

The Effect of Return on Assets, Current Ratio, Board of Directors' Remuneration, Debt Tax Shield and Non-Debt Tax Shield on Company Value (Case Study of Food and Beverage Sub-Sector Companies Listed on the Indonesia Stock Exchange 2017-2021)

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ABSTRACT

Company value is the performance of a company as seen from the share price formed by the demand and supply of the capital market, reflecting the assessment of the public's view of the company's performance. The value of the company is reflected in the stock price. It can be assumed that the factors that can affect the value of the company include the return on assets, current ratio, remuneration of directors, debt tax shield and non-debt tax shield. So, the purpose of this study is to determine the effect of the return on assets, current ratio, remuneration of directors, debt tax shield and non-debt tax shield on firm value. The population in this study are food and beverage sub-sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2021. This study uses secondary data from annual financial reports listed on the IDX. This type of research is quantitative research. With the sampling method purposive sampling. The data analysis technique used in this study uses multiple regression analysis. The results of this study indicate that partially the return on assets and directors' remuneration variables have a positive effect on firm value. Meanwhile, the variable current ratio, debt tax shield and non-debt tax shield have no effect on firm value. The results also show that simultaneously the variables return on assets, current ratio, remuneration of directors, debt tax shield and non-debt tax shield affect firm value.

Keywords: Return on assets, Current ratio, Board of directors' remuneration, Debt tax shield, Non-debt tax shield

1. INTRODUCTION

The Indonesian capital market is growing rapidly as indicated by the presence of investors investing in the capital market. The Indonesian capital market has a big role for the country's economy. With the existence of the capital market, parties who have excess funds can put their money into various securities in the hope of reaping benefits. Meanwhile, investors can help companies as parties who need funds to develop their projects (Harmono, 2018). Companies can operate and develop their business with capital market funding and the government can finance various other activities to increase economic activity and people's welfare. The Indonesia Stock Exchange (IDX) is the name of the capital market in Indonesia. The most preferred investment instrument by investors is usually stocks. Stocks were chosen because they are considered capable of providing a high level of profit so that it is expected to increase the welfare of investors.

In the rapid development of the capital market, companies will be published compete to achieve company goals, such as: generating maximum profits and maximizing firm value. The size of the company's value is determined by how well the company's financial performance is. The higher the stock price, the better the company value (Harmono, 2018). However, achieving these goals is not easy because in the current era of globalization, competition between companies is getting tougher with one another, making companies have to be able to compete and survive to maintain the company's survival. The competition is not

only in a few markets, but also in the capital market. For companies that issue shares in the capital market, the price of shares offered is an indicator for calculating the value of the company. If you want to increase the value of the company, management must make comparisons with companies in the same field so that the company's weaknesses can be seen. In addition, evaluate the trend of the company's financial position.

In connection with this study, researchers used food and beverage sub-sector companies as research objects. Food and beverage sub-sector companies are sub-sectors that can contribute to the country's economy and attract investors to invest. This is because these stocks are the most resistant to economic crises, for example during the Covid-19 pandemic. The population of Indonesia as of 31 December 2021 reached 273.87 million, according to the Directorate General of Population and Civil Registration (Dukcapil) of the Ministry of Home Affairs <https://databoks.katadata.co.id>. This population growth has increased the demand for food and beverages, resulting in the emergence of new companies in the food and beverage sector.

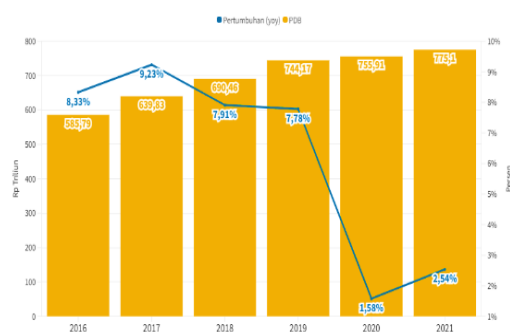


Figure 1
GDP Development of the Food & Beverage Industry (2016-2021)
Source: Central Bureau of Statistics, 2022

In Figure 1 it can be seen that the Central Statistics Agency (BPS) records that the gross domestic product (GDP) at constant prices for the food and beverage industry is IDR 775.1 trillion in 2021. This value has increased by 2.54% compared to the previous year (yoy) which amounted to IDR 755.91 trillion. Not only from 2020 to 2019 that has experienced growth but from 2016 to 2021 there has been GDP growth in the food and beverage industry. The food and beverage industry is relatively immune from economic crises such as the Covid-19 pandemic. This is because the food and beverage industry can generate positive growth in 2020 and 2021 during a pandemic. The food and beverage sub-sector companies certainly reflect on human needs that never stop under any circumstances.

Companies in the food and beverage sub-sector certainly have more complex activities than companies in other sectors, so that stock prices experience increases and decreases (fluctuations). There are several companies in the food and beverage sub-sector that have experienced fluctuations, this is of course due to new information regarding the company's performance in the year concerned. The following are companies that have experienced fluctuations in 2017-2021.

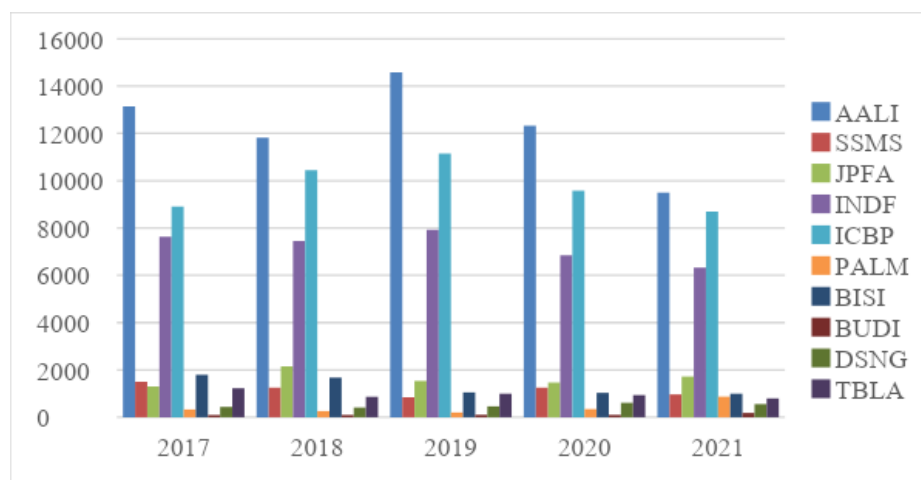


Figure 2
Share Prices of Several Food and Beverage Sub-Sector Companies
Source : <https://www.idx.co.id>, 2023

In Figure 2 there are several food and beverage sub-sector companies that fluctuate. Companies that experience fluctuations in the stock prices of some of the companies above are due to changes in raw material prices per year, causing the company's annual financial performance to vary, there are companies that earn high income from increased sales activities resulting in high profits, there are also companies that experience decreased income due to high raw material costs. In addition to the companies that experienced fluctuations from the several companies above, there were also companies that experienced successive declines in share prices.

Companies that experienced a decline in stock prices in a row in the category Big Cap namely PT Indofood Sukses Makmur Tbk (INDF) from a share price of 7625 in 2017 to 6325 in 2021, this was due to the resulting sales and profitability which were below the previous target, mainly due to the company's performance which was influenced by falling commodity prices, which made the company's profits decrease. On category Mid Cap companies that experienced a consecutive decline, namely PT Bisi International Tbk (BISI) from 1975 in 2017 to 995 in 2021, this was due to the company's performance that was not optimal and also an increase in raw materials, decreased performance made the company's income decrease, decreased revenue resulted in a decrease in net profit for the year. Apart from companies that experienced successive declines, there were also companies that experienced successive increases.

On Category Big Cap there was a company that experienced a successive increase, namely PT Japfa Comfeed Indonesia Tbk (JPFA), this was due to an increase in performance, this increase was obtained by the large number of sales and an increase in net profit compared to the previous year. On category Mid Cap namely PT Provident Agro Tbk (PALM) experienced an increase in share price from 328 in 2017 to 870 in 2021, this was due to an increase in revenue from the previous year so that the profit for the year 2021 exceeded the acquisition. From several companies with all categories PT. Astra Agro Lestari Tbk (AALI) has the highest share price, this is because the company has good fundamentals, marked by increased profits or income. The existence of increased profits makes investors interested in investing in AALI companies. As for the company that has the lowest share price from several companies and categories, namely PT. Budi Starch & Sweetener Tbk (BUDI), this is because the profit or income earned by the company has decreased from year to year, the poor financial performance has made investors lose confidence in the company to invest in PT. Budi Starch & Sweetener Tbk (BUDI).<https://www.idx.co.id/id>

It can be concluded from the above phenomenon that of the ten companies, almost all companies experience fluctuations from year to year, this is because financial performance affects stock performance. The financial performance seen from the increase in profits from the previous year is proof that the company has good performance so that investors trust the company to invest. The company value is measured by the stock price, the higher the stock price, the better the company value (Harmono, 2018).

According to (Harmono, 2018: 233), Firm Value is the public's perception of the performance of a company which is reflected in the share price formed by the demand and supply of the capital market. If in the measurement of this ratio a high value is obtained, the company's value will also be higher in the eyes of investors regarding the prospects or performance of a company. Factors suspected to have an influence on firm value include: Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non- Debt Tax Shield.

The first factor that can affect the value of the company is Return on Assets. According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets. The value of the company will increase along with the increase Return on Assets. That is, the value of the company increases in proportion to its profit ratio. This is because with a high profit or profit reflects that the company's performance prospects are good and can encourage investors to increase demand for shares. When the demand for shares increases, the value of the company will also increase. So, with that Return On Assets will result in an increase in firm value.

The second factor that can affect the value of the company is current ratio. According to Kasmir (2016:146) Current Ratio is the ratio used to measure a company's ability to pay short-term debt or debt that is due at the time of collection. This variable can affect investors' decisions in determining investment decisions. The higher it is current ratio means that it is increasingly able to overcome the company's debts to investors so that investors will feel safe when investing in the company. Therefore, the higher this ratio, the better the company value.

The third factor that can affect the value of the company is the remuneration of directors. According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form of financial and non financial. So, the remuneration of the directors is the compensation given to the directors for the performance, authority and responsibility carried out. The greater the remuneration given for their performance makes the employee more enthusiastic to work so as to produce good corporate value.

The fourth factor that can affect the value of the company is Debt Tax Shield. According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt. The use of debt by companies can affect the company's taxable income, this is due to interest expenses arising from debt. The existence of interest expenses arising from debt is part of business expenses which can reduce income, so that it can cause the company's taxable profit to decrease which will ultimately reduce the amount of tax that must be paid by the company. The tax reduction resulting from interest payments encourages companies to prefer debt financing over equity. High debt levels can affect the value of the Company.

The fifth factor that can affect the value of the company is namely Non-Debt Tax Shield. According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets. The profit obtained by the company if debt is used as funding for the company's investment activities will have an impact on tax savings and interest costs that will be paid. If the company incurs more depreciation costs, it will receive tax benefits as a result

of the costs incurred. As a result, there is an inverse relationship between debt and non-debt tax shield. Low debt levels can affect the value of the company.

Research conducted by Ambarwati, Jenny (2021) shows that profitability is proxied by return on assets effect on firm value. Meanwhile, research conducted by Tanjung, K., & Sonazaro (2022) shows that return on assets does not affect the value of the company. Research conducted by Fitri, et al (2018) current ratio effect on firm value. Meanwhile, research conducted by Ambarwati, Jenny (2021) shows that liquidity is proxied by current ratio does not affect the value of the company. In Setiadi's research, Anshari (2021) shows that remuneration for directors has a positive and significant effect on company value in manufacturing companies listed on the IDX in 2016-2019. In Ancient Research, you at the (2018) shows that indirectly Non-Debt Tax Shield through the capital structure has a significant influence on firm value.

There are differences in the results of the researcher's research with previous research, therefore the researcher will re-examine whether there is a positive or negative effect of the variable Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield to company value.

The difference between this research and research conducted by Ambarwati, Jenny (2021) lies in the variables, the researchers added three new variables, namely: Board of Directors Remuneration, Debt Tax shield, Non-Debt Tax Shield while refer to liquidity and profitability researchers as independent variables and the dependent variable is firm value. The author's research was conducted on food and beverage sub-sector companies on the Indonesia Stock Exchange (IDX) in 2017-2021 while previous research was on the same sub-sector companies but in 2015-2019.

Based on the phenomena, descriptions and differences with previous studies that have been described above, the authors are interested in conducting research on this problem with the title: "The Effect of Return On Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield on Company Value (Case Study of Food and Beverage Sub-Sector Companies Listed on the Indonesia Stock Exchange 2017 – 2021)."

The existence of this study aims to determine whether Return on Assets, Current Ratio, Remuneration of Directors, Debt Tax Shield and Non-Debt Tax Shield have an effect on company value.

2. LITERATURE REVIEW

2.1 Theory and Research Variables

2.1.1 Signaling Theory

The formulation of signal theory was first coined by Spence in 1973 which said that the sender (owner of the information) gives a signal in the form of information that reflects the condition of the company that is profitable for the recipient or investor. According to Brigham and Houston (2011) Signal theory is management's perception of the company's future growth that influences potential reactions to the company. Meanwhile, according to Putri (2020) the signal theory suggests that the sender or owner of the information provides signals or signals in the form of information that can describe the condition of a company for the performance carried out so that this information can be useful for the recipient or investors.

2.1.2 Pecking Order Theory

Danalsen in 1961 was the first to introduce this theory, and gave it a name pecking order theory namely Myers (1984). Pecking order theory is a theory which states that companies prefer internal funding over external funding, because internal funding is safer than using external funding (Myers, 1984). According to Fahmi, Irham (2017) Pecking order theory is the company's policy in selling its assets to raise additional funds, such as: selling its buildings, land, equipment and other assets, including issuing and selling shares in the capital market and funds originating from retained earnings.

2.2 The value of the company

According to Harmono (2018: 233) Corporate Value is the public's perception of a company's performance which is reflected in the share price formed by the demand and supply of the capital market. Firm value can also be referred to as market value because it can maximize shareholder wealth if the company's stock price rises. Meanwhile, according to Husnan (2014) company value is the price paid by prospective buyers if the company is sold. It can be concluded that the company value is the price set by the owner of the company if the company is sold, the company value is reflected in the stock price. Price to Book Value (PBV) is used in this study to measure firm value. PBV is one of the variables used by an investor when considering purchasing shares (Setiadi, 2021).

2.3 Return on Assets (ROA)

According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets. Return on Assets is the most important profitability ratio among existing profitability ratios. According to Fahmi, Irham (2014) The profitability ratio is the ratio used to assess how effective the management function as a whole is seen from the size of the profit derived from its relationship with sales and investment.

It can be concluded that the profitability ratio known as Return on Assets is one that is often used by financial managers to assess the overall efficiency where the company's performance in generating profits is evaluated by considering the assets owned by the company.

2.4 Current Ratio (CR)

According to Kasmir (2016:146) Current Ratio is the ratio used to measure a company's ability to pay short-term debt or debt that is due at the time of collection. Current Ratio is part of the liquidity ratio. According to Sartono (2001) Liquidity Ratio, namely the ratio that shows the company's ability to make timely payments on short-term financial obligations, company liquidity is indicated by the size of current assets, namely assets that are easy to convert into cash which includes cash, securities, receivables, inventories. According to Harmono (2018) Current Ratio is an indicator of company liquidity obtained from current assets divided by current liabilities.

Therefore, it can be concluded that Current Ratio is the ratio that compares the company's short-term liabilities with current assets owned by the company, so that it can determine the performance or condition of the company whether it is liquid or illiquid.

2.5 Board of Directors Remuneration

According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form of financial or non financial. Meanwhile, according to Neokleous (2015) remuneration is a

reward related to performance carried out by employees which can be in the form of: financial and non-financial such as salaries, benefits, stock options, pension funds and other benefits. So, the remuneration of the directors is the compensation given to the directors for the performance, authority and responsibility carried out.

Minister of BUMN Regulation PER-01/MBU/05/2019 regulates BUMN policies regarding the provision of remuneration to the board of directors. The regulation states that the composition of remuneration for different directors is based on position factors.

According to Lipman and Hall (2015) remuneration in the form of salaries, pension funds, benefits and other benefits can encourage better quality directors for companies.

2.6 Debt Tax Shield

According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt. The use of debt by companies can affect the company's taxable income, this is due to interest expenses arising from debt. The existence of interest expenses arising from debt is part of business expenses which can reduce income, so that it can cause the company's taxable profit to decrease which will ultimately reduce the amount of tax that must be paid by the company. Therefore, the interest expense (interest expense) for the company can be referred to as a tax benefit on interest (interest tax shield).

2.7 Non-Debt Tax Shield

According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets. According to Tirsono (2008) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt. According to Djumahir (2005) Non-Debt Tax Shield are non-cash costs, such as depreciation and amortization that can be deducted from paying taxes other than debt.

2.8 Thinking Framework

In this study, researchers conducted research obtained from the Indonesia Stock Exchange (IDX) on companies in the food and beverage sub-sector manufacturing sector in 2017-2021. In the food and beverage sub-sector companies, it can be seen from the financial reports to complete the information needed in this study.

In addition to the existence of financial reports, this study uses two theories. The theory used in this study is signaling theory and pecking order theory. Signaling theory underlies the explanation of the variables return on assets, current ratio and the remuneration of directors because in the company of course there are signals for shareholders from company managers with the aim of analyzing the actual condition of the company. Signals for shareholders can be seen through the published financial reports. In the financial statements can be seen the actual condition of the company so that shareholders can analyze the condition of the company on its performance. Whereas pecking order theory underlies the explanation of the variable's debt tax shield and non-debt tax shield.

According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets. Relationship with variables Return on Assets that shareholders can see the signals given by managers through financial reports so that shareholders know the company can generate profits or profits from company assets that are utilized properly or not. Judging from the published financial report signals, the greater this ratio, the more the company is able to utilize or manage assets properly so as to generate profits. Given this, investors will be impressed with the company's performance, which can increase its value.

According to Kasmir (2016:146) Current Ratio is the ratio used to measure a company's ability to pay short-term debt or debt that is due at the time of collection. Relationship with variables current ratio that shareholders can see the signals given by managers through financial reports so that shareholders know whether the company can fulfill its short-term obligations to creditors or not. Judging from the published financial report signals, the higher this ratio, the more efficient the company is in using current assets in the company because the assets in the company can be put to good use. With this, investors will be impressed with the company's performance, which can increase its value.

According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form of financial or non-financial. So, the remuneration of the directors is a reward given to the directors for the performance, authority and responsibility carried out. The directors' remuneration relationship provides a signal to the board of directors. The greater the remuneration given, the firm value will increase because it motivates employees and increases enthusiasm for work resulting in good corporate value.

According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt. The use of debt by companies can affect the company's taxable income, this is due to interest expenses arising from debt. Based on pecking order theory, debt tax shield has a negative relationship to the value of the company because the amount of debt that arises will make the value of the company less good as seen from a decrease in stock prices.

According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets. As a result, there is an inverse relationship between debt and non debt tax shield. Based on pecking order theory companies like internal funding, because companies do non debt tax shield A large number indicates that the company has large internal reserves, so the company chooses not to use debt. A low level of debt can affect the value of the company. From this explanation, the following framework can be created:

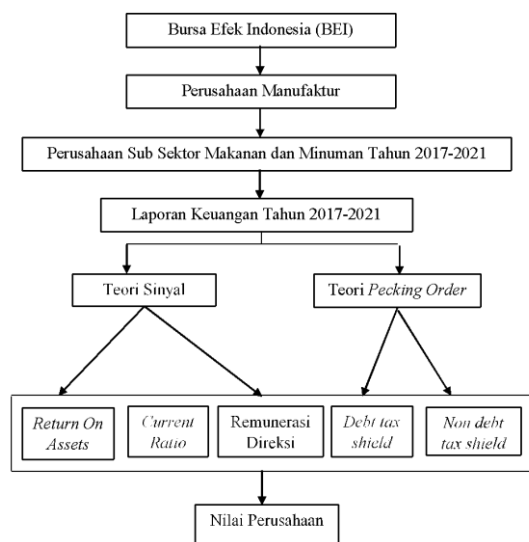


Figure 3
Thinking Framework

2.9 Hypothesis Development

2.9.1 The Effect of Return on Assets to Company Value

According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets. The value of the company will increase along with the increase in Return on Asset. That is, the value of the company increases in proportion to its profit ratio. This is because investors may be motivated to increase their market share with high gains or profits, indicating promising future prospects. Rising demand for shares will increase the value of the company. So, with that return on Asset will have an impact on increasing the value of the company. Therefore, companies must make every effort to be able to increase company profits in achieving good company value. The results of research conducted by Iman, C., et al (2021) and Ambarwati, Jenny (2021) revealed that proximate profitability Return On Assets has a positive effect on firm value, therefore the researcher formulates the following hypothesis:

H₁: Return on Assets positive effect on firm value

2.9.2 The Effect of Current Ratio to company value

According to Kasmir (2016:146) Current Ratio is the ratio used to measure a company's ability to pay short-term debt or debt that is due at the time of collection. The higher the company's liquidity ratio, the more the company's value will increase. This is caused by a high level of liquidity; it is less likely to fail to fulfill its short-term obligations to creditors and vice versa. The desire of potential investors to invest their own funds will be influenced by the high or low value of this ratio. The greater this ratio, the more effectively the company uses its current assets. This can increase the value of the company. The results of research conducted by Hutabarat, F., et al (2020) in telecommunications sub-sector companies as well as Fitri, Nur., et al (2018) in the automotive sector companies reveal that Current Ratio has a positive effect on firm value, therefore the researcher formulates the following hypothesis:

H₂: Current Ratio positive effect on firm value.

2.9.3 The Effect of Board of Directors' Remuneration on Company Value

According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form offinancial ornon financial. So, the remuneration of the directors is the compensation given to the directors for the performance, authority and responsibility carried out. Remuneration is the same as compensation because it can increase productivity and discipline and each individual will make himself even better. The greater the remuneration given, the firm value will increase because it motivates employees and increases enthusiasm for work resulting in good corporate value. The results of research conducted by Setiadi, Anshari (2021) reveal that the remuneration of directors has a positive effect on company value, therefore the researchers formulate the hypothesis as follows:

H₃: Directors' remuneration has a positive effect on firm value.

2.9.4 The Effect of Debt Tax Shield to Company Value

According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt. The use of debt by companies can affect the company's taxable income, this is due to interest expenses arising from debt. The existence of interest expenses arising from debt is part of business expenses which can reduce income, so that it can cause the company's taxable profit to decrease which will ultimately reduce the amount of tax that must be paid by the company. The tax reduction resulting from interest payments encourages companies to

prefer debt financing over equity. Even though using company debt will experience risk because of the large installments that must be paid. Deducting tax payments from debt obtained from interest costs will reduce the company's profit so that it can affect the value of the company. Based on pecking order theory, debt tax shield has a negative relationship to company value because companies prefer internal funding over external funding, the amount of debt that arises will make the company value less good as seen from a decrease in stock prices (Suad Husnan, 2016). Based on the description above, the writer formulates the hypothesis as follows:

H₄ : Debt tax shield negative effect on firm value.

2.9.5 The Effect of Non-Debt Tax Shield to Company Value

According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets. As a result, there is an inverse relationship between debt and non-debt tax shield. Non debt tax shield A high rate will cause high depreciation and amortization because the company has high fixed assets as well. Companies with high fixed assets will gain large tax benefits in the form of depreciation and amortization costs which can be deducted in calculating the amount of tax payable. Based on pecking order theory companies prefer internal funding, because the company owns non debt tax shield A large number indicates that the company has large internal reserves, so the company chooses not to use debt (Suad Husnan, 2016). Even though the depreciation and amortization costs are a deduction from income, causing the company's taxable profit to decrease which will ultimately reduce the amount of tax that must be paid by the company. Low company profits will affect the value of the company or investor interest in investing in the company. Based on the description above, the writer formulates the hypothesis as follows:

H₅: Non debt tax shield negative effect on firm value.

2.9.6 The Effect Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield Against Company Value

Based on previous research, there are several factors that can affect firm value, namely return on assets, current ratio, remuneration directors, debt tax shield and non-debt tax shield. Researchers predict that these factors have an influence on firm value. Investors by seeing good performance such as a company can generate profits from its assets, can fulfill the company's debts so that investors will be interested in investing in the company so that it can increase the value of the company. The greater the remuneration given, the firm value will increase because it motivates employees and increases enthusiasm for work thereby creating good corporate value. So, the researchers formulated the hypothesis as follows:

H₆: Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non Debt Tax Shield effect simultaneously on Firm Value.

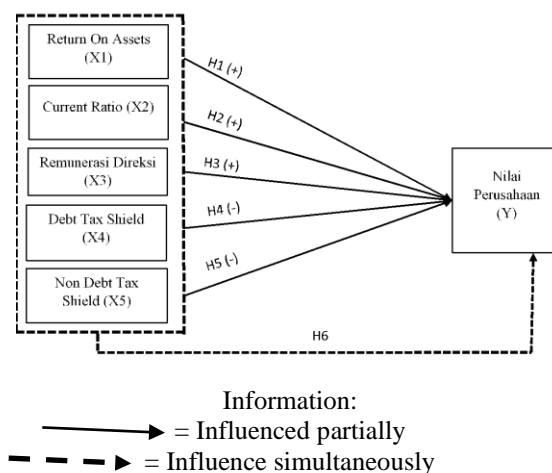


Figure 4: Hypothesis Framework

3. METHODOLOGY

3.1 Types of research

Quantitative research can be interpreted as a research method based on a certain population and sample. This is done by collecting, using research instruments and analyzing quantitative or statistical data to test the established hypotheses (Sugiyono, 2018: 8). This is to test and analyze the effect Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield to Company Value. Quantitative data was obtained from the Annual Report on the Indonesia Stock Exchange which was processed using SPSS Version 22.0.

3.2 Method of collecting data

This study uses secondary data. Secondary research is research where data is not obtained directly, data is obtained through other people or obtained from documents (Sugiyono, 2018: 213). This study uses data in the form of documents from the financial statements of companies in the food and beverage sub-sector. The data sources in this study consist of financial reports for 2017-2021 obtained from www.idx.co.id and www.investing.com.

3.4 Population and sample

The population in this study is the food and beverage sub-sector companies listed on the Indonesia Stock Exchange for the 2017-2021 period as many as 72 companies. This study uses a sampling technique that is sampling purposive. According to Sugiyono (2018:138) purposive sampling is a technique used in selecting research samples with consideration according to the desired criteria to be able to determine the number of samples to be examined by researchers. The criteria in this study include: Companies listed on the Indonesia Stock Exchange in 2017-2021, have complete financial data and end on December 31 of that year. So that the total sample is 141.

3.5 Variable Operationalization

Table 1
Variable Operationalization

Variable	Definition	Indicator	Scale
Return on Assets (X1)	According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets.	$\text{Return On Assets} = \frac{\text{Net Profit After Tax}}{\text{Total Asset}}$ <p>Harmony (2018)</p>	Ratio
Current Ratio (X2)	According to Kasmir (2016:146) Current Ratio is the ratio used to measure a company's ability to pay short-term debt or debt that is due at the time of collection.	$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$ <p>Fahmi, Irham (2017)</p>	Ratio
Board of Directors Remuneration (X3)	According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form of financial or non financial.	<p>Remuneration (REM) = LN (Total Remuneration for Directors)</p> <p>Setiadi, Ansari. A. (2021)</p>	Ratio
Debt Tax Shield (X4)	According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt.	$\text{Debt Tax Shield} = \frac{\text{Interest Charge}}{\text{Earnings Before Interest and Taxes}}$ <p>Yunira, Haervi (2022)</p>	Ratio
Non-Debt Tax Shield (X5)	According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets.	$\text{Non Debt Tax Shield} = \frac{\text{Total Depreciation and Amortization Expenses}}{\text{Total Assets}}$ <p>(Ancient And al., 2018)</p>	Ratio
Firm Value (Y)	According to Harmono (2018: 233) Corporate Value is the public's perception of a company's performance which is reflected in the share price formed by the demand and supply of the capital market.	$\text{PBV} = \frac{\text{Market Value}}{\text{Book Value Per Share}}$ <p>(Setiadi, Ansari. A. 2021)</p>	Ratio

Data processed, 2023

3.6 Data analysis

Data analysis is used to simplify data that has been obtained into new information.

3.6.1 Descriptive statistics

Descriptive statistics are statistics that provide a description of the data that can be seen from the minimum value, maximum value, average (Average) and standard deviation.

3.6.2 Classic assumption test

The classic assumption test is a prerequisite test that is carried out before carrying out further analysis of existing data. The classic assumption test consists of: Normality Test, Multicollinearity Test, Heteroscedasticity Test and Autocorrelation Test.

Normality test is carried out to find out whether in a regression model, error the result has a normal distribution or not. The data normality test was carried out by testing Kolmogorov Smirnov, histograms and PP plot standardized residual.

The multicollinearity test is a regression model test for each independent variable to find out whether there is a correlation between one independent variable and other independent variables.

The heteroscedasticity test is used to test whether in the regression model there is an inequality of variance from the residual of one observation to another.

The autocorrelation test is used to determine whether there is a correlation in the regression model between the confounding errors in period t and the confounding errors in the t-1 period (previous period).

3.6.3 Hypothesis testing

Hypothesis is a provisional conjecture. Hypothesis testing is done to test whether there is influence between the independent variables on the dependent variable. The hypothesis test consists of two, namely: t test and F test.

The partial effect significance test or commonly called the t test is used to determine the effect of each independent variable on the dependent variable. The effect of the independent variables on the dependent variable can be seen by looking at the results of the t test as follows:

- If $t \text{ count} > t \text{ table}$, then H_0 is rejected so that there is influence between the independent variable (X) on the dependent variable (Y).
- If $t \text{ count} < t \text{ table}$, then H_0 is accepted so that there is no influence between the independent variable (X) on the dependent variable (Y).

Simultaneous significance test (test statistic F) is used to determine the effect of the independent variables together on the dependent variable. This can be seen by comparing the F table with F count. If the calculated F value $>$ F table, then the independent variables simultaneously affect the dependent variable.

3.6.4 Multiple Regression Analysis

This analysis was conducted to determine the positive and negative relationships between the independent variables and the dependent variable, which in this study is the independent variable Return On Assets (X_1), Current Ratio (X_2), Board of Directors Remuneration (X_3), Debt Tax Shield (X_4) and Non Debt Tax Shield (X_5) while the variable that becomes the dependent variable is Firm Value (Y). The regression model used is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + b_5X_5 + \text{and}$$

Where:

- and : The value of the company
- a : Constant
- b_1, b_2, b_3, b_4 : Regression Coefficient
- X_1 : Return on Assets
- X_2 : Current Ratio
- X_3 : Remuneration of the Board of Directors

X₄ : Debt Tax Shield
X₅ : Non-Debt Tax Shield
It is : error rate (error)

3.6.5 Analysis of the Coefficient of Determination

This analysis is used to measure how far the model's ability to explain the dependent variable. R²=1 means the independent variable affects the dependent variable, and R²=0 means the independent variable does not affect the dependent variable.

4. EMPIRICAL RESULTS

4.1 Data Collection Analysis

This research was conducted at food and beverage sub-sector companies listed on the Indonesia Stock Exchange for 5 periods 2017-2021. Sampling in this study using purposive sampling, where sampling is done based on criteria or parameters. The criteria for the company can be seen in the table below:

Table 2
Sample Criteria

No	Criteria	Amount
1.	Food and beverage sub-sector companies listed on the Indonesia Stock Exchange in 2017-2021.	72 Companies
2.	Food and beverage sub-sector companies that do not have complete data	(28) Company
Number of sample companies used		44 Companies
Number of years of research		5 years
Number of samples		220
Data Outlier		(79) data
Final sample quantity		141 data

Source: Processed data, 2023

4.2 Descriptive statistics

Table 3
Descriptive Statistical Test Results
Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
THE VALUE OF THE COMPANY	141	.07	6.14	1.9403	1.42527
RETURN ON ASSETS	141	.00	.60	.0698	.07186
CURRENT RATIO	141	.34	51.13	2.6541	4.61800
BOARD OF DIRECTORS' REMUNERATION	141	10.01	26.75	22.9802	3.07701
DEBT TAX SHIELD	141	.00	7.06	.3618	.70556
NON-DEBT TAX SHIELD	141	.00	.11	.0298	.01678
Valid N (listwise)	141				

Source: Data processed, 2023

The results of data processing in table 3 show that there are 141 valid data. From the data Return On Assets shows a minimum value of 0.00 with a maximum value of 0.60 in the variable Current Ratio shows a minimum value of 0.34 with a maximum value of 51.13 in the variable Remuneration of the Board of Directors shows a minimum value of 10.01 with a maximum value of 26.75 in the variable Debt Tax Shield minimum value of 0.00 with a maximum value of 7.06 on the variable Non Debt Tax Shield minimum value of 0.00 with a

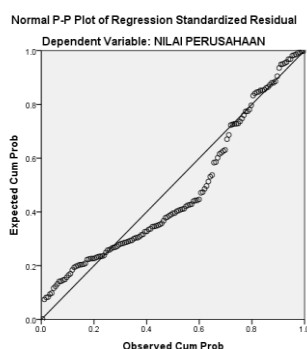
maximum value of 0.11 and the company value variable shows a minimum value of 0.07 and a maximum value of 6.14.

4.3 Classic assumption test

4.3.1 Normality Test

The data normality test aims to determine whether in a regression model, the independent and dependent variables have a normal distribution or not. This Normality test can be identified by using the P-Plot graph, histogram graph and also the Kolmogorov-Smirnov test.

Figure 5
Graphic P-Plot

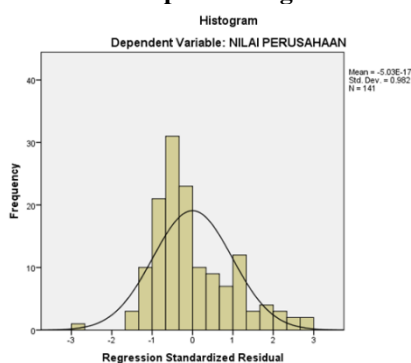


Source: Data processed, 2023

Based on Figure 5 above, the results of the normal P-Plot test illustrate that the model meets the normality assumption, in which the points spread around the diagonal line and follow the direction of the diagonal line, so the regression model meets the normality assumption. So, the regression model is suitable for predicting firm value.

The histogram graph normality test is a test seen from the curve on the graph, if the normal curve on the graph follows the sound of a bell like a bell then the results indicate that the data is normally distributed.

Figure 6
Graphic Histogram



Source: Data processed, 2023

From Figure 6 it can be seen that the data distribution has a curve that is considered a bell shape. Because of that, error regression can be said to be normally distributed.

The Kolmogorov-Smirnov normality test has the following provisions:

- 1). If the significance value is > 0.05 , the data is normally distributed.
- 2). If the significance value is < 0.05 , the data is not normally distributed.

Table 4

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		141
Normal Parameters ^{a,b}	Mean	.0000000
	Std. Deviation	.66584327
Most Extreme Differences	Absolute	.062
	Positive	.049
	Negative	-.062
Test Statistic		.062
Asymp. Sig. (2-tailed)		.200 ^{c,d}

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Source: Data processed, 2023

Based on table 4 above the significance value is $0.200 > 0.05$, it can be stated that the data is normally distributed. So that the regression model meets the assumption of normality.

4.3.2 Multicollinearity Test

The multicollinearity test was used to test whether the regression model found a strong correlation between the independent variables. A good regression model should not have a correlation between the independent (free) variables. The following are the results of testing by conducting a Multicollinearity Test when the data has been processed as follows:

Table 5
Multicollinearity Test
Coefficients^a

Model	Collinearity Statistics	
	Tolerance	VIF
1 RETURN ON ASSETS	.911	1.098
CURRENT RATIO	.990	1.010
BOARD OF DIRECTORS' REMUNERATION	.949	1.054
DEBT TAX SHIELD	.940	1.064
NON-DEBT TAX SHIELD	.953	1.049

a. Dependent Variable: COMPANY VALUE

Source: Data processed, 2023

From table 5 the guidelines for a multicollinearity-free regression model are by looking at the VIF value, as follows:

- Has a VIF around the number 1
- Have a tolerance figure close to 1.

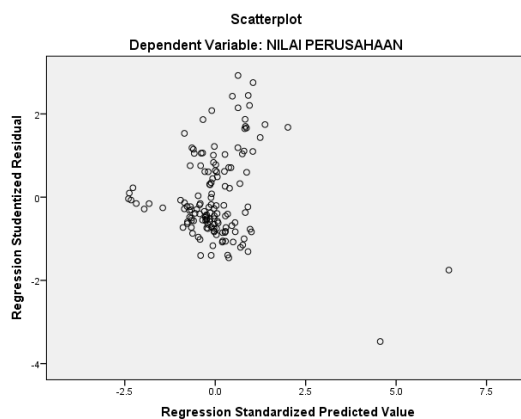
The multicollinearity test results show that the value tolerance > 0.1 and has a VIF value < 10 so that it can be concluded that from the five independent variables in this study there are no symptoms of multicollinearity.

4.3.3 Heteroscedasticity Test

The heteroscedasticity test is used to test whether in the regression model there is an inequality of variance from the residuals in another observation. If the residual variation from another observation remains, then it is called homoscedasticity, and if the variance is

different it is called heteroscedasticity. A good model is that there is no heteroscedasticity. The method for testing heteroscedasticity is the Scatterplot method.

Figure 7
Uji Scatterplot



Source: Data processed, 2023

In Figure 7 it can be seen that the points spread randomly and do not form a certain pattern so that heteroscedasticity does not occur and the regression equation is suitable for predicting. This regression can be said to be good because there is no heteroscedasticity.

4.3.4 Autocorrelation Test

According to Ghazali (2018: 111) The autocorrelation test aims to find out whether there is a correlation in the regression model between the confounding errors in period t and the interfering errors in the t-1 period (previous period).

Table 6
Autocorrelation Test Results
Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.451 ^a	.203	.174	1.29570	.924

a. Predictors: (Constant), NON-DEBT TAX SHIELD, DEBT TAX SHIELD, CURRENT RATIO, REMUNERASI DIREKSI, RETURN ON ASSETS

b. Dependent Variable: COMPANY VALUE

Source: Data processed, 2023

Table 6 shows the results of Durbin Watson, the Durbin Watson value in Table 6 shows a result of 0.924 so there is no autocorrelation because the results are between -2 and 2.

4.4 Hypothesis testing

4.4.1 Multiple Regression Analysis

Multiple linear regression is used to determine the positive or negative relationship between the independent variable and the dependent variable. Below is a table of multiple linear regression analysis test results using the SPSS version 22 application:

Table 7

**Multiple Linear Regression Analysis
Coefficients^a**

Model	Unstandardized Coefficients		Standardized Coefficients	T	Say.
	B	Std. Error	Beta		
1 (Constant)	-1.321	.902		-1.465	.145
RETURN ON ASSETS	7.574	1.597	.382	4.744	.000
CURRENT RATIO	-.004	.024	-.013	-.172	.864
BOARD OF DIRECTORS' REMUNERATION	.101	.037	.218	2.766	.006
DEBT TAX SHIELD	.262	.160	.130	1.640	.103
NON-DEBT TAX SHIELD	10.931	6.684	.129	1.635	.104

a. Dependent Variable: COMPANY VALUE

Source: Data processed, 2023

By looking at table 7, the regression equation (model) is obtained as follows:
 $Y = -1,321 + 7,574 X_1 - 0,004 X_2 + 0,101 X_3 + 0,262 X_4 + 10,931 X_5 +$ and

Based on the regression results above, the regression coefficients of each independent variable can be interpreted as follows:

1. The constant -1.321 can be interpreted if all the independent variables (Return On Assets, Current Ratio, board of directors remuneration, debt tax shield and non debt tax shield) is considered constant or does not change, then the company value is -1.321. The negative constant occurs because of a decrease in the value of the company by -1.321.
2. Coefficient Value Return on Assets 7.574 states that each addition Return On Assets by 1% then the value of the company will increase by 7.574.
3. Coefficient Value Current Ratio -0.004 represents that every addition Current Ratio by 1% then the value of the company will decrease by -0.004.
4. The Board of Directors' Remuneration Coefficient Value of 0.101 states that for each additional 1% of the Board of Directors' Remuneration, the company's value will increase by 0.101.
5. Coefficient Value Debt Tax Shield 0.262 states that each addition Debt Tax Shield by 1% then the value of the company will increase by 0.262.
6. Coefficient Value Non Debt Tax Shield 10.931 states that each addition Non-Debt Tax Shield by 1% then the value of the company will increase by 10.931.

4.4.2 Analysis of the Coefficient of Determination

**Table 8
Analysis of the Coefficient of Determination
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.451 ^a	.203	.174	1.29570

a. Predictors: (Constant), NON-DEBT TAX SHIELD, DEBT TAX SHIELD, CURRENT RATIO, BOARD OF DIRECTORS' REMUNERATION, RETURN ON ASSETS

Source: Data processed, 2023

Based on table 8 above, it can be seen that the Adjusted R² value is 0.174 or 17.4%. The Adjusted R² value indicates that the firm value variable can be explained by variables Return

on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield by 17.4%. While the remaining 82.6% is explained by other factors not examined in this study.

4.4.3 Test t (Partial)

The t test aims to see how much influence each variable has, both the dependent variable and the independent variable. To find out the influence and relationship, the t test formula is used as follows:

The t test is obtained from a comparison of statistical calculations (T count) with values (T table). For the t test criteria carried out at the level $\alpha = 5\%$ is done by calculating $dk = n - k$ at a value of $n = 141$, while $k = 2$ so that $dk = 141 - 2 = 139$. Meanwhile the t table value for $dk = 139$ is 1.97693.

Table 9
Ujit
Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Say.
	B	Std. Error	Beta		
1 (Constant)	-1.321	.902		-1.465	.145
RETURN ON ASSETS	7.574	1.597	.382	4.744	.000
CURRENT RATIO	-.004	.024	-.013	-.172	.864
BOARD OF DIRECTORS' REMUNERATION	.101	.037	.218	2.766	.006
DEBT TAX SHIELD	.262	.160	.130	1.640	.103
NON-DEBT TAX SHIELD	10.931	6.684	.129	1.635	.104

a. Dependent Variable: COMPANY VALUE

Source: Data processed, 2023

Based on the results of the t statistical test in table 9 shows that variable Return On Assets has a calculated t value of 4.744 and a significance value of 0.000. Based on the results of the t statistical test, the calculated t value is greater than the t table value ($4.744 > 1.97693$) and has a significance value less than 0.05 ($0.000 < 0.05$). Thus, it can be concluded that the ROA variable has a positive and significant effect on firm value, so the hypothesis is accepted.

The variable current ratio has a calculated t value of -0.172 and a significance value of 0.864. Based on the results of the t statistical test, the current ratio variable has a calculated t value that is smaller than t table ($-0.172 < 1.97693$) and has a significance value greater than 0.05 ($0.864 > 0.05$). Thus, it can be concluded that the current ratio variable has no effect on firm value, so the hypothesis is rejected.

The board of directors' remuneration variable has a calculated t value of 2.766 and a significance value of 0.006. Based on the results of the t statistical test, the remuneration variable for directors has a calculated t value that is greater than t table ($2.766 > 1.97693$) and has a significance value less than 0.05 ($0.006 < 0.05$). Thus, it can be concluded that the directors' remuneration variable has a positive effect on firm value, so the hypothesis is accepted.

Variable debt tax shield has a calculated t value of 1.640 and a significance value of 0.103. Based on the results of the t statistical test, the variable debt tax shield has a calculated t value that is smaller than t table ($1.640 < 1.97693$) and has a significance value greater than

0.05 ($0.103 > 0.05$). Thus, it can be concluded that variable debt tax shield does not affect the value of the company, so the hypothesis is rejected.

Variable non debt tax shield has a calculated t value of 1.635 and a significance value of 0.104. Based on the results of the t statistical test, the variable non debt tax shield has a calculated t value that is smaller than t table ($1.635 < 1.97693$) and has a significance value greater than 0.05 ($0.104 > 0.05$). Thus, it can be concluded that variable non debt tax shield does not affect the value of the company, so the hypothesis is rejected.

4.4.4 Simultaneous F Test

The F statistical test aims to see how much influence all the independent variables have on the dependent variable. To find out whether the independent variable (x) has a significant relationship or not with the dependent variable (Y) the F test formula is used as follows: level $\alpha = 5\%$ using two numerator and denominator formulas, namely $dk = k - 1$ and $dk = n - k - 1$ so that we get F table = $n - k - 1 = 141 - 2 - 1 = 138$. The F table value for $dk = 138$ is 3.06.

Table 10
Uji F
ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Say.
1	Regression	57.752	5	11.550	6.880	.000 ^b
	Residual	226.642	135	1.679		
	Total	284.394	140			

a. Dependent Variable: COMPANY VALUE

b. Predictors: (Constant), NON-DEBT TAX SHIELD, DEBT TAX SHIELD, CURRENT RATIO, REMUNERASI DIREKSI, RETURN ON ASSETS

Source: Data processed, 2023

Table 10 above shows that after the simultaneous test (F test) was obtained, the calculated F value was 6.880 and a significance value of 0.000. The calculated F value obtained is greater than F table ($6.880 > 3.06$) and the significance value is less than 0.05 ($0.000 < 0.05$). Thus, it can be concluded that return on assets, current ratio, remuneration of directors, debt tax shield and non debt tax shield simultaneous and significant effect on firm value. So, the hypothesis is accepted.

4.5 DISCUSSION

4.5.1 The Effect of Return on Assets to Company Value

According to Kasmir (2016:201) Return on Assets used to show a company's ability to profit from all of its assets. The value of the company will increase along with the increase Return on Assets. That is, the value of the company increases in proportion to its profit ratio. The results of the calculations show that Return on Assets affect the value of the company, because the profit after tax on the company can generate high profits from assets that are put to good use. The existence of high profits illustrates that the company has good performance and can trigger investors to increase demand for shares. Rising demand for shares, it will increase the value of the company. So, with that return on Asset will have an impact on increasing the value of the company. In addition, the results of this study are in line with signal theory, companies that have profit growth describe achieving good performance and prospects in the future.

The results of this study are in line with research conducted by Iman, C., et al (2021) revealed that proximate profitability Return On Assets has a positive effect on company value as well as Ambarwati, Jenny (2021) who reveals that proximate profitability Return On Assets positive effect on firm value.

4.5.2 The Effect of Current Ratio to Company Value

This indicates that the higher or lower current ratio the company tends not to increase or decrease the value of the company. This is because investors do not make variables current ratio as a factor influencing investor interest in food and beverage sub-sector companies in the study period. Because this ratio is related to the company's internal condition in fulfilling its short-term debt, so that investors pay less attention to the ratio in short-term measurements, looking more at the overall debt and also the high net profit generated by the company in that period. So, high and low current ratio does not affect investors' decisions in investing. Can be concluded that current ratio does not affect the value of the company.

The results of this study are not in line with the research conducted by Hutabarat, F., et al (2020) and Fitri, Nur., et al (2018) revealed that Current Ratio positive effect on firm value. However, the results of this study are in line with research that has been conducted by Ambarwati, Jenny (2021) proxied liquidity Current Ratio does not affect the value of the company.

4.5.3 The Effect of Board of Directors' Remuneration on Company Value

According to Widiya (2018) Remuneration is a reward given to employees for performance carried out with the aim of welfare of employees, usually in the form of financial or non financial. So, the remuneration of the directors is the compensation given to the directors for the performance, authority and responsibility carried out. The greater the remuneration given, the firm value will increase because it motivates employees and increases enthusiasm for work resulting in good corporate value. From the calculation of this variable it is stated that the existence of remuneration that is in accordance with what is done by the board of directors, makes the board of directors improve their performance and become more motivated to achieve company goals. Company performance that is well done or on target makes investors interested in investing in the company.

The results of this study are in line with research that has been conducted by Setiadi, Anshari (2021) revealed that the remuneration of directors has a positive effect on company value.

4.5.4 The Effect of Debt Tax Shield to Company Value

According to Yunira, Haervi (2022) Debt Tax Shield is the amount of reduction in corporate tax payments from the burden of interest on debt to profit or loss on the addition of corporate debt. The findings from this study indicate that the size debt tax shield or tax deductions from the existence of high interest expenses will not influence investors to invest. Because, investors in investing tend to choose companies with stable or high profits in food and beverage companies regardless of whether or not there is a tax reduction. Therefore, whether there is a tax deduction or not does not affect the investor's decision to invest. So that investors will not invest even if the company makes a tax reduction or not.

The results of this study are not in line with pecking order theory that state debt tax shield has a negative relationship to company value because companies prefer internal funding over external funding, the amount of debt that arises will make the company value less good as seen from a decrease in stock prices (Suad Husnan, 2016).

4.5.5 The Effect of Non-Debt Tax Shield to Company Value

According to Purba, you at the (2018) Non-Debt Tax Shield is the amount of tax reduction due to use other than debt, in the form of depreciation costs as a result of the use of assets, especially fixed assets. The results of this study indicate that the size non debt tax shield or a tax deduction from the existence of high depreciation costs (shrinkage) and amortization will not affect investors to invest in the company. Because, internal funding sources that come from depreciation and amortization have no effect on company financing. This absence of influence is because investors do not see a tax reduction from depreciation and amortization expenses, but investors prefer to invest in companies that have stable or high profits. So that investors will not invest even if the company makes a tax reduction or not. Thus, there is no impact whether or not there is a tax deduction on firm value.

The results of this study are not in line with pecking order theory which states that non debt tax shield has a negative effect on firm value, because the company owns non debt tax shield A large ratio indicates that the company has large internal reserves, with large internal reserves, the depreciation expense is also large, so that the company experiences a reduction in tax payments and also reduces company profits, therefore making the company's value less good as seen from a decrease in share prices (Suad Husnan, 2016).

4.5.6 The Effect of Return on Assets, Current Ratio, Board of Directors Remuneration, Debt Tax Shield and Non-Debt Tax Shield Simultaneously Against Company Value

The Effect of Return on Assets, Current Ratio, board of directors' remuneration, Debt Tax Shield and Non-Debt Tax Shield to the value of the company shows the calculated F value of 6.880 and a significance value of 0.000. The calculated F value obtained is greater than F table ($6.880 > 3.06$) and the significance value is less than 0.05 ($0.000 < 0.05$). Thus, it can be concluded that Return on Assets, Current Ratio, remuneration of directors, Debt Tax Shield and Non-Debt Tax Shield simultaneous and significant effect on firm value. So that H_6 is accepted.

5. CONCLUSION

Based on the results of research that has been done regarding Return on Assets, Current Ratio, directors' remuneration, Debt Tax Shield and Non-Debt Tax Shield to Company Value in food and beverage sub-sector manufacturing companies listed on the Indonesia Stock Exchange, it can be concluded that:

1. Return on Assets has a positive effect on company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.
2. Current Ratio does not affect company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.
3. Board of Directors remuneration has a positive effect on company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.
4. Debt Tax Shield does not affect company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.
5. Non-Debt Tax Shield does not affect company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.
6. Return on Assets, Current Ratio, board of directors' remuneration, Debt Tax Shield and Non-Debt Tax Shield has a simultaneous effect on company value in food and beverage sub-sector companies listed on the IDX in 2017-2021.

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