds. In addition, supported by unstable economic conditions, each company has its own policies in determining its capital structure. However, the results of the research firm size (Size) are not in line with research conducted by Primantara and Dewi (2016: 2703) who found that company size has an effect on capital structure. Primantara and Dewi (2016: 2702) explain that the size of the company (Size) describes the size of a company which is shown in the total assets, total sales, and average sales. Large companies tend to be more diversified and more resilient to the risk of bankruptcy and are less likely to experience financial difficulties, so the size of the company greatly affects the capital structure in terms of applying for loans or attracting new investors.

The results of the liquidity study are in line with research conducted by Jantarakolica (2015: 207) which found that liquidity has an effect on capital structure. Jantarakolica (2015: 207) who examines the capital structure of five countries in ASEAN found that Indonesia, Malaysia and the Philippines tend to follow pecking order theory in funding policies. This means that companies in Indonesia prefer internal financing to external financing. In a large, high-profit company, only executives and shareholders have a policy of prioritizing internal company funding. Therefore, there will be more internal funds used, such as retained earnings or additional investment from shareholders. This policy will lead to reduced use of debt. The results of this study are in line with the pecking order theory. However, the results of the liquidity study are not in line with research conducted by Infantri (2015: 10) which found that liquidity has no effect on capital structure. This is because the high level of liquidity is precisely the low level of debt, so the company does not use debt financing. And companies have abundant sources of funds, so companies are more likely to use their internal funds first to finance their investments before using external financing through debt and this is because the higher the company's ability to pay off its short-term obligations, it can identify the company in a healthy state. Described in the pecking order theory where companies rely more on their internal funds for investment financing so that if there is a shortage then external funding is sought.

b. Effect of Return on Asset on Debt to Asset Ratio

The results of this study are in line with research conducted by Firmanti (2011: 122), which explains that companies with higher levels of profitability encourage the use of less debt. This is consistent with the pecking order theory, which states that higher profitability encourages lower debt levels. Primantara and Dewi (2016: 2718) explain that profitability
measures how much the company's ability to generate profits. Companies with high levels of profitability have low levels of debt, because companies with high profitability have abundant internal sources of funds. According to the pecking order theory, companies prefer to use internal funding sources or internal funding rather than external funding. The internal funds are obtained from retained earnings resulting from the company's operational activities. Unlike the research of Sansoetan (2016: 15), Syahara (2015: 196), Margaretha and Ramadhan (2010: 120) who found that profitability had no effect on capital structure. Syahara (2015: 192) found that companies in Indonesia prefer to use debt (according to the trade off theory) in funding in order to get benefits in the form of tax reductions so that these companies can maintain and or even increase their profitability ratios. Sansoetan (2016: 5) explains that the results of this study are in accordance with the trade off theory which states that high profits should have more debt service capacity and more protected taxable profits, therefore it must provide a higher debt ratio. This means that the company will use more debt to get bigger benefits in the form of tax protection (tax shield).

When the company earns a large profit, it is likely that the company will distribute more profit to shareholders as dividends. The distribution of dividends is intended to maximize prosperity for shareholders, because the high dividends paid will affect the company's stock price. By paying dividends, it is hoped that the company's performance in the eyes of investors will be good so that it can be recognized that the company is able to face economic turmoil and is able to provide good results to investors. This dividend distribution may result in a reduced proportion of the company's retained earnings to be used for investment financing in the future. This makes companies have to find other sources of funding to finance corporate investment. The alternative funding that companies can use is external financing that can come from long-term debt. In other words, the company increases the use of debt in financing its investment activities, which means that the company will use more of its long-term debt, thereby increasing the value of its capital structure (Sansoetan, 2016: 16).

c. The Effect of Non Debt Tax Shield on Debt to Asset Ratio (DAR)

The results of this study prove empirically that the Non Debt Tax Shield (NDTS) affects the Debt to Asset Ratio (DAR). The t-count value of the Non debt tax shield (NDTS) variable to the Debt to Asset Ratio (DAR) of 2.629 is greater than the t-table of 1.97353 (df = 182 - 6 = 176; α = 5%) and a significance value of 0.009 < 0.05 (α = 5%). These results explain that the Non debt tax shield (NDTS) affects the Debt to Asset Ratio (DAR) (H3 accepted).

The results of this study are in line with the trade off theory. The logical explanation for the results of this study relates to tax regulations for public companies in Indonesia. Public companies in Indonesia tend to prefer large nominal fixed assets by selling old assets and buying new assets in order to benefit from tax deductions from annual depreciation costs. However, this study is not in line with the research of Dewi and Dana (2017), Syahara (2015), and Margaretha and Ramadhan (2010) who found that the Non Debt Tax Shield has no effect on capital structure. Syahara (2015) found that non-debit tax shield statistically has no effect on capital structure.

d. The Effect of Company Asset Growth on Debt to Asset Ratio

The results of this study prove empirically that company growth (GROWTH) has no effect on the Debt to Asset Ratio (DAR). The t-count value of the asset growth variable (GROWTH) to the Debt to Asset Ratio (DAR) of -0.014 is greater than -t-table -1.97353 (df = 182 - 6 = 176; α = 5%) and a significance value of 0.989 > 0.05 (α = 5%). These results
explain that asset growth (GROWTH) does not comply with the Debt to Asset Ratio (DAR) (H4 is rejected).

e. The Influence of Firm Size (Size) on Debt to Asset Ratio (DAR).

The results of this study prove empirically that the size of the company (Size) has no effect on the Debt to Asset Ratio (DAR) The t-count value of the firm size (Size) variable to the Debt to Asset Ratio (DAR) is -0.172 greater than -t-table. -1.97353 (df = 172 - 4 = 168; α = 5%) and a significance value of 0.864> 0.05 (α = 5%). These results explain that the size of the company (Size) has no effect on the Debt to Asset Ratio (DAR) (H5 is rejected). Changes in the size of the company (Size) as measured by ln total assets will not have an impact on the company’s debt policy, namely the Debt to Asset Ratio (DAR).

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<sup>a</sup> Dependent Variable: Ln_DAR

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<sup>a</sup> Predictors: (Constant), Ln_CR, Ln_ROA, Ln_SIZE
<sup>b</sup> Dependent Variable: Ln_DAR

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<th>Table 3. Multiple Linear Regression</th>
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<td>(Constant)</td>
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<td>Ln_ROA</td>
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<sup>a</sup> Dependent Variable: Ln_DAR

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<sup>a</sup> Dependent Variable: Ln_DAR
<sup>b</sup> Predictors: (Constant), Ln_CR, Ln_ROA, Ln_SIZE
### Table 5. Test t

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<td>Ln_CR</td>
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</tbody>
</table>

*a. Dependent Variable: Ln_DAR*

### Table 6. Determination Coefficient

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
<th>Durbin-Watson</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.855a</td>
<td>.731</td>
<td>.726</td>
<td>.2299</td>
<td>1.047</td>
</tr>
</tbody>
</table>

*a. Predictors: (Constant), Ln_CR, Ln_ROA, Ln_SIZE*

*b. Dependent Variable: Ln_DAR*

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**CONCLUSION AND SUGGESTION**

**Conclusion**

Based on the results of the analysis on the effect of Return on Assets (ROA), Company Size (Size), Current Ratio (CR) on Debt to Asset Ratio (DAR) in Consumer Goods Companies for the 2011-2016 Period, it can be concluded as follows:

1. Return on Asset (ROA), Company Size (Size), Current Ratio (CR) to Debt to Asset Ratio (DAR) simultaneously affect the capital structure of Consumer Goods companies on the Indonesia Stock Exchange. Changes in Return on Asset (ROA), Company Size (Size), and Current Ratio (CR) will simultaneously affect the Debt to Asset Ratio (DAR).

2. Return on Asset (ROA), Company Size (Size), Current Ratio (CR) to Debt to Asset Ratio (DAR) in Consumer Goods companies on the Indonesian Stock Exchange, while Company Size (Size) has no effect on Consumer Goods companies in Indonesia. Indonesia stock exchange. The higher the Return on Asset (ROA) and Current Ratio (CR), the lower
the Debt to Asset Ratio (DAR), while changes in company size (Size) will not affect the Debt to Asset Ratio (DAR).

Suggestions

This research has several suggestions, namely:

1. For companies, companies can use the results of this study as a reference in making scientific decisions. The growth of company assets and liquidity affects company policy in making decisions regarding capital structure policies. If the company wants to reduce debt, the company can focus on asset growth and high liquidity, so that the company will have adequate internal funding.

2. For further research, further research can add other independent variables that are thought to affect the capital structure, such as company age, taxes, growth rates, and interest rates. In addition, further research can extend the research period by more than seven years because changes in funding policy will have long-term impacts.

3. For academics, the results of this study are expected to add references to research in the field of accounting related to the Debt to Asset Ratio (DAR) policy.

REFERENCE


