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Effect of Leverage Ratio, Sales Growth, Company Size, Profitability Ratio, on Stock Returns in the Telecommunication Sub-Sector Listed on the Indonesia Stock Exchange In the 2016-2020 Period

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Abstrak. Tujuan penelitian ini adalah untuk mengetahui pengaruh leverage, pertumbuhan penjualan, ukuran perusahaan, probabilitas terhadap return saham pada industri telekomunikasi yang terdaftar di Bursa Efek Indonesia selama periode 2016-20202. Metode penelitian yang digunakan adalah deskriptif kuantitatif dengan data sekunder, pengumpulan data yang digunakan adalah penelitian kepustakaan. Penelitian ini menggunakan analisis regresi linier berganda. Hasil peelitiaan ini mengungkapkan bahwa variabel return saham dapat dipengaruhi oleh variabel *leverage, revenue growth* dan *firm size* profitabilitas sebesar 33,3%; dan secara parsial variabel return on asset berpengaruh negatif dan signifikan terhadap *return* saham pada industri Telekomunikasi di Bursa Efek Indonesia selama periode 2016-2020.

Kata kunci : *leverage*, pertumbuhan penjualan, ukuran perusahaan, probabilitas, *return* saham

INTRODUCTION

The development of technology in the field of telecommunications every year makes it very easy for people to meet their needs in communicating and interacting with people online, this creates separate competition for entrepreneurs and to create new innovations in business competition, this has a major influence on sales growth. significant since GSM technology entered Indonesia in 1994. The telecommunications industry in Indonesia is one type of industry that has a major influence on economic activity. This is because telecommunications is no longer a secondary need but has become a primary need for society. Even though the telecommunications industry has a number of promising prospects, there are a number of challenges that must be overcome. As a result, potential investors are rethinking their interest in investing in the telecommunications sector in Indonesia because these challenges must be overcome. At the end of 2011, the Indonesian chamber of commerce and industry (Kadin) and the Indonesian Telecommunications Industry Association (Mastel) issued a joint statement stating that the implementation of the tax holiday policy for the telecommunications industry had reduced the sector's competitiveness and provided an unfair advantage to industry insiders. This is just one example of capital.

According to Adisetiawan & Atikah, (2018), the acceleration of technological progress has resulted in an increase in the amount of money invested in Indonesia. In addition, the sizeable growth in the offshore telecommunications industry is expected to be a direct result of the additional companies in the region. If a company has access to liquid capital markets, it may be able to increase its size by soliciting financial support from outside investors in exchange for an ownership stake in the company. The company can increase its production operations after receiving more capital from investors. This can generate greater revenue, which can help the company compete profitably with other companies. The main objective of the financial market is to act as a facilitator for long-term trading of financial instruments between investors (Adisetiawan et al, 2020).

Shares, also known as price certificates, are a kind of proof of ownership that can be exchanged in the stock market. Shares are also known as price certificates. Every investment activity that takes place in the stock market has one main goal, and that is to make a profit. Return is another name for the profit generated through various investment activities. The overall return on investment in stocks consists of two distinct components: dividends and capital gains. The frequency with which a business's profits are distributed, also known as a dividend, is made out to its shareholders in direct proportion to the frequency with which a company is able to earn profits. On the other hand, it is the profit that the investor gets as a result of the price difference between the buying price and the selling price of the stock (Surono et al, 2022).

Ratio analysis is one of the various methods that can be used to analyze financial statements. Nonetheless, it is one of the most frequently used methods in real business practice. This is due to the common practice of using statistical analysis with the aim of analyzing the efficiency of the actions of different companies. The presentation of financial statements uses a standard style known as a ratio. This format was developed to assist users in determining indicators such as leverage ratio, sales growth, company size, profitability ratio.

The leverage structure, which is also known as the leverage ratio, is a key component in profitability because it allows a company to expand its capital to increase its income. This makes the leverage structure an important factor in profitability. To determine how much of a company's capital expenditures are funded by debt financing, leverage is calculated, and leverage may also have an effect on stock prices. According to (Munawir, 2014), leverage is proof that a company can fulfill all of its financial commitments when given money, regardless of whether these obligations are short term or long term. In other words, leverage shows that a company is creditworthy. Because of the increasing amount of interest to be paid, the level of leverage will fall if the company uses more debt than equity. This is because the amount of interest to be paid will also increase. The amount of interest that must be paid will have a negative impact on income so that the amount of interest that must be paid continues to increase. The typical measure used to determine this is the debt to equity ratio (DER). Due to the relationship between debt and equity, the debt to equity ratio can be used as an indication of leverage when assessing a company's capacity to meet its long-term commitments. This is because the ratio forms the relationship between debt and equity.

This shows how much the dependence of financing sources on the income generated by the company. When determining which investment opportunities to pursue, this element of risk needs to be considered because investors have some responsibility for a company's debts. According to research findings conducted by Adisetiawan & Surono (2011), a high debt to equity ratio has a negative impact on a company's stock price. However, in contrast to the results of Lestari et al. (2016), who found that the debt to equity ratio had no effect on stock performance, we found that the debt to equity ratio was different from the results of Lestari et al. (2016), who found that the debt to equity ratio had no effect on stock performance, we found that the debt to equity ratio was different from the results of Lestari et al. (2016), who found that the debt to equity ratio has no effect whatsoever on stock performance, we find that the debt to equity ratio.

METHODS

The type of data that will be used is quantitative data, according to Sugiyono (2019), namely numbers which are then arranged and sorted in data form. This type of research is descriptive quantitative research emphasizing the causal relationship between variables with the aim of explaining, testing the relationship between phenomena, and the causality of the variables used. According to Sugiyono (2019) secondary data is data sources that do not directly provide data to data collectors, for example through other people or through documents. The type of data used in this research is secondary data. The secondary data used in this study is financial data on telecommunications companies listed on the IDX for the 2016–2020 period during the study period.

Table 1
Telecommunication Company Names on the Indonesia Stock Exchange

No.	Stock Code	Company Name	Listing Date
1	TLKM	PT Telkom Indonesia Tbk	14-Nov-1995
2	EXCL	PT XL Axiata Tbk	29-Sep-2005
3	ISAT	PT Indosat Tbk	19-Oct-1994
4	FREN	PT Smartfren Telecom Tbk	29-Nov-2006
5	JAST	PT Jasnita Telekomindo Tbk	16 Mei 2019

6	TBIG	PT Tower Bersama Infrastructure Tbk	26-Okt-2010
7	MTEL	PT Daya Mitra Telekomunikasi Tbk	22-Nov-2021
8	TOWR	PT Sarana Menara Nusantara Tbk	08-Mar-2010
9	GHON	PT Gihon Telekomunikasi Indonesia	09-Apr-2018
10	OASA	PT Protech Mitra Perkasa Tbk	18-Jul-2016
11	BTEL	Bakrie Telkom	03-Feb-2006
12	GOLD	PT Visi Telekomunikasi Infrastruktur	07 Juli 2010
13	IBST	PT Inti Bangun Sejahtera Tbk	31 Ags2012
14	LCKM	PT LCK Global Kedaton Tbk	16 Jan 2018
15	SUPR	PT Solusi Tunas Pratama Tbk	11 Okt2011
16	MTEL	PT Dayamitra Telekomunikasi Tbk	6 Ags2020
17	BALI	PT Bali Towerindo Sentra Tbk	13 Mar2014
18	LINK	PT Link Net Tbk	02 Juni 2014
19	KBLV	PT First Media Tbk	25 Feb 2000

Source: processed data

This sample is part of the population that is used as the object of research. Sampling in this study used a purvosive sampling technique, a sampling technique with certain criteria or considerations (Sugiyono, 2019). Data analysis technique is a process of simplification in a process that is easier to read and interpret. In this study the data analysis technique used was quantitative data analysis followed by hypothesis testing which included hypothesis determination, Normality test, Autocorrelation test, Heteroscedasticity test and Multicollinearity test. The goal is to determine whether the independent variable has a relationship with the dependent variable. Determination of the significance level, and ends with determining the basis for drawing conclusions through acceptance or rejection of the hypothesis.

Table 2
List of Companies that Meet the Sampling Criteria

No.	Stock Code	Company Name
1	TLKM	PT Telkom Indonesia Tbk
2	TOWR	PT Sarana Menara Nusantara Tbk
3	LINK	PT Link Net Tbk
4	BALI	PT Bali Towerindo Sentra Tbk
5	IBST	PT Inti Bangun Sejahtera Tbk
6	TBIG	PT Tower Bersama Infrastructure Tbk

Source: processed data

In this study the method used is using multiple linear regression. Multiple linear regression is a linear regression model involving more than one independent variable or predictor. In English, this term is called multiple linear regression. While the dependent variable is stock returns. The stages of testing the hypothesis using multiple linear regression are taken by determining the regression equation:

$$Y = a + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \beta 5X5 + e$$

Where: Y = stock returns; X1 = DER; X2 = sales growth; X3 = company size; X4 = ROA; X5 = NPM; a = constant; β = regression coefficient; e = error

Data testing was carried out using the classical assumption test which aims to find out whether the data used is feasible for analysis, because not all data can be analyzed with regression (Ghozali, 2016). The classical assumption test is a prerequisite. regression analysis was performed. There are four kinds of classical assumption tests used in this study, which are as follows:

Normality test

According to Ghozali (2016), the normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution, if this assumption is violated, the statistical test becomes invalid for a small number of samples. The data normality test was carried out by the Kolmogorov-Smirnov test. The normality test aims to test the residual variables in the regression model that have a normal or close to normal distribution. The F test and t test assume that the residual values follow a normal distribution. Confounding or residual variables can be detected as normally distributed using two analytical approaches, namely: graphical analysis and statistical tests. In this study, researchers used the Kolmogorov-Smirnov non-parametric statistical test to test the normality of the data. This test is used to test the comparative hypothesis of two independent samples if the data is in ordinal form arranged in a cumulative frequency distribution table using interval classes.

Hypothesis: Ho: sample data is normally distributed; H1: samples that are not normally distributed. The guidelines for making a decision on this test are: if probability > 0.05, the distribution is normal; and if probability <0.05, the distribution is not normal.

Multicollinearity Test

The multicollinearity test is used to see whether the regression model has a correlation between the independent variables or not. A good regression model should not have a correlation between the independent variables or multicollinearity. The criteria for multicollinearity testing seen from the Tolerance and VIF (Variance Inflation Factor) values are: if the Tolerance value is > 0.10, it can be interpreted that there is multicollinearity in the data being tested; and if the VIF value < 10, it means that there is no multicollinearity in the data being tested.

Heteroscedasticity Test

The heteroscedasticity test aims to test whether in the regression model there is an inequality of variance from one residual observation to another. The consequence is that there is heteroscedasticity in the regression model is the estimator obtained is not efficient, both in small and large samples. To test the model whether there is Heteroscedasticity, you can use the White test. The white test is done by looking at the Obs*R-squared value. Data is not affected by heteroscedasticity if Obs*R-squared or Chi-Square probability > alpha (α=0.05).

Autocorrelation Test

Autocorrelation can be interpreted as a correlation among members of a series of observations that are sequential in time. The autocorrelation test is used to determine whether there are deviations from the classic assumption of autocorrelation, namely the correlation between the residuals of one observation and other observations in the regression model. This test uses Durbin Watson.

1. If the DW value lies between the upper limit or upper boud (du) and (4-du), then the autocorrelation coefficient is equal to zero, meaning that there are no autocorrelation symptoms.
2. If the DW value is lower than the lower limit or lower boud (dI), then the autocorrelation coefficient is greater than zero, meaning that there is a positive autocorrelation.
3. If the DW value is greater than (4-dI), then the autocorrelation coefficient is smaller than zero, meaning that there is a negative autocorrelation.
4. If the DW lies between the upper limit (du) and the lower limit (dI) or the DW lies between (4-du) and (4-dI), then the results cannot be concluded. If this assumption is violated, the corrective action for the model is to transform it by substituting the p-value, where the p-value is calculated based on the d-value in the original model. Value of p=1-(d/2), where value of d = value of Durbin Watson.

Table 3
Autocorrelation testing criteria

Null Hipotesis	Hasil Estimasi	Kesimpulan
H0	$0 < dw < dl$	Tolak
H0	$Dl \leq dw \leq du$	Tidak ada kesimpulan
H1	$4 - dl < dw < 4$	Tolak
H1	$4 - du \leq dw \leq 4 - dl$	Tidak ada kesimpulan
Tidak ada autokorelasi, baik positip maupun negatip	$Du < dw < 4 - du$	Diterima

Source : Sugiyono (2019)

Hypothesis testing

Hypothesis testing is a decision-making method based on data analysis, both from controlled trials and from observation (uncontrolled). In statistics, an outcome is said to be statistically significant if it is almost impossible for its occurrence to be due to chance factors, within predetermined probability limits. Hypothesis testing is sometimes called "data analysis confirmation". Decisions from hypothesis testing are almost always made on the basis of testing the null hypothesis. This is a test to answer a question that assumes the null hypothesis is true. Testing the hypothesis in this study using partial testing (t test) and simultaneous presentation (F test). The hypothesis that will be tested and proven in this study is related to the influence of the independent variables, namely Intellectual Capital.

Simultaneous Hypothesis Test (F-statistical Test)

According to Ghozali (2016) the F test basically shows whether the independent variables simultaneously or simultaneously affect the dependent variable. The null hypothesis (H0) to be tested is whether all parameters in the model are equal to zero, or:

H01 : $\beta1 = \beta2= \beta3 = \beta4 = 0$; that is, simultaneously the Debt to equity ratio (DER), Sales Growth, Company Size, Return On Assets (ROA), Net Profit Margin (NPM), has no significant effect on Stock Returns at Telecommunication Companies Listed on the IDX in 2016-2020 .

H1 : $\beta1 \neq \beta2\neq \beta3 \neq \beta4 \neq 0$; this means that simultaneously the Debt to equity ratio (DER), Sales Growth, Company Size, Return On Assets (ROA), Net Profit Margin (NPM), have a significant effect on Stock Returns at Telecommunication Companies Listed on the IDX in 2016-2020.

To test this hypothesis F statistics is used with the following decision-making criteria:

1. With a significance level of 0.05, then: If the significance value ≥ α, then H0 is rejected H1 is accepted; and ff the significance value is ≤ α, then H0 is rejected (H1 is accepted).
2. Apart from looking at the significant value, the simultaneous test (F-Test) can be determined by comparing the Fcount value with the Ftable value with the following conditions:
    1. Ha is accepted if Fcount > Ftable, at α = 5% and the p-value <level of significance is 0.05 then Ho is rejected and Ha is accepted, so the regression model is fit (hypothesis accepted).
    2. Ha is rejected if Fcount <Ftable, at α = 5% and the p-value> level of significance is 0.05, then Ho is not rejected and Ha is rejected, so the regression model is not fit (the hypothesis is not accepted).

Partial Hypothesis Test

According to Ghozali (2016) that the t statistical test basically shows how far the influence of one independent variable individually explains the variation of the dependent variable. The null hypothesis (H0) to be tested is whether a parameter (bi) equals 0, or

1. Debt to equity ratio (DER); H2: $\beta2 \leq 0$, this means that the debt to equity ratio (DER) has no significant effect on stock returns at Telecommunication Companies Listed on the IDX in 2016-2020; and H2: $\beta2 \geq 0$, This means that the debt to equity ratio (DER) has a significant effect on stock returns at Telecommunications Companies Registered on the IDX in 2016-2020.
2. Sales growth; H3: $\beta3 \leq 0$, this means that sales growth has no significant effect on stock returns at telecommunications companies listed on the IDX in 2016-2020; and H3: $\beta3 \geq 0$, this means that sales growth has a significant effect on stock returns in telecommunications companies listed on the IDX in 2016-2020.
3. Company size; H4: $\beta4 \leq 0$, this means that company size has no significant effect on stock returns in telecommunications companies listed on the IDX in 2016-2020; and H4: $\beta4 \geq 0$, This means that company size has a significant effect on stock returns in telecommunications companies listed on the IDX in 2016-2020.
4. Return on assets (ROA); H1: $\beta1 \leq 0$, this means that return on assets (ROA) has no significant effect on stock returns at Telecommunication Companies Listed on the IDX in 2016-2020; and H1: $\beta1 \geq 0$, this means that return on assets (ROA) has a significant effect on stock returns at Telecommunication Companies Listed on the IDX in 2016-2020.
5. Net profit margin (NPM); H1: $\beta1 \leq 0$, this means that net profit margin (NPM) has no significant effect on stock returns at Telecommunication Companies Listed on the IDX in 2016-2020; and H1: $\beta1 \geq 0$, this means that the net profit margin (NPM) has a significant effect on the return of shares in Telecommunications Companies Registered on the IDX in 2016-2020. The criteria for accepting or rejecting H0 are as follows: If t-count > t-table or t-count < -t-table then H0 is rejected (significant); and if t-table ≤ t-count ≤ t-table then H0 is accepted (not significant).

Determination Coefficient Test

The coefficient of determination (R2) shows the percentage effect of all independent variables on the dependent variable. The value of the coefficient of determination is 0-1. In using the coefficient of determination, there is a fundamental weakness which lies in the bias towards the number of variables included in the model. In this case, for each addition of one independent variable, the R-Square must increase, even though this variable has a significant effect on the dependent variable. This is why many researchers recommend using the adjusted r-square value when evaluating which is the best regression model. However, adjusted r-square can be negative, even though the desired value must be positive. According to Sugiono (2019), if in the empirical test the Adjusted R-Square value is negative, then the Adjusted R-Square value is considered to be zero. Systematically: if the value of R-Square = 1, then Adjusted R-Square = R-Square = 1; if the value of R-Square = 0, then Adjusted R-Square = (1k)/(nk); and if k> 1, then Adjusted R-Square will be negative

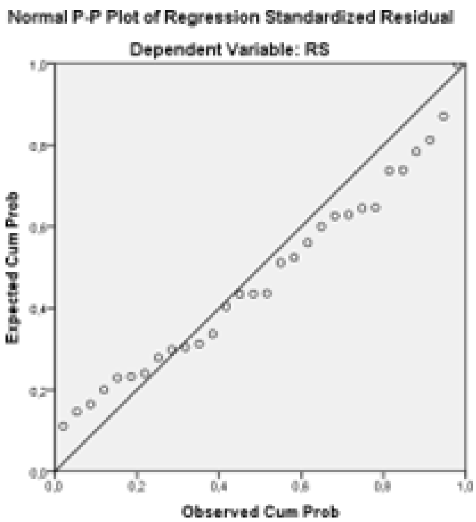
RESULTS

Table 4
Results of the One-Sample Kolmogorov-Smirnov Test for Normality

		Unstandardized Residual
N		30
Normal Parametersa,b	Mean	0E-7
	Std. Deviation	,55300495
Most Extreme Differences	Absolute	,140
	Positive	,140
	Negative	-,090
Kolmogorov-Smirnov Z		,764
Asymp. Sig. (2-tailed)		,603

Source: processed data

From the results of the One-Sample Kolmogorov-Smirnov Test, it can be seen that the Asymp. Sig (2-Tailed) > 0.05 or 0.603 so that it can be concluded that the data is normally distributed, thus the assumption of normality of the estimated model obtained is fulfilled. From Figure 1 it can be concluded that the data is normally distributed, where on a normal graph the probability plot of the data is seen to spread along a diagonal line so that it can be said that the data is normally distributed.



Source: processed data

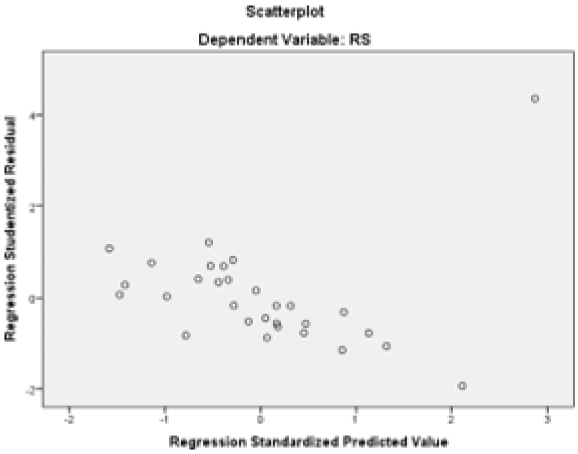
Figure 1
Graph of Normality Test

Table 5
Multicollinearity Test Results

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	ROA	,346	2,891
	NPM	,369	2,711
	DER	,603	1,659
	PERTUMBUHAN	,430	2,327
	LN	,401	2,492

Source: processed data

Based on Table 5 it shows that all variables in this study do not experience multicollinearity. This is shown by the VIF values for the four variables, the magnitude < 10 and the Tolerance value > 0.10. Based on the graph in Figure 2 it appears that the distribution of the data does not form a clear pattern of data points above and below the number 0 on the Y axis. This indicates that there is no heteroscedasticity in the regression model. Based on Table 6, it is known that the Durbin-Watson value is 2.071. This value will be compared with the number of samples of 30 (n) and the number of independent variables 5 (k = 5) so that a value of 1.8326 is obtained and a DW value of 2.071 > DU of 1.8326 < (4-DU) or 4-1.8326 = 2.1674. so it can be concluded that there is no autocorrelation.



Source: processed data

Figure 2
Heteroscedasticity Test Results

Table 6
Autocorrelation Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,577	,333	,194	,60789	2,071

Source: processed data

Table 7
Multiple Linear Regression Analysis Test Results

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	1,105	,507	
	DER	-,001	,001	-,447
	PERTUMBUHAN	-,015	,014	-,280
	LN	-,038	,027	-,378
	ROA	-,084	,031	-,766
	NPM	,036	,011	,885

Source: processed data

Based on the regression output Table 7 the multiple linear regression analysis model used in this study can be formulated as follows: RSit = 1.105 – 0.001DER2it – 0.015 PP3it –

0.038 LN4it – 0.084 ROA1it + 0.036NPM1it + e. From the multiple linear regression equation it can be explained as follows:

1. a constant value of 1.105 return on assets, net profit margin, debt to equity, sales growth and company size, the dependent variable stock return will have a fixed value of 1.105.
2. The regression coefficient of the debt to equity variable has a negative value of 0.001, meaning that if the X1 debt to equity variable increases by 1 (one) unit while the other variables are considered constant, then the Y variable, namely stock returns, will decrease by 0.001 or 1%.
3. The regression coefficient of the Sales Growth variable is negative by 0.015, meaning that if the X1 Sales Growth variable increases by 1 (one) unit while the other variables are considered constant, then the Y variable, namely Stock Return, will decrease by 1.059 or 1.5%.
4. The regression coefficient of the Company Size variable is negative by 0.038, meaning that if the variable X3 Sales Growth increases by 1 (one) unit while the other variables are considered constant, then the Y variable, namely Stock Return, will decrease by 0.038 or 3.8%.
5. The regression coefficient of the Return On Assets variable has a negative value of 0.084, meaning that if the X4 Return On Assets variable increases by 1 (one) unit while the other variables are considered constant, then the Y variable, namely Stock Return, will decrease by 0.084 or 8.4% . The regression coefficient of the net profit margin variable is positive by 0.036, meaning that if the X5 variable, the net profit margin has increased by 1 (one) unit while the other variables are considered constant, then the Y variable, namely stock return, will increase by 0.036 or 3.6%.

Table 8
Statistical Test Results F

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7,042	5	1,408	5,405	,002b
	Residual	6,254	24	,261		
	Total	13,296	29			

Source: processed data

Based on Table 8 of the results of the regression test in this study, it is known that the Fcount test is 5.405 with a significance value of 0.002. Where the required significant value of F is less than 0.05. At the level of α = 0.002, with the degrees of freedom of the numerator or DFL (K) = 5 and the degrees of freedom of the denominator or DF2 (n-k-1) = (30-5-1) = 24. The value of Ftable is 2.62. Thus, the value of Fcount 5.405 is greater than the Ftable value of 2.62 (Fcount 5.405 > Ftable of 2.62) and a significant value of 0.002 > 0.05. Based on the results of these calculations, it can be interpreted that Debt To Equity, Sales Growth and Company Size, Return On Assets, Net Profit Margin simultaneously (simultaneously) have a significant effect on the dependent variable, namely stock returns.

Table 9
Statistical Test Results t

Model		t	Sig.
1	(Constant)	2,179	,039
	DER	-2,080	,048
	PERTUMBUHAN	-1,101	,282
	LN	-1,436	,164
	ROA	-2,703	,012
	NPM	3,224	,004

Source: processed data

With a df value (N-K-1) = 24, a t-table value of 2.06390 is obtained. Based on Table 9, it can be explained as follows:

1. Effect of Debt to Equity (X1) on Stock Returns. The tcount value is 2.080 and the significance level is 0.048 <0.05, thus the first hypothesis is accepted. In addition, the t test can be seen by comparing the tcount value with the ttable value where if the tcount is 2.080 > ttable is 2.06390, it can be concluded that H0 is rejected Ha accepted, which means that partially the Debt to Equity variable has a significant effect on stock returns.
2. Effect of Sales Growth (X2) on Stock Returns. The tcount value is 1.101 and the

significance level is 0.282 > 0.05, thus the first hypothesis is rejected. In addition, the t test can be seen by comparing the value of tcount with the value of ttable where if tcount is 1.101 < ttable is 2.06390 then it is concluded that H0 is accepted Ha is rejected which means that partially the Sales Growth variable has no significant effect on stock returns.

3. Effect of Company Size (X3) on Stock Returns. The tcount value is 1.436 and the significance level is 0.164 > 0.05, thus the first hypothesis is rejected. In addition, the t test can be seen by comparing the value of tcount with the value of ttable where if tcount is 1.436 < ttable is 2.06390 then it is concluded that H0 is accepted Ha is rejected which means that partially the Net Profit Margin variable has no significant effect on stock returns.
4. Effect of Return On Assets (X4) on Stock Returns. The tcount value is 2.703 and the significance level is 0.012 <0.05, thus the first hypothesis is accepted. In addition, the t test can be seen by comparing the value of tcount with the value of ttable where if tcount is 2.703 > ttable is 2.06390 it is concluded that H0 is rejected Ha is accepted which means that partially the variable Return On Assets has a significant effect on stock returns.
5. Effect of Net Profit Margin (X5) on Stock Returns. The tcount value is 3.224 and the significance level is 0.004 <0.05, thus the first hypothesis is accepted. In addition, the t test can be seen by comparing the tcount value with the ttable value where if tcount is 3.224 > ttable is 2.06390, it can be concluded that H0 is rejected Ha is accepted, which means that partially the Net Profit Margin variable has a significant effect on stock returns.

Based on Table 6 it can be seen that testing the coefficient of determination shows an R-Square value of 0.333 (33.3%) which means that the contribution of the independent variables, namely debt to equity, sales growth and company size, return on assets, net profit margin, to the dependent variable is stock return, the remaining 66.7% (100% -33.3% = 66.7%) is influenced by other variables outside of this study.

Effect of Debt to Equity Ratio, Sales Growth and Company Size, Return On Assets, Net Profit Margin, Against Stock Returns

Based on the results of testing the hypothesis through the F statistic, it shows that all the independent variables contained in the regression equation jointly affect the dependent variable. The hypothesis was tested using multiple linear regression analysis tools, so that the results of the analysis were obtained in the form of an Fcount of 5.405 and a significance value of 0.002 in a positive direction. The value of 0.002 is smaller than the tolerable significance level of 0.05, so this indicates that statistically debt to equity, sales growth and company size, return on assets, net profit margin, together have a significant effect on stock returns.

Effect of Debt to Equity on Stock Returns

The Sales Growth variable has a negative and insignificant effect on stock prices with the significance level of the Sales Growth variable being 0.282 > 0.05, thus H0 is accepted. In addition, the t test can be seen by comparing the value of tcount with the value of ttable where if tcount is 1.101 < ttable is 2.06390 then it is concluded that H0 is accepted Ha is rejected which means that partially the Sales Growth variable has a negative and not significant effect on stock returns.Sales growth shows a negative sign in the direction of high sales growth reflecting increased revenue. Companies that experience sales growth will allocate funds for investment through the purchase of assets. The increase in sales growth made investors interested in getting profits and considered good prospects in the future, and ready to compete in the business world. This makes many investors target these shares, in this case the company has the opportunity to increase its share price. These results indicate that the variable Sales Growth has a negative and insignificant effect on stock returns. This study is the same as the research conducted by Nursiam & Silmi (2019) which shows that sales growth has a negative and insignificant effect on stock returns.

The Effect of Company Size on Stock Returns

Company size variable has a negative and insignificant effect on stock returns with a significance level of company size variable is 0.164 > 0.05, thus H0 is accepted. In addition, the t test can be seen by comparing the value of tcount with the value of ttable where if tcount is

1.436 < ttable is 2.06390 then it is concluded that H0 is accepted Ha is rejected which means that partially the variable Company size has a negative and not significant effect on stock returns. Company size shows whether a company is classified as a small company, medium company, or large company. The criteria for company size can be assessed from sales turnover, number of products sold, company capital and total assets. Large companies are considered to have less risk than smaller companies because large companies are considered to have more access to the capital market (Jogiyanto, 2018). Large companies indicate a good rate of return. In positive accounting theory states that company size is used as a political cost and political costs will increase with increasing company size and risk (Adisetiawan & Surono, 2011). Companies with a larger size have greater access to sources of funding from various sources.

Effect of Profitability on Stock Returns

The variable Return On Assets has a negative and significant effect on stock returns with a significance level for the Return On Assets variable of 0.012 <0.05, thus H1 is accepted. In addition, the t test can be seen by comparing the tcount value with the ttable value where if tcount is 2.703 > ttable is 2.06390, it can be concluded that H0 is rejected Ha is accepted, which means that partially the Return On Assets variable has a positive and significant effect on stock returns. Return on assets measures how much net profit can be obtained from all assets owned and invested in a company. The higher the return on assets (ROA), the higher the net profit generated from every rupiah of funds embedded in total assets. By knowing ROA we can assess whether the company has been efficient in using its assets in operating activities to generate profits. (Sutrisno, 2019). Thus it can be explained that the increasing ROA, the dividends received by shareholders will increase. This shows that the company's ability to manage its assets to generate profits has an appeal and is able to influence investors to buy company shares which results in the company's stock price increasing. More specifically, ROA has a positive impact on stock returns.

CONCLUSION

Based on the results of the research and discussion described in the previous chapter, several conclusions can be drawn regarding the effect of Leverage, Sales Growth and Company Size, Profitability, on Stock Returns in the Telecommunication sub-sector Listed on the Indonesia Stock Exchange in the 2016-2020 Period as follows: leverage, sales growth and company size, profitability, have a simultaneous effect on stock returns. This is indicated by the coefficient of determination of 33.3%. This shows the percentage of leverage, sales growth and company size, profitability, of 33.3%. in other words, the variable stock return can be influenced by the variables leverage, sales growth and company size, profitability, amounting to 33.3%, while the remaining 66.7% is influenced by other variables not examined. Partially, the debt to equity ratio has a negative and significant effect on stock return. This is indicated by a value of 2.080 > 2.06390, which means that H0 is rejected, Ha is accepted. Partially, Sales Growth has a negative and insignificant effect on Stock Return. This is indicated by 1.101 <2.06390, which means that H0 is accepted, Ha is rejected. Partially, company size has a negative and insignificant effect on stock return. This is indicated by 1.436 <2.06390, which means H0 is rejected, Ha is accepted. Partially, Return on Assets has a negative and significant effect on Stock Return. This is indicated by a value of 2.703 > 2.06390, which means that H0 is rejected, Ha is accepted. Partially, Net Profit Margin has a positive and significant effect on Stock Return. This is indicated by a value of 3.224 > 2.06390, which means H0 is rejected, Ha is accepted

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