

ABSTRACT

This research aimed to examine and find out the effect of profitability (ROA), liquidity (CR), solvability (DER), and activity (TATO) on the dividend policy (DPR) at Mining Company in the Coal sub-sector listed on Indonesia Stock Exchange (IDX) in the 2017-2020 period.

This research was quantitative and the data measurement was numerical with the research sample technique used purposive sampling i.e., sample selection with criteria given. The research sample used 44 companies sample in the 11 mining companies in the coal sub-sector in the 2017-2020 period. Furthermore, the research analysis used multiple linear regressions analysis.

The research result concluded that: 1) Profitability had a negative effect on the dividend policy, it meant that a low Return On Asset (ROA) would increase the dividends paid, 2) Liquidity did not affect the dividend policy, it meant that the high or low of the liquidity value did not affect the dividend shared by the company, 3) Solvability had a negative effect on the dividend policy, it meant that the higher of the solvability it showed that the greater responsibility owned by the company so that it could affect the dividends that the company should pay 4) Activity had a positive effect on the dividend policy, it meant that the higher the turnover of assets generated, the greater the company's ability to distributed dividends to the shareholders.

Keywords: Profitability, Solvability, Liquidity, Activity, Dividend Policy



I certify that this translation is true and accurate, Prepared by a professional translator. This translation is provided on this day 24/2/22

M. Faisal, S.Pd., M.Pd.

STIESIA Language Center
Menur Pumpungan 30 Surabaya 60118, Indonesia