

# Analysis of Inflation and Debt on Profit Margins in the Plantation Sub-Sector Listed on the Indonesian Stock Exchange

Original Article

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## Abstract

The purpose of this study is to investigate the impact of debt and inflation on the profitability of plantation sector companies listed on the Indonesia Stock Exchange from 2019 to 2023. Using a sample of 60 data from 12 plantation subsector organizations, the methodology used is quantitative and uses a data approach. correlation. Descriptive statistical tests, multiple linear regression tests, classical assumption tests, and hypothesis tests were used for data analysis, while literature reviews and documentation were used for data collection. The research results show that the inflation variable (X<sub>1</sub>) has a partial influence on the profit margin (Y) as indicated by the t value of -3.119 which is greater than t table 2.002 and the Sig value of 0.003 which is less than 0.05. Apart from that, the Debt variable (X<sub>2</sub>) has an influence on Profit Margin (Y) with a Sig value of 0.010 which is smaller than 0.05 and a t-count value of 2.671 which is greater than t-table 2.002. Profit Margin (Y) is influenced simultaneously by inflation (X<sub>1</sub>) and debt (X<sub>2</sub>), with a calculated f value of 21.807 greater than f table 3.16 and a Sig value of 0.000 less than 0.05. In the plantation subsector listed on the Indonesia Stock Exchange, the combined influence of debt variables (X<sub>2</sub>) and inflation (X<sub>1</sub>) on profit margins (Y) is 43.3%.

**Keywords:** Debt, Inflation, Profit Margin

## 1. Introduction

Indonesia is currently witnessing a significant rise in the number of businesses involved in trade, industry, and services. All businesses, no matter how big or small, have set goals. Companies listed on the Indonesia Stock Exchange (IDX) come from nine different industries. Food crops, plantations, fisheries, and livestock are the four subsectors that make up the agricultural sector that have an important role in the Indonesian capital market.

One of the four developed subsectors that contributes significantly to Indonesia's economic growth is the plantation subsector. Even when the economy is sluggish, this subsector is considered one of the main and fundamental businesses in the economy. Agribusiness contributes significantly to economic expansion, job creation, macroeconomic stability, export earnings, and the provision of downstream raw materials for agricultural industries in this subsector.

Although production and distribution operations are usually carried out to generate profits, capital market investors aim to earn dividends. Profit is essential for businesses to thrive in the business sector; without it, they will find it difficult to obtain external funding (Sulistiorini, 2022). Therefore, a business must run well. According to Masno Marjohan (2022), Net Profit Margin (NPM) is the amount of net profit earned by the company from each sale and is calculated as the ratio of net profit after tax to total sales. According to Fitriyani



(2019), a company with a high NPM will increase operational efficiency and potentially generate significant profits.

The Central Bureau of Statistics (BPS) reported inflation in December 2020 of 0.45% and December 2021 of 0.57%. In December 2022, the inflation rate was 5.51% year-on-year. Price increases occurred in most expenditure groups, including the food, beverage and tobacco group which increased by 5.83%; the apparel and footwear group which increased by 1.40 percent; the housing, water, electricity and household fuel group, which increased by 3.78%; and the equipment, tools, and routine household maintenance group, which increased by 4.86%; the health group, which increased by 2.87%; the transportation group, which increased by 15.26%; the recreation, sports, and culture group, which increased by 3.04 percent; the education group, which increased by 2.77%; the food and beverage/restaurant supply group, which increased by 5.91 percent; and the personal care and other services group, which increased by 5.91%. Meanwhile, the expenditure index fell 0.36% in the information, communication and financial services group.

Businesses have the opportunity to generate profits in line with the goals outlined in the corporate strategy when inflation is stable and under control. These revenues can be used to grow the company by, among other things, creating new products or expanding additional locations. On the other hand, businesses may need to use additional reserves, such as foreign currency reserves, for expenditures intended to stabilize inflation when inflation is low (Hendayana & Riyanti, 2019).

Businesses will find it very difficult to repay foreign currency loans that have soared in value in this situation. As a result, the business has larger payment commitments than expected. Plantation subsector businesses must innovate and develop more frequently to maintain their business continuity, which requires more funding. The use of debt is one option-and often the primary option-to obtain this capital.

In this situation, businesses will face great challenges in repaying debts denominated in foreign currencies that have soared in value. As a result, the payment obligations of the business exceed its initial amount. Plantation subsector businesses require greater capital in order to further develop and expand to support business continuity. The most common option to acquire this capital is to use debt as an alternative.

Financial leverage, according to Sunaryono et al. (2023), is the use of funding sources with fixed costs in order to increase the profits that shareholders can access by generating additional revenue that exceeds fixed costs. There are three significant consequences of financial leverage. First, debt financing allows owners to remain in control of the business with little financial outlay. Second, creditors see the owner's equity or funds as a safety net; if the owner provides only a small amount of total funding, creditors will be responsible for greater business risks. Third, if the company makes more money from investments financed with borrowed money than from interest payments, then the return on owner capital, or leverage in this case, will be higher (Mahulae, 2020).

In general, profitable businesses use less debt than poorly performing businesses. This is due to the fact that a high-profit business can finance most of its financial needs using internally generated money. In contrast, businesses with low profits usually rely on debt to fund their operations. Therefore, in the use of external funds, especially debt, company management must be able to make appropriate assessments and policies (Ayuningrum et al., 2023). In addition, management must effectively and efficiently manage all company resources and make decisions that will help the organization achieve its long-term goals.

Cash Turnover is the ability of cash to generate income so that it can be seen how many times cash rotates in a certain period. A company can be indicated as successful if the cash

turnover that occurs during a certain financial period has increased. During a specific timeframe, the cash flow can serve as a point of reference for investors looking to boost their investments in operational funding for pharmaceutical companies down the line. A fast turnover of receivables leads to quicker cash flow, allowing the company to reuse the cash for operational purposes and reducing the risk of losses. This results in the pharmaceutical company being considered highly liquid. On the other hand, a slow turnover of receivables leads to an accumulation of excess receivables, causing the pharmaceutical company to face liquidity issues.

The liquidity of a business refers to its capacity to utilize liquid assets to meet financial obligations promptly. When a company can fulfill its production-related payments, it demonstrates a strong liquidity position (Mursalini, 2021). Based on the background described, the purpose of this study is to investigate the impact of debt and inflation on the profitability of plantation sector companies listed on the Indonesia Stock Exchange from 2019 to 2023.

## 2. Literature Review

### 2.1. Financial Report

Financial statements are produced at the end of an accounting procedure and act as a means of exchanging information about a company's financial or operational data with interested parties (Ulupui et al., 2021). Financial reporting typically consists of a balance sheet, income statement, and statement of financial position. This information can be presented in different formats like a cash flow statement or fund flow statement, along with additional notes and other report elements. The implementation of financial practices is an essential aspect in this process (Jirwanto & Aqsa, 2024).

Financial statements, also known as documents, illustrate the impact of a company's activities over a specific reporting period on its financial condition. The financial status of a business, including its assets-both fixed and non-fixed assets-is usually displayed in the prepared financial statements (Sufyati et al., 2021). These reports contain details about the company's finances, including its capital, operational profits, expenses, and both short-term and long-term debts. Financial statements are prepared to give an overview of the recording and financial activities carried out throughout the fiscal year. These statements present details on the assets and liabilities through a balance sheet and income statement (Nur, 2020).

Financial reports are used to assess how successful a company is in achieving its goals and to monitor the performance and growth of the organization over time. Financial statements, the final output of an accounting process, are created to facilitate communication between stakeholders and financial information or company activities. According to Sufyati et al. (2021), financial statements play a crucial role in influencing the decision-making process.

Interested stakeholders can evaluate the state of the company and its potential future development through financial reports, which will be taken into consideration in making decisions (Sukamulja, 2024). The argument presented suggests that a business's financial records consist of its financial information gathered during a specific timeframe that serves to represent its effectiveness. Simply put, financial statements are important documents that include cash and transaction information for organizations.

## 2.2. Types of Company Financial Statements

According to Hidayat and Parlindungan (2018), financial reports can be broadly classified into the following types:

- a) Statement of Financial Position: This report displays the company's capital, liabilities, and assets throughout a certain period of time.
- b) Income Statement: The company's revenues, costs, and profits for the reporting period are summarized in the income statement.
- c) Statement of Shareholders' Equity: The variables that affect changes in the company's equity or capital are discussed in this study.
- d) Cash Flow Statement: The financial situation of the company and the variables affecting it are detailed in the cash flow statement.

The explanation leads to the conclusion that every business needs to make financial statements that serve as information for various uses other than routine. This kind of financial report is usually made for investors who want to invest in a company and need to review its financial statements as investment projections, in addition to company management. The process of reviewing financial statements becomes simpler with this report.

## 2.3. Principles of Financial Statement Preparation

The following is an explanation (Widyatuti, 2017):

- a) Unit or Entity Concept: According to this theory, personal and business finances should be recorded as one entity for the purpose of preparing financial statements.
- b) Concept of Survival/Continuity of Operations: This idea clarifies how a business uses the financial statements it has prepared with respect to its long-term operational continuity.
- c) Unit of Measurement Concept: By adopting a specific unit of currency, for example, this idea highlights how important it is to maintain consistency in the transactions or monetary units used when preparing financial statements.
- d) The Concept of Related Reports: According to this theory, to produce accurate reports without fabrication, all financial statements-including the balance sheet, profit and loss, cash flow, and changes in capital-should be interconnected.
- e) Materiality Concept: According to the notion of materiality, when creating financial statements, only relevant and significant information should be included, while keeping in mind the overall purpose of the statements.

This explanation leads to the conclusion that a business will operate according to the correct processes and procedures when applying the basic concepts of accounting correctly. Because the basic ideas of accounting are various ideas that are used as standards and references to produce financial statements that are clear and easy to understand.

## 2.4. Definition of Profit Margin

Jenita & Herispon (2022) define profit margin as the difference between net operating income and net sales. Profit margin calculates the amount of profit a business can earn compared to its sales. According to Putra et al. (2021), the profit margin is a measure that is utilized to assess the profitability of a company by comparing its total revenue to the net profit earned after taxes and interest expenses. A company's profit margin demonstrates its capacity to generate earnings after taxes. The net profit margin (NPM) showcases a business's efficiency in generating profits from its operations. NPM refers to the measure of operational effectiveness in a business, indicating how well the company can handle its ongoing costs (Alifedrin & Firmansyah, 2023).

The ratio called net profit margin compares net profit-that is, sales after all expenses, including taxes, are deducted-to total sales. It is better for business operations when the Net

Profit Margin is larger. Depending on the type of business, a high net profit margin is considered profitable. In addition, net profit after tax is measured using net profit margin in relation to sales volume (Oktavia et al., 2023).

One of the primary aims of a business, among other goals, is to optimize its earnings and financial gains. The company can increase its contribution to the welfare of owners and employees, improve the quality of its products, and make new investments if it reaches its profit target (Siregar, 2020). The profit margin is a useful ratio in evaluating a business's efficiency as it considers the operating profit generated from sales.

## 2.5. Factors Determining Profit Margin

Net sales and operating profit are two criteria that determine the size of the profit margin for each sales transaction. Revenue and total operating expenses determine operating profit or net operating income (Muniarty et al., 2021). With a certain level of operating costs, profit margins can be increased by lowering operating or selling costs. Therefore, there are two ways to increase profit margins (Muniarty et al., 2021).

- a) The corporation seeks to maximize new sales by raising business costs (operating expenses) to a certain point; that is, additional sales must exceed the increase in business costs.
- b) The corporation aims to cut operating expenses as much as possible by lowering sales revenue to a certain level; therefore, the reduction in operating expenses must be greater than the decrease in sales revenue.

These arguments lead to the conclusion that net profit margin is the key to long-term business success. This is a challenging process and requires careful calculations that take into account the variables that affect net profit margin. This ratio shows the amount of profit gained from each sale. A higher ratio indicates greater business profitability.

## 2.6. Benefits of Knowing Profit Margin

Businesses can find opportunities to improve productivity, control expenses, and maximize revenue by having a solid understanding of profit margins. The advantages of profit margins are as follows (Putra et al., 2021).

- a) Understanding the Company's Financial Condition: The profit margin is a useful indicator for determining how profitable a company is based on the profit earned from its business operations.
- b) Comparing with Other Companies: The profit margin of a company can be used to compare it with competitors in the same sector.
- c) Identifying Adverse Expenditures: Using profit margin calculations, businesses can determine operational efficiency, including costs that have a negative impact.

This argument leads to the conclusion that the net profit margin of a company indicates how well it is generating profits from its operations. In essence, net profit margin calculations are done on a monthly, quarterly, and annual basis. The net profit margin is utilized as an indicator of the company's total efficiency.

## 2.7. Definition of Inflation

Inflation is the process of generally constant price increases. Inflation usually results in a decrease in people's purchasing power as it also lowers their real income. For example, in a given year, if income remains the same but inflation increases by 5%, actual income will fall by 5%, resulting in a 5% decrease in purchasing power (Ibrahim & Fahrurrozie, 2021).

According to Aziz et al. (2024), inflation is a tendency for prices to rise continuously and usually over a long period of time. Inflation cannot be defined as an increase in the price of

one or two commodities until it affects most other goods. One indicator of whether or not a country's economy is in trouble is inflation. Another definition of inflation is the tendency of prices to rise generally and sustainably. A one-time price increase is not considered inflation based on this criterion (Rustandi et al., 2021). A widespread and sustained rise in commodity prices is known as inflation (Rapii et al., 2022).

This explanation leads to the conclusion that there are three conditions that must be met for inflation to be declared. First, costs need to increase. The second condition is that the general price of merchandise must rise. Third, the price increase needs to be sustained for a considerable period of time. Therefore, price increases that are temporary or limited to a single category of commodities cannot be classified as inflation.

## 2.8. Factors Causing Inflation

Many variables contribute to the price increases that may occur in different countries. Inflation in developed countries is usually caused by one or both of the following (Hutajulu et al., 2024):

- a) Total spending exceeds the ability of businesses to produce products and services. Customers will be more willing to spend more because they want to get the goods they need
- b) The entire amount spent exceeds the ability of the business world to produce goods and services. Because they want to get the goods they need, customers will tend to spend more money.

This argument leads to the conclusion that the index number, which is usually used to calculate various commodities and services, serves as a measure of inflation.

## 2.9. Definition of Debt

A temporary source of funding that comes from outside the business and must be paid back by the company Anwar (2019). Thinking about debt in a different light involves seeing it as a promise to either transfer assets or offer services at a later time (Imron, 2021). Based on these two definitions, debt is defined as a financial commitment that must be paid back to the lender at a certain time in the form of cash, products, or services.

A company's debt ratio is used to evaluate its capacity to fulfill all financial obligations, including those that are due in the short term and the long term (Sa'adah, 2020). The financial arrangement of a company plays a role in determining its worth, with debt being a key component of this arrangement. When a company is obligated to transfer assets or render services to external parties due to previous transactions or events, it involves giving up potential future economic gains (Afdhal et al., 2023) book.

According to Hutabarat (2021), debt is a company's liquidity commitment that comes from external funding sources, including bank loans, bonds, and leases. Therefore, companies must pay off their debts. Companies risk being penalized if they do not fulfill their responsibilities on time. These penalties can be in the form of transferring ownership of assets, which requires the company to settle its obligations within a certain period of time.

Debt to Equity Ratio (DER) is involved in this study to measure debt. Managing capital structure is one of the biggest problems facing financial managers. The manager's goal is to identify the capital structure that will optimize the company's stock price. Long-term debt and equity components are examples of this capital structure (Seto et al., 2023).

## 2.10. Factors that Affect Debt-to-Equity Ratio (DER)

The following are the variables that affect the level of Debt-to-Equity Ratio (DER) (Darmawan, 2020):

- a) The level of predictability and stability of the business environment.
- b) Companies operating in a volatile and uncertain business environment are better suited to have a low debt-to-equity ratio because they may not be able to fulfill their obligations in the event of a sharp decline in economic activity.
- c) Availability of assets for lenders to use as collateral.
- d) 4. Long-term assets, such as buildings, can help companies maintain a larger debt-to-equity ratio as they provide stronger security to lenders in the event of default.
- e) Interest coverage.
- f) A corporation can obtain additional loans without taking on too much risk if its interest coverage ratio is healthy, and vice versa.
- g) Contractual and regulatory restrictions.
- h) Contracts and obligations must be taken into account when thinking about debt financing.

This explanation leads to the conclusion that the following elements must be taken into account by businesses when calculating the Debt-to-Equity Ratio (DER): interest coverage, availability of assets as collateral for lenders, level of stability and predictability of the business environment. The following elements should be taken into account by businesses when calculating DER: interest coverage, availability of assets as collateral for lenders, level of stability and predictability of the business environment, and contractual and legal restrictions.

## 3. Methods

The research approach employed in this study is quantitative in nature. Quantitative research involves the use of numerical data for collecting, analyzing, and presenting findings (Ansori, 2020). To obtain information, researchers use data collection techniques. To obtain the necessary data, this method can be done by sending surveys, conducting literature studies, and making observations. The websites used for this research are IDN Financials ([www.idnfinancials.com](http://www.idnfinancials.com)) and the Indonesia Stock Exchange ([www.idx.co.id](http://www.idx.co.id)).

## 4. Results and Discussion

The study is centered around companies in the plantation sub-sector that are publicly traded on the Indonesia Stock Exchange from 2019 to 2023. The research examines all companies in the plantation sub-sector that are listed on the IDX as its sample. Based on the criteria set by purposive sampling, the research sample was taken from this group; therefore, the total research sample consisted of 12 companies for three years.

The normality test aims to assess if both the independent and dependent variables in the regression model follow a uniform distribution. A normal or near-normal distribution of data is ideal for regression models. To evaluate this, the three variables will be tested using the Kolmogorov Smirnov technique at a 5% significance level. Decisions are made using the sig value; if it is greater than 0.05 then the data is considered normally distributed; if it is less than 0.05, then it is not. The results of the calculation are shown in the table 1 below.

**Table 1. Normality Test Results  
One-Sample Kolmogorov-Smirnov Test**

|                                  |                | Unstandardized Residual |
|----------------------------------|----------------|-------------------------|
| N                                |                | 60                      |
| Normal Parameters <sup>a,b</sup> | Mean           | .0000000                |
|                                  | Std. Deviation | 114.74871448            |
| Most Extreme Differences         | Absolute       | .195                    |
|                                  | Positive       | .185                    |
|                                  | Negative       | -.195                   |
| Test Statistic                   |                | .195                    |
| Asymp. Sig. (2-tailed)           |                | .200 <sup>c</sup>       |

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

Source: SPSS 22 Data Processing Results

The Asymp value was obtained using the Kolmogorov-Smirnov Test findings for the normality test. The two-sided significance level is 0.200, higher than 0.05. Therefore, it can be said that the regression model in this study has a normal distribution in accordance with the reasons for decision making.

The multicollinearity test is used to determine if there is any connection or correlation among the independent variables in a regression model. It is important to ensure that there is no correlation between the independent variables in order for the regression model to be effective. The decision-making premise is that if tolerance > 0.10 and VIF < 10.0 then there will be no multicollinearity. However, if VIF is greater than 10.0 and tolerance is less than 0.10 then multicollinearity occurs. The calculation results are shown in the table 2 below.

**Table 2. Multicollinearity Test Results  
Coefficients<sup>a</sup>**

| Model        | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. | Collinearity Statistics |       |
|--------------|-----------------------------|------------|---------------------------|-------|------|-------------------------|-------|
|              | B                           | Std. Error | Beta                      |       |      | Tolerance               | VIF   |
| 1 (Constant) | 157.443                     | 42.391     |                           | 3.714 | .000 |                         |       |
| INFLATION    | -.147                       | .047       | -.394                     | -     | .003 | .622                    | 1.609 |
| DEBT         | .001                        | .000       | .338                      | 3.119 | .010 | .622                    | 1.609 |

a. Dependent Variable: PROFIT MARGIN

Source: SPSS 22 Data Processing Results

Based on the multicollinearity test results, the inflation variable has a tolerance value of 0.622 greater than 0.10, and a VIF value of 1.609 less than 10.0. Likewise, the Debt variable has a tolerance value of 0.622 > 0.10 and a VIF value of 1.609 < 10.0. Thus, it can be concluded that multicollinearity symptoms do not exist.

The autocorrelation test is conducted to assess if there is a correlation between the residual error in period t and the error in the previous period t-1 in a regression model. If a correlation is found, it indicates an autocorrelation issue. The Durbin-Watson test, known as the DW test, is employed to perform this autocorrelation test in the research. The following table 3 shows the calculation results.

**Table 3. Autocorrelation Test Results Model Summary<sup>b</sup>**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1     | .658 <sup>a</sup> | .433     | .414              | 116.744                    | 1.544         |

a. Predictors: (Constant), DEBT, INFLATION

b. Dependent Variable: PROFIT MARGIN

Source: SPSS 22 Data Processing Results

According to the findings of the autocorrelation test, the Durbin-Watson value is 1.544 with  $dL = 1.5144$  and  $dU = 1.6518$ . Therefore,  $4 - dU$  is  $4 - 1.6518 = 2.3482$ , while  $4 - dL$  is  $4 - 1.5144 = 2.4856$ . The fact that the DW value is between  $dL$  and  $4 - dL$  ( $dL < dW < 4 - dL$  i.e.  $1.5144 < 1.544 < 2.4856$ ) indicates that there is no sign of positive or negative autocorrelation in this regression model.

How similar the Y values in a sample are to the true values is determined by the coefficient of determination ( $R^2$ ).  $0 \leq R^2 \leq 1$  is the range of  $R^2$  values. A perfect match is indicated by an  $R^2$  of 1, while no relationship between the dependent and independent variables is indicated by an  $R^2$  of 0. The following table 4 shows the calculation results.

**Table 4. Coefficient of Determination ( $R^2$ ) Test Results Model Summary**

| Model | R                 | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1     | .658 <sup>a</sup> | .433     | .414              | 116.744                    |

a. Predictors: (Constant), DEBT, INFLATION

Source: SPSS 22 Data Processing Results

The R Square ( $R^2$ ) value determined through the coefficient of determination test is 0.433 or 43.3%. This shows that during the 2019-2023 period, the plantation subsector listed on the Indonesia Stock Exchange (IDX) experienced an impact of 43.3% from inflation (X1) and debt (X2) factors on profit margins (Y). Meanwhile, additional factors not covered in this study, such as interest rates and company size, affected the remaining 56.7% ( $100\% - 43.3\%$ ) of Profit Margin (Y) in this sub-sector.

**Table 5. T-Test Results Coefficients<sup>a</sup>**

| Model        | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|--------------|-----------------------------|------------|---------------------------|-------|------|
|              | B                           | Std. Error | Beta                      |       |      |
| 1 (Constant) | 157.443                     | 42.391     |                           | 3.714 | .000 |
| INFLATION    | -.147                       | .047       | -.394                     | -     | .003 |
| DEBT         | .001                        | .000       | .338                      | 3.119 | .010 |

a. Dependent Variable: PROFIT MARGIN

Source: SPSS 22 Data Processing Results

The formula  $t_{table} = (\alpha/2; n-k-1 \text{ or residual df})$  is used to determine the value of t table. In this calculation  $\alpha$  represents the research confidence level of 0.05,  $n$  is the number of samples, namely 60, and  $k$  is the number of independent variables (X), namely inflation and debt. Obtained t table of 2.002 due to changes in the equation to  $t_{table} = (0.05/2; 60-2-1) = (0.025; 57)$ .

## 5. Conclusion

The research findings and data analysis suggest that inflation (X1) has a notable impact on profit margins (Y), as indicated by a significant Sig value of 0.003, which is below the threshold of 0.05, as well as a t-count value of -3.119 which is greater than the t-table of 2.002. This shows that throughout the 2019-2023 period, the plantation subsector listed on the Indonesia Stock Exchange (IDX) experienced a negative impact on its profit margin due to inflation. In addition, debt (X2) also affects profit margin (Y) with a t-count value of 2.671 which is greater than the t-table of 2.002 and a Sig value of 0.010 which is less than 0.05, indicating a relationship between debt and profit margin in the same period. Finally, both inflation (X1) and debt (X2) have a simultaneous effect on profit margin (Y), as evidenced by the F-count value of 21.807 which is higher than the F-table of 3.16 and a Sig value of 0.000 which is less than 0.05. This indicates that inflation and debt together affect the profit margins of the plantation subsector listed on the IDX in the 2019-2023 period.

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