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THE EFFECT OF SOLVENCY, COMPANY SIZE AND ACTIVITY ON PROFIT GROWTH IN MINING COMPANIES THAT ARE LISTED ON THE INDONESIA STOCK EXCHANGE FOR 2017-2021 PERIOD

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Abstract

This study aims to determine and obtain empirical evidence of the effect of solvency, company size and activity on profit growth in mining companies listed on the Indonesia Stock Exchange for the period 2017-2021. This research method uses a quantitative approach. The data collection technique is a questionnaire. The sample in this study used purposive sampling, namely 60 samples. The results of this study indicate that partially the solvency variable has no effect on earnings growth. The company size variable has no effect on earnings growth. Activity variables have no effect on earnings growth. Simultaneously solvency, company size and activity have no effect on earnings growth

1. INTRODUCTION

Background problem

The era of globalization has an impact on many changes and competition faced in the business world, which requires a company to continue to improve its performance in winning the competition and achieving the goals set by a company. To be able to continue to run and grow the company needs capital. The ways companies can do to get capital include issuing shares and selling them to investors. Generally companies that have Go Public offer their shares on the stock market. In the market stock exchange investors usually choose company shares based on financial performance. Assessment of financial performance can be seen from the company's profit growth every year.

Profit growth is an increase in the company's profit compared to the previous year's profit (Pradani, 2018). The rate of profit growth is very important for users of financial statements because it is used to determine the rate of return to shareholders or to potential investors in making decisions. Profit growth that continues to increase from year to year can provide a positive signal regarding the company's future prospects regarding company performance. Good company profit growth reflects that the performance of a company is also good, because profit is a measure of the performance of a company, the higher the profit growth achieved by the company indicates the better the company's performance (Yohanas, 2014).

Profit growth is allegedly related to an increase in the company's assets or wealth. Companies that own assets A large number indicates that the company has reached a level of maturity and is considered to have good prospects for a relatively long period of time. It can be said that the greater the company's assets, the greater its ability to fulfill its obligations (Yohanas, 2014). To measure a company's ability to pay its obligations or debts, it can be calculated using financial ratios, one of which is the solvency ratio.

According to Kasmir (2016), solvency is a ratio used to measure the extent to which a company's assets are financed with debt. A company will not be able to maximize its production activities if it does not use a debt policy to maintain its funding structure. Companies that can allocate funds properly will be able to maximize profits and at the same time be able to prosper shareholders. Another factor that affects a company's financial performance is size. Firm size has a close relationship with profit growth Because the larger the size of the company, the higher the business continuity of the company in improving financial performance (Alfitri and Sitohang, 2018). According to Sudarsono (2005) company size is the total debt and equity of the company which will be equal to total *assets.* Brigham and Houston (2007) stated *size* or company size as the average total net sales for the year concerned for several years, company size is a characteristic of a company in relation to the company structure.

As well as company size, activity is too influential on profit growth. Activities are part of financial ratios that can affect profit growth through sales and asset turnover. According to Kasmir (2016), activity is the ratio used to measure a company's effectiveness in using its assets. The activity ratio is used to measure the level of efficiency in the utilization of company resources such as sales, inventory, collection of receivables and so on. With the activity ratio will be known effective use of the company's operating assets in generating sales.

The mining industry in Indonesia is one option investment promising. This is because Indonesia has abundant natural resources whose processed products are widely used by the community. Therefore researchers are interested in examining how the financial performance of mining companies in Indonesia through their profit growth and the variables that can affect it in companies listed on the Indonesia Stock Exchange (IDX) for the period 2017 to 2021. The purpose of this research is of course to find out and get evidence empirically whether solvency, firm size and activity affect profit growth.

Problem Formulation

1. Does solvency affect profit growth in mining companies?
2. Does company size affect profit growth in mining companies?
3. Does activity affect profit growth in mining companies?
4. Does solvency, company size and activity simultaneously affect profit growth in mining companies?

Research purposes

1. To find out and analyze empirically the influence of solvency on profit growth in mining companies.
2. To find out and analyze empirically the effect of company size on profit growth in mining companies.
3. To find out and analyze empirically the effect of activity on profit growth in mining companies.

2. LITERATURE REVIEW

Signal Theory

According to Fauziah (2017), states that signal theory (signaling theory) is one of the pillar theories in understanding financial management. In general, signals are interpreted as signals made by companies to investors. These signals can take various forms, both those that can be directly observed and those that require a more in-depth study to find out. Signals conveyed through corporate actions can be either positive signals or negative signals. Signals can be promotions or information to others who state that the company is better than other companies. Signal theory suggests how companies should give signals to users of financial statements.

Financial statements

According to Warren (2016), financial reports are recorded and summarized after transactions, then prepared for users. Report Finance is a collection of written records regarding business activities and financial performance of an entity consisting of a balance sheet or statement of financial position, profit/loss report, cash flow statement, report on changes in equity and notes on financial statements (Aksara, 2020).

Solvability

The company's solvency is the company's ability to fulfill all of its obligations if the company is liquidated. Usually the problems that arise concern when the company is liquidated (closed), whether the assets owned by the company are able to cover all of its debts (Sutrisno, 2015). Solvability is very important for investors to know the ratio of a company's debt burden to assets or equity. According to Kasmir (2016), the Solvency Ratio is the ratio used to measure the extent to which a company's assets are financed with debt.

Company Size

Company size is a scale that can determine the size of a company. According to Suyono, et al (2019), company size, namely the size of the company, can be measured based on the total value of its assets owned by the company. Company size is an indicator showing the financial strength of a company, the bigger the company attracts investors to invest their shares compared to a small company. Firm size has a close relationship with profit growth Because the larger the size of the company, the higher the business continuity of the company in improving financial performance (Alfitri and Sitohang, 2018).

Activity

Activity is the company's ability to carry out activities carried out by the company in carrying out its operations both in selling, purchasing, inventory and other activities (Fitriah and Suprihhadi, 2018). According to Kasmir (2016), activity is the ratio used to measure a company's effectiveness in using its assets. Or it can also be said that this ratio is used to measure the level of efficiency utilization of company resources. From the measurement results with activities, it will be seen whether the company is more efficient and effective in managing the assets it owns or maybe just the opposite.

Profit Growth

The profit earned by a company is very influential on the activities of a company. According to Andriyani (2015), argues that changes in profits aim to assess company performance. Net income (profit) is often used as a measure of performance or the basis for other measures such as return on investment (Return On Investment) or earnings per share. In general, the company's performance is measured based on the profit earned. Growth profit is the increase in profit owned by the company compared to the previous year's profit (Pradani, 2018). Profit growth that increases every year is the goal of all companies. Profit growth that occurs is influenced by several component

changes in the financial statements such as changes in operating expenses, changes in sales, changes in income tax and so on

3. RESEARCH METHOD

Object of research

The objects in this study are companies engaged in the mining industry that are listed on the Indonesia Stock Exchange (IDX) for the 2017-2021 period.

Research time

Judging from the time of research, this research data is data taken within a certain period of time, namely for 6 months starting in April-September 2022

Data Type

In this case, the type of data used is quantitative data, namely the company's annual financial statements.

Data source

The data in this study were taken from the official website of the Indonesia Stock Exchange Www.idx.co.id.

Population

The population in this study are all mining companies listed on the Indonesia Stock Exchange.

Sample

Selection of the sample in this study using the method purposive sampling namely sampling techniques with certain criteria. The criteria used are as follows:

1. Mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period
2. Mining companies that publish financial reports consecutively for the 2017-2021 period
3. Mining companies that did not experience losses during the 2017-2021 period

From the criteria above, the mining companies that are the sample in this study can be seen in table 1 :

Table 1. Research Sample

No	Company name	Company Code
1	Adaro Energy Tbk.	ADRO
2	Baramulti Suksesserana Tbk.	BSSR
3	Darma Henwa Tbk.	DEWA
4	Golden Energy Mines Tbk.	GEMS
5	Indo Tambangraya Megah Tbk.	ITMG
6	Resources Alam Indonesia Tbk.	KKGI
7	Mitrabara Adiperdana Tbk.	MBAP
8	Golden Energy Mines Tbk.	TOBA
9	Indo Tambangraya Megah Tbk.	ELSA
10	Resources Alam Indonesia Tbk.	ESSA
11	Mitrabara Adiperdana Tbk.	PTBA
12	Golden Energy Mines Tbk.	PSAB

Source: the results of data processing

Data Collection Techniques

The data taken in this research is secondary data. Secondary data is data that is not obtained directly from research subjects, data obtained indirectly from companies that are used as the unit of analysis using the following

techniques:

1. Library Studies (Library Research), the authors obtained several data sources derived from previous research references.
2. Web Searching, namely writing efforts to collect articles, journals, documentation and others that have to do with scientific writing materials on the internet.
3. Library Studies (Library Research), namely writing efforts to collect articles, journals, documentation and others that have to do with scientific writing materials on the internet.

Data analysis technique

The analysis technique used in this study is multiple linear regression analysis by testing the classical assumptions first. Testing done to test whether the distributed data normal and has no symptoms of multicollinearity and autocorrelation, as well as symptoms of heteroscedasticity. The method of multiple linear regression analysis is assessed from the R2, T test, and F test.

4. RESULTS AND DISCUSSION

Results

a. Descriptive Statistical Test Results

The results of the descriptive statistical test totaled 60 samples, indicating that solvency has a minimum value of 0.16, a maximum value of 2.88, an average value of0,8172 and the standard deviation value is 0.55174. Firm size has a minimum value of 13.98, a maximum value of 22.04, an average value of 18.3028 and a standard deviation value of 2.17904. Activity has a minimum value of 0.03, a maximum value of 2.01, an average value of 0.9065 and a standard deviation value of 0.51724. Profit growth has a minimum value of -0.98, a maximum value of 17.08, an average value of 1,3813 and the standard deviation value is 3.83953. These results can be seen in Table 2 below:

Table 2
Descriptive Statistical Test Results

N		Minimum	Maximum	Mean	Std. Deviation
THE	60	,16	2,88	,8172	,55174
UP	60	13,98	22,04	18,3028	2,17904
THIS	60	,03	2,01	,9065	,51724
EAT	60	-,98	17,08	1,3183	3,83953
Valid N (listwise)	60				

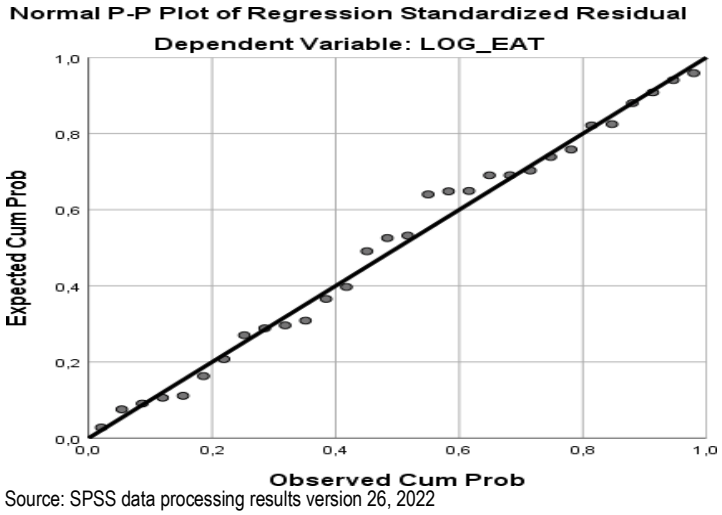
Source: SPSS data processing results version 26, 2022.

Classic assumption test

Normality test

According to Ghozali (2016) if the data spreads and follows the direction of the diagonal line on the chart P-P Plot Of Regression Standardlized Residual, then the data meets the assumption of normality. Normality test results by looking at the graph Normal P-P Plot Of Regression Standardlized Residual can be seen in picture 1 below:

Figure 1: After Normal P-Plot GraphTransformation



Source: SPSS data processing results version 26, 2022

Normality test results by looking at the graph Normal P-P Plot Of Regression Standardlized Residual in the picture above show that the points or data spread and follow the direction of the diagonal line. So that it can conclude that the regression model has been normally distributed.

Test Results Autocorrelation

According to Febry and Teofilus (2020) the autocorrelation test aims to determine whether in the regression model there is a correlation between the residuals in period t and the residuals of the previous period (t-1). If there is a correlation, it is called an autocorrelation problem. One of the ways used to detect the presence or absence of autocorrelation is to use a test durbin watson.

Table 3
Autocorrelation Test Results
Model Summary[D]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,449[a]	,202	,110	,71695	2,273

Predictors: (Constant), LOG_TATO, LOG_UP, LOG_DER
Dependent Variable: LOG_EAT
Source: SPSS data processing results version 26, 2022

The results of the autocorrelation test in table 3 show that the dL value in the DW table (Durbin-Watson) of 1.2138 and the value of dU in the DW table (Durbin-Watson) of 1.6498. DW value (Durbin-Watson) of 2.273 which is greater than the upper limit (dU) which is 1.6498 and less than (4-dU) 4 – 1.6498 = 2.3502. Based on the provisions of the autocorrelation test, it can be concluded that there is no autocorrelation symptom in the regression.

Multicollinearity Test Results

The multicollinearity test aims to test the existence of a correlation between the independent variables and the regression model. The regression model should not have a correlation between the independent variables (Gunawan, 2019). Multicollinearity testing can be seen Variance Inflation Factor (VIF) and tolerance independent variable provided that the VIF value < 10 and tolerance > 0.01, it means that there is no multicollinearity.

Table 4
Multicollinearity Test Results Coefficients[a]

Model	Unstandardized Coefficients		Standardized Coefficients			Collinearity Statistics	
	B	Std. Error	Beta	T	Say.	Tolerance	VIF
(Constant)	-6,932	3,328		-2,083	,047		
LOG_DER	-,467	,667	-,176	-,700	,490	,488	2,048
LOG_UP	5,320	2,624	,385	2,028	,053	,851	1,175
LOG_TATO	-,561	,526	-,264	-1,066	,296	,502	1,991

Source: SPSS data processing results version 26, 2022

The multicollinearity test results in table 4 show that the solvency variable (DER) has a VIF value of 2.048, firm size (UP) of 1.175, activity (TATO) of 1.991. This value is less than 10 (<10) then the solvency variable (DER) has a value tolerance of 0.488, company size (UP) of 0.851 and activity (TATO) of 0.502. This value is greater than 0.1 (> 01). In this case it can be concluded that the regression model does not have a correlation between the independent variables or there are no symptoms of multicollinearity.

Heteroscedasticity Test Results

The heteroscedasticity test aims to find out whether there is inequality in the regression model variance from the residual of one observation to another in the regression model. A good regression model is one that does not have heteroscedasticity. To detect the presence or absence heteroscedasticity can be seen from the presence or absence of certain patterns on the chart scatter plot. If it forms a certain pattern, then there is heteroscedasticity, and if the points are spread out, then there is none heteroscedasticity (Sutopo and Slamet, 2017).

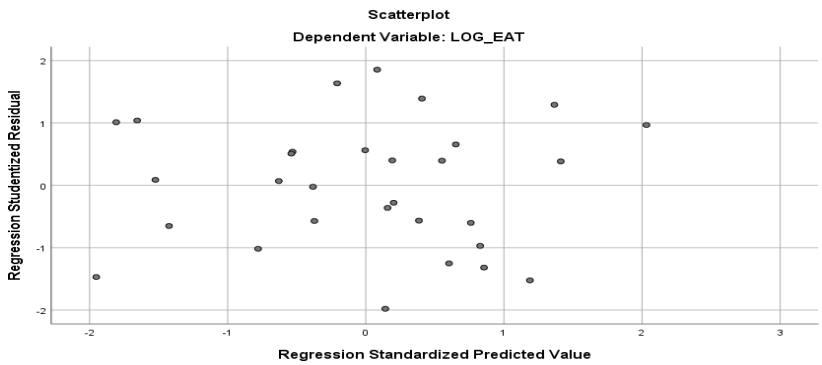


Figure 2: Test ResultsHeteroscedasticity

Source: SPSS data processing results version 26, 2022

The results of the heteroscedasticity test in Figure 2 show that the graph scatter plot shows no clear pattern and the points spread above and below the number 0 on the Y axis. Based on these results it can be concluded that the regression model does not show symptoms of heteroscedasticity.

Hypothesis Test Results

Multiple Linear Regression Results

Multiple linear regression analysis, which analyzes the linear relationship between 2 or more independent variables

with 1 dependent variable (Purnomo, 2017). The results of multiple linear regression tests can be seen in table 5 below:

Table 5
Multiple Linear Regression Test Results

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	T	Say.
1	(Constant)	-6,932	3,328		-2,083	,047
	LOG_DER	-,467	,667	-,176	-,700	,490
	LOG_UP	5,320	2,624	,385	2,028	,053
	LOG_TATO	-,561	,526	-,264	-1,066	,296

Dependent Variable: LOG_EAT
Source: SPSS data processing results version 26, 2022

From the results of the multiple linear regression test in table 5, the multiple linear regression equation is obtained as follows:

$$Y = -6.932 - 0.467X_1 + 5,320X_2 - 0.561X_3 + e$$

Partial Test Results (t)

The t test is to find out whether the independent variables partially have a significant effect or not on the dependent variable (Mulyono, 20018). Testing is done using significance level 0,05 (a = 5%). Acceptance or rejection hypothesis done with the criteria if the value of tcount> ttable, for hypothesis accepted means that partially the independent variable it has a significant effect on the dependent variable and if value tcount< ttable, for hypothesis rejected this means partially independent it does not have a significant effect on the dependent variable.

Table 6 Partial Test Results

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	T	Say.
1	(Constant)	-6,932	3,328		-2,083	,047
	LOG_DER	-,467	,667	-,176	-,700	,490
	LOG_UP	5,320	2,624	,385	2,028	,053
	LOG_TAT O	-,561	,526	-,264	-1,066	,296

Dependent Variable: LOG_EAT
Source: SPSS data processing results version 26, 2022

Based on table 6 on *coefficient* t or the t value obtained, partially the effect of the independent variables on the dependent variable is as follows:

1. Solvability (DER) hast count as big-0.700 meanwhile table as much as -2.05553 up to t count < t table, H0 is accepted and H1 is rejected and the sig. 0.490 is greater than 0.05, so it can be concluded that solvency has no effect and is not significant on the profit growth of mining companies listed on the Indonesia Stock Exchange 2017-2021.
2. Firm size (UP) hast count as big2.028 meanwhile t table as much as 2.05553 up to t count < t table, H0 is accepted and H2 is rejected and the sig. 0.530 is greater than 0.05, so it can be concluded that company size has no effect and is not significant on the profit growth of mining companies listed on the Indonesia

Stock Exchange for the 2017-2021 period.

3. Activity (TATO) hast count as big-1.066 meanwhile t table as much as -2.05553 up to t count < t table, H0 is accepted and H3 is rejected and the sig. 0.296 is greater than 0.05, so it can be concluded that activity has no effect and is not significant on changes in profits of mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period.

Simultaneous Test Results (F)

The F test is used to determine whether the independent variables together have a significant effect on the dependent variable.

Table 7 Simultaneous Test Results

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Say.
1	Regression	3,376	3	1,125	2,189	,113[b]
	Residual	13,364	26	,514		
	Total	16,740	29			

Dependent Variable: LOG_EAT
Predictors: (Constant), LOG_TATO, LOG_UP, LOG_DER
Source: SPSS data processing results version 26, 2022

Based on the results of the simultaneous test in table 7 shows that mark significant 0.113 where the value is greater than 0.05 (0.113 > 0.05). Based on these results it can be concluded that H4 rejected meaning that the solvency variables, firm size and activity simultaneously have no effect on profit growth. Then the researchers conducted the test by comparing the value of F count and F table with rate significance by 5% (0.05). Mark F Count of 2.189 and value F Table with a significant level (error rate) of 5% (0.05), df1 = 3 and df2 = 30 so that the obtained value F Table of 2.92. Based on these results indicate that the value of F count< F table (2.189 <2.92) so it can be concluded that H4 rejected and H0 accepted or variable solvency, company size and activity simultaneously have no effect on earnings changes.

Test Results for the Coefficient of Determination (R^2)

Test coefficient determination is useful for measuring the role of the independent variables together in explaining the changes that occur in the dependent variable (Sugiyono, 2019). If the coefficient of determination is equal to zero (R^2= 0) means that the independent variable has no effect on the dependent variable at all. Conversely, if the coefficient of determination is equal to one (R^2= 1), it means that the dependent variable is 100% influenced by the independent variable. Therefore, the coefficient of determination is between 0 and 1.

Table 8 Determination Test Results

Model Summary[D]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,449[a]	,202	,110	,71695	2,273

Source: SPSS data processing results version 26, 2022

From table 8 above, the value is obtained by adjusted *R square* of 0.110. Mark Adjusted *R square* this

shows that there is how much influence is given by the independent variable. Mark Adjusted R square independent variables namely solvency, company size and activity of 0.110 or 11%. growth profit, while the rest (100% - 11% = 89%) is influenced by other variables such as profitability, liquidity, Good Corporate Governance which were not examined in this study.

Discussion

Solvability (DER) has no effect on Profit Growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period

The first hypothesis proposed in this study is solvency proxied by Debt to Equity Ratio (DER) has no effect on profit growth in mining companies for the 2017-2021 period. Based on the results of the partial test in table 4.9 shows that the solvency variables have a significant value of 0.490. This value is greater than 0.05 (0.490 > 0.05) and the solvency variable hast count as big-0,700 andt table as big-2,05553 (-0,700 < -2,05553). Based on these results it can be concluded that H1 is rejected and H0 is accepted or the solvency variable has no effect on profit growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period. This shows that solvency has no effect on profit growth because companies use more debt than their own capital run its operational activities will have an impact on the survival of the company, namely the difficulty of increasing profits, because the company will use its profits to pay interest on its debts.

The results of this study are in line with research conducted by Suyono, et al (2019), namely solvency has no effect and is not significant on profit growth. This is because Solvability is proxied by debt to equity ratio. High debt has a negative impact on company performance because the higher the debt level, the greater the interest expense, which means reducing profits.

Company Size (UP) has no effect on Profit Growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period

Hypothesis The second thing proposed in this study is that company size (UP) has no effect on profit growth in mining companies for the 2017-2021 period. Based on the partial test results in table 4.9show that the company size variable has a significant value of 0.530. This value is greater than 0.05 (0.530 > 0.05) and the company size variable has a count of 2.028 and t tables as big 2,05553 (2,028 < 2,05553). Based on these results it can be concluded that H2 is rejected and H0 is accepted or the company size variable has no effect on profit growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period. This shows that company size has no effect on profit growth because a large company size does not necessarily guarantee that the profit earned by the company will also be large, because this depends on how the company's performance is to get the maximum possible profit.

The results of this study are in line with research conducted by Suyono, et al (2019), namely company size has no significant effect on profit growth. This is because if the size of the company is getting bigger which is proxied by the total assets of the company, the size of the company will be getting bigger too. The results of this study indicate that both large companies and small companies are not able to generate profits optimally each year so that they do not affect profit growth.

Activity (TATO) has no effect on Profit Growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period

hypothesis The third proposed in this study is activity proxied by Total Assets Turnover (TATO) has no effect on profit growth in mining companies for the 2017-2021 period. Based on the partial test results in table 4.9 it shows that the activity variable has a significant value of 0.296. This value is greater than 0.05 (0.296 > 0.05) and the activity variable has a tcount of -1.066 equal to and t table as big-2,05553 (-1,066< -2,05553). Based on these results it can be concluded that H3 is rejected and H0 is accepted or the activity variable has no effect on profit growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period. This shows that activity has no effect on profit growth because the company is not capable of utilizing resources they have efficiently, this can lead to a decrease in sales which can inhibit profit growth so that it will reduce asset gains for the company.

The results of this study are in line with the research conducted by Fitriah and Suprihhadi (2018), namely activity has no effect and is not significant on profit growth. Decline Total asset turnover can be caused because the company has not been able to maximize the assets owned by the company so that the turnover is longer and inhibits the company's profit growth. Based on the explanation above, the authors conclude that the company's activities have no effect because the company cannot utilize its assets properly so that it has an impact on profit growth.

Solvability (DER), Company Size (UP) and Activity (TATO) simultaneously have no effect on Profit Growth in mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period

The four proposed in this study are solvency (DER), company size and activity (TATO) have no effect on profit growth in mining companies for the 2017-2021 period. Based on the simultaneous test results in table 4.10 it shows that solvency, company size and activity have a significant value of 0.113. the value greater than 0.05 (0.113 > 0.05) and mark Fcount< Ftable (2.189 < 2.92). Based on the results the it can be concluded that H4 rejected and H0 accepted or solvency (DER), company size and activity (TATO) simultaneously have no effect on profit growth in mining companies for the 2017-2021 period. This indicates that the solvency variable (DER), company size (UP) and activity (TATO) in mining companies collectively cannot affect profit growth because the figures obtained from comparisons of financial statements with others do not have a relevant relationship and are unable to generate significant value. The solvency variable (DER), company size (UP) and activity (TATO) simultaneously have no effect on profit growth in mining companies. The results of this study are in line with research conducted by Suyono, et al (2019), which states that the Total Debt to Equity Ratio (DER), company size (UP) and Total Asset Turnover (TATO) have no effect and are not simultaneously significant on profit growth company.

5. CONCLUSION

This study aims to test and obtain empirical evidence about the influence of solvency (DER), firm size (UP) and activity (TATO) on profit growth. The objects in this study are mining companies listed on the Indonesia Stock Exchange for the 2017-2021 period through the official website www.idx.co.id. The subjects in this study were the financial reports and annual reports of mining companies. The sampling technique in this study uses purposive sampling and 60 companies were sampled during the 2017-2021 period. From the results of the data processing test, it can be concluded that :

1. Solvency (DER) shows a significant level of 0.490 where the value is greater than 0.05 (0.490 > 0.05) and the solvency variable (DER) has a count as big-0.700 meanwhile t table of -2.05553. Then results hypothesis The first test is that H1 is rejected and H0 is accepted. This shows that solvency has no effect on growth profit because companies that use more debt than their own capital to carry out their operations will give impact on the survival of the company that is difficult increase profit earned, this can happen because the company will use profits to pay the interest on the debt.
2. Firm size (UP) shows a significant level of 0.530 where the value is greater than 0.05 (0.530 > 0.05) and the firm size variable (UP) has at count as big2.028 meanwhile t table of 2.05553. Then results hypothesis The second test is H2 is rejected and H0 is accepted. This shows that company size has no effect on profit growth because a large company size does not necessarily guarantee that the profit earned by the company will also be large, because this depends on how the company's performance is to get the maximum possible profit.
3. Activity (TATO) shows a significant level of 0.296 where the value is greater than 0.05 (0.296 > 0.05) and the activity variable (TATO) has a value t count as big-1.066 meanwhile t table of -2.05553. The results hypothesis The three tested are H3 rejected and H0 accepted. This shows that activity has no effect on profit growth because the company is unable to utilize its resources efficiently, this can cause a decrease in sales which can inhibit profit growth so that it will reduce asset gains for the company.
4. Solvability (DER), Firm Size (UP) and Activity (TATO) show a significant value of 0.113 where the value is greater than 0.05 (0.113 > 0.05). From the results of the simultaneous test it is known that the value F Count of 2.189 and valueF Table of 2.92 (2.189 <2.92). Then results hypothesis fourth Which tested isH4 is rejected and

H0 is accepted. This indicates that the solvency variables (DER), company size (UP) and activity (TATO) in mining companies together cannot be influence growth profit because the figures obtained from the results of comparisons of financial statements with others do not have a relevant relationship and cannot generate significant value.

6. SUGGESTION

1. For companies, periodic evaluations should be carried out by the company in order to assess whether the company's performance is running well or not. In addition, with an evaluation, the company can find out the cause of an increase or decrease in performance so that it can determine the right policy to achieve maximum profits in the future.
2. For academics, the influence of the two variables is still very small, proven with value (Adjusted R^2) of 0.110 which means 11% that growth profit can be explained by the three independent variables namely solvency (DER), firm size (UP) and activity (TATO).
3. For future researchers, this can be done by adding other variables or using other variables as well to replace objects of research, in addition to increasing the number of research samples so that the results of further research are more precise and accurate.

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