The Effect of Financial Ratio and Interest Rate of Bank on Working Capital Loan Distribution (Study on Commercial Banks Listed in The Indonesia Stock Exchange for The Period 2017 – 2021)

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ABSTRACT

Banking has a major role in the economy to raise funds from the public which is then channeled back to the community in the form of credit. Not optimal lending conducted by the bank into the background of this study. For that we need to be determined how financial ratios, and the bank rate on loans for working capital. The data used in this research is secondary data where the population used in this study is a commercial bank listed on the Indonesia Stock Exchange in the period 2017-2021. Purposive sampling method, so that from 40 companies acquired a total of 14 banks as samples. The analytical method used in this research is multiple linear regression. Partial results of this study show that the LDR and ROA significantly and negatively related to working capital lending. CAR positive and significant impact on working capital lending, while interest rates don't affect the working capital loan portfolio. And simultaneously shows that LDR, CAR, ROA and interest rates significant positive effect on working capital loans.

Keywords: Financial Ratios, Rates, Lending Working Capital

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INTRODUCTION

The development of the banking world in Indonesia has made many banking companies try to improve their competence and service excellence so as not to be displaced by competitors from the same sector. In everyday conversation, banks are known as financial institutions whose main activity is accepting deposits from the public in the form of demand deposits, savings deposits, and time deposits. Banks are also a place to borrow money for people who need an injection of funds in the form of investment credit, working capital credit, and trade credit. The main activity of banks is to collect funds from the public (funding) so that they can then distribute these funds in the form of loans (lending) to people who need loans (Kasmir, 2018: 38).

Financial institutions need to improve their performance in order to survive in the midst of the crisis and rapid changes in this era of globalization. Banks are one of the sources of capital that are needed by the community to carry out their various business activities. Through lending services, banks participate in the success of a country's economic growth. Given the significant role of lending in the national economy, banks are still encouraged to increase their support for national economic growth through channeling funds to the real sector (Indonesian Bankers Association and Bank Internal Audit Association, 2020:151).

The needs and demands of the community, both individuals and business entities, are met by providing credit. One example is the provision of credit to the real sector, namely MSMEs, lending to the MSME sector has increased from time to time. So this has a very good impact on banking progress in meeting profit targets (Andreany Caroline Brus, 2017). In addition to measuring the level of profit of a bank, there are still factors that must be considered for the bank lending. Where the ratios that are often used to measure these factors are the Liquidity Ratio (Loan to Deposit Ratio (LDR)), Solvency Ratio (Capital Adequacy Ratio (CAR)), Profitability Ratio (Return on Assets (ROA)) and Bank Interest Rate.

THEORETICAL REVIEW

Definition of Bank

According to the Indonesian Bankers Association (IBI) and the Bank Internal Auditors Association (IAIB) (2020:3), the definition of a bank in the financial institution system is a mediator (intermediation) between the deficit unit spending and the surplus unit spending. The definition of a bank according to Law No. 10 of 1998 (Banking Law), namely that "a bank is a business entity that collects funds from the public in the form of savings, and distributes them to the public in the form of credit and/or other forms in the context of improve the standard of living of many people".

According to Kasmir (2018:25) understanding of the Bank, "Bank is a financial institution whose main activity is accepting demand deposits, savings, and time deposits. Then the bank is also known as a place to borrow money (credit) for people who need it. In addition, banks are also known as places to

exchange money, transfer money or accept all kinds of payments and deposits such as payments for electricity, telephone, water, taxes, tuition, and other payments.

Definition of Credit

In a broad sense, credit is defined as trust. Likewise, in Latin credit means "credere" which means to believe. The meaning of trust for the lender is that he believes in the credit recipient that the credit he has disbursed will definitely be returned according to the agreement. Meanwhile, for credit recipients, it is an acceptance of trust so that they have an obligation to pay according to the time period.

According to Dwi Fitriani (2018), credit is a certain nominal amount that is entrusted to other parties with a certain time delay in which the payment will include additional interest as compensation for the risk borne by the party providing the loan.

Bank Financial Ratio

a. Liquidity Ratio

The liquidity ratio is a ratio to measure a bank's ability to meet its short-term obligations when billed. This ratio aims to measure how liquid a bank is.

Loan to Deposit Ratio (LDR) is used to measure how far the bank's ability to pay all public funds and own capital by relying on credit that has been distributed to the public.

$$LDR = \frac{Credit}{total\ customer\ deposits} \times 100\%$$

b. Solvency Ratio

It is a measure of a bank's ability to find sources of funds to finance its activities. This ratio aims to measure the efficiency of the bank in carrying out its activities.

Capital Adequacy Ratio (CAR) is a ratio that shows how far all bank assets that contain risk (investment credit, securities, claims on other banks) to be financed from the bank's own capital funds, in addition to obtaining funds from outside sources, such as public funds, loans (debt) and others.

$$CAR = \frac{capital}{Risk\ Weighted\ Assets\ (RWA)} \times 100\%$$

c. Rasio Rentabilitas

Used to measure the level of business efficiency and profitability achieved by the bank concerned. This ratio aims to measure the effectiveness of the bank in achieving its objectives.

ROA (Return On Assets) is the level of the bank's ability to generate net income from assets owned. The bigger a bank makes a profit, it means that the bank is effective in managing its assets. This is based on the income that because assets are funded by shareholders and creditors, the ratio must be able to provide a measure of the productivity of assets in returning returns to both investors.

$$ROA = \frac{Profit\ after\ Tax}{Total\ assets} \times 100\%$$

METHODOLOGY
Research Approach

The research approach used is a quantitative approach. According to Sugiyono (2019:8) quantitative research methods are research methods based on the philosophy of positivism, used to examine certain populations or samples, data collection using research instruments, data analysis is quantitative/statistical, with the aim of testing predetermined hypotheses.

Population

The population is a generalization area consisting of objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then drawn conclusions (Sugiyono, 2020:61). Population is the total number of research objects. The population used in this study were 40 commercial banks listed on the IDX during 2017–2021.

Sample

The research sample is part of the number and characteristics possessed by the population (Sugiyono, 2020:62). While the sample is part or representative of the population studied. The sample used is banking companies listed on the IDX during 2017-2021 that meet the research criteria. In this study, the sample was taken using a purposive sampling method which is a type of sample selection with a specific purpose with predetermined criteria.

The sample criteria used are:

1. Commercial bank companies listed under IPO on the Indonesia Stock Exchange during 2017-2021

2. The company publishes complete financial statements and ratios needed in this research during 2017-2021.

3. The company has consistent profits and did not suffer losses during 2017-2021.

4. Commercial bank companies that have an average effective loan interest rate above 5%.

Based on these criteria, the number of samples used in this study were 14 banking companies, namely: AGRO, BBCA, BBKP, BBNP, BBRI, BBTN, BDMN, BMRI, BNBA, BNGA, MAYA, NISP, PNBN and SDRA.

Variable measurement

Variable Type	Definition	Scale	Measurement
LDR	This ratio is used to measure how far the bank's ability to pay all public funds and own capital is	Ratio	$LDR = \dfrac{Credit}{total\ customer\ deposits} \times 100\%$
CAR	A ratio that shows how far all bank assets are risky	Ratio	$CAR = \dfrac{capital}{Risk\ Weighted\ Assets\ (RWA)} \times 100\%$

ROA	The ratio that shows the results (return) on the amount of assets used by the company	Ratio	$ROA = \frac{Profit\ after\ Tax}{Total\ assets} x100\%$
Interest Rate	The amount of interest set by many for credit loans to customers	Ratio	Percentage
Working Capital Credit (WCC)	The number of working capital loans disbursed by banks that are used for the purpose of increasing production in their operations	Ratio	Number of WCC distributed

Method of collecting data
Data types and sources

The data collection method used is the documentation method, namely data collection by collecting, recording, and reviewing secondary data in the form of annual financial reports. The data collected is data in the form of financial statements of Commercial Banks with IPOs obtained from the Investment Gallery of the Indonesia Stock Exchange, Faculty of Economics, University of Muhammadiyah Gresik Jl. Sumatra 101 GKB Gresik and published through the official website of the Indonesia Stock Exchange (IDX) www.idx.co.id. In this study, the data used is secondary data.

Operational Definition and Measurement of Variables

According to the Indonesian Bankers Association (IBI) (2020: 3), the definition of a bank in the financial institution system is a mediator (intermediary) institution between the deficit spending unit and the surplus unit spending. The definition of a bank according to Law No. 10 of 1998 (Banking Law), namely that "a bank is a business entity that collects funds from the public in the form of savings, and distributes them to the public in the form of credit and/or other forms in the context of improve people's standard of living.

In a broad sense, credit is defined as trust. Likewise, in Latin credit means "credere" which means to believe. The meaning of trust for the lender is that he believes in the credit recipient that the credit he has disbursed will definitely be returned according to the agreement. Meanwhile, for credit recipients, it is an acceptance of trust so that they have an obligation to pay according to the time period.

According to Kasmir (2018: 114), bank interest can be interpreted as remuneration provided by banks based on conventional principles to customers who buy or sell their products. Interest can also be interpreted as the price that must be paid to customers (who have deposits) with those that must be paid by customers to the bank (customers who obtain loans).

Data Analysis Method
Multiple linear regression

Multiple linear regression is used to predict or predict how the condition (increase and decrease) of the dependent variable will be, if two or more independent variables as predictor factors are manipulated (increase in value). So multiple linear regression analysis will be carried out if the number of independent variables is at least 2 (Sugiyono, 2019). The multiple linear regression equation for the two independent variables (predictors) is stated as follows:

$Y = a + b_1 X_1 + b_2 X_2 + b_3 X_3 + b_4 X_4 + e$

Information :

Y	= Dependent variable (Working Capital Loans)
a	= constant
b_1, b_2, b_3, b_4	= Regression coefficient
X_1	= Independent variable 1 (LDR)
X_2	= Independent variable 2 (CAR)
X_3	= Independent variable 3 (ROA)
X_4	= Interest Rate
E	= Error

From multiple linear regression analysis, it will be obtained a linear regression coefficient of each variable. To test each coefficient by testing the Coefficient of Determination R2, individual regression (t-test), and overall (F-test).

RESULTS
Research result

Table 1.Statistical Descriptive Test Results

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
kredit modal kerja	70	475569	226726127,E	1,0892E11	4,06148E11
LDR	70	62,534840	101,018570	86,29126256	8,434033774
CAR	70	10,44	25,57	16,6359	2,65444
ROA	70	0,1791	3,4102	1,630073	0,7562192
tingkat suku bunga	70	9,57	22,00	13,2944	2,26681
Valid N (listwise)	70				

Based on table 1 can be explained as follows:

The value of N shows the amount of data used in the study, which is 70 data, which is the number of samples from 14 companies during the 2017 to 2021

research period. The data used is data from Commercial Banks listed on the Indonesia Stock Exchange.

Working Capital Credit has a minimum value of Rp.475,569 which is owned by Bank Himpunan Saudara 1906 Tbk for the period of 2017 and a maximum value of Rp. 2,267,261,275,718 at Bank Bumi Arta Tbk for the period 2021 with an average value of 1.0892% and a standard deviation of 4,06148. The standard deviation value is greater than the average value indicating that the composition of the total working capital loans less than optimal.

The LDR variable has a minimum value of 62.534840 % which is owned by Bank Central Asia Tbk for the 2017 period and a maximum value of 101.018570 % at Bank Danamon Indonesia Tbk for the 2018 period with an average value of 86.29126256% and a standard deviation of 8.434033774. The standard deviation value is smaller than the average value, indicating that the banking LDR is quite good.

The CAR variable has a minimum value of 10.44% owned by Bank Mayapada Internasional Tbk in 2020 and a maximum value of 25.57%, namely Bank Bumi Tbk parta in 2021 with an average value of 16.6359% and a standard deviation of 2.65444. The standard deviation value is smaller than the average value, indicating that the ability of banks to find sources of funds to finance their activities is quite good. This also means that the position of the CAR value owned by the sample banks has also met the criteria.

The ROA variable has a minimum value of 0.1791% owned by Bank CIMB Niaga Tbk for the 2021 period and a maximum value of 3.4102% at Bank Rakyat Indonesia Tbk for the 2019 period with an average value of 1.630073% and a standard deviation of 0.7562192. The standard deviation value is smaller than the average value, indicating that the management's ability to obtain profitability and managerial efficiency is quite good.

The Interest Rate Variable has a minimum value of 9.57% owned by Bank Central Asia Tbk in 2019 and a maximum value of 22.00%, namely at the State Savings Bank (Persero) Tbk in 2018 with an average value of 13, 2944% and the standard deviation of 2.26681. The standard deviation value is smaller than the average value, indicating that the relationship between credit interest rates and lending is quite good.

Multiple Linear Regression Analysis

Table 2.Test Results Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	9,667E11	5,870E11		1,647	,104
	LDR	-1,690E12	5,509E11	-,351	-3,067	,003
	CAR	5,675E10	1,662E10	,371	3,414	,001
	ROA	-1,417E13	6,068E12	-,264	-2,335	,023
	tingkat suku bunga	-8,502E9	1,941E10	-,047	-,438	,663

a. Dependent Variable: kredit modal kerja

From table 2 above, taking into account the numbers in the unstandardized coefficient Beta column, the multiple regression equation can be arranged as follows: $Y = 9{,}667 - 1{,}690X_1 + 5{,}675X_2 - 1{,}417X_3 - 8{,}502X_4$

From the regression equation above, it can be interpreted as follows:

From the constant value of working capital credit, it shows a number of 9.667 which is positive. This means that the distribution of working capital loans will increase by 9.667 if the values of the four independent variables, namely LDR, CAR, ROA, and Interest Rates, are fixed or zero.

The LDR variable has a negative regression coefficient value of 1.690. A negative coefficient value indicates that LDR has a negative effect on working capital loans. This illustrates that if there is an increase in the LDR value of 1% it will cause a decrease in the total working capital credit value of 1.690%, assuming the other independent variables are held constant.

The CAR variable has a positive regression coefficient value of 5.675. A positive coefficient value indicates that CAR has a positive effect on working capital loans. This illustrates that if there is an increase in the value of CAR by 1% it will cause an increase in the total value of working capital loans by 5.675%, assuming the other independent variables are held constant.

The ROA variable has a negative regression coefficient value of 1.417. A negative coefficient value indicates that ROA has a negative effect on working capital loans. This illustrates that if there is an increase in the ROA value of 1% it will cause a decrease in the total working capital credit value of 1.417%, assuming the other independent variables are held constant.

The Interest Rate Variable has a negative regression coefficient value of 8.502. A negative coefficient value indicates that interest rates have a negative effect on working capital loans. This illustrates that if there is an increase in the value of the interest rate by 1% it will cause a decrease in the total value of working capital loans by 8.502%, assuming the other independent variables are held constant.

Coefficient of Determination Test (R^2)
Table 3.Test Results Coefficient of Determination (R^2)

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,497[a]	,247	,201	3,30E11

a. Predictors: (Constant), tingkat_suku_bunga, CAR, ROA, LDR
b. Dependent Variable: kredit_modal_kerja

From the table above, we can see that the value of R Square is 0.247. This shows that 24.7% of working capital loans are influenced by variations of the four independent variables used, namely LDR, CAR, ROA and Interest Rates.

From this value, we can see that the value of R Square can be said to be relatively small because there are still 75.3% of factors outside the model that can affect working capital loans. Other variables that are expected to affect the amount of working capital loan disbursement include factors from the internal

side of the banking sector in the form of conditions or other levels of banking health.

T test (Partial Test)

Tabel 4. T Test Results (Partial Test)

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	9,667E11	5,870E11		1,647	,104
	LDR	-1,690E12	5,509E11	-,351	-3,067	,003
	CAR	5,675E10	1,662E10	,371	3,414	,001
	ROA	-1,417E13	6,068E12	-,264	-2,335	,023
	tingkat suku bunga	-8,502E9	1,941E10	-,047	-,438	,663

a. Dependent Variable: kredit modal kerja

From the table above, the hypothesis proposed in this study can be interpreted as follows:

The effect of LDR on working capital credit distribution.

From table 4 it is known that the LDR has a negative regression coefficient with a t-count value of -3.067 and a significant level of 0.003 <0.05. When compared with t table at degrees of freedom (df) = nk-1 = 70-4-1 = 65, where n = number of samples, and k = number of independent variables, the value of t table at 95% confidence level (significance 5% or 0.05) is ± 1.99714. Thus, t count > t table (-3.067> -1.99714) and a significance value of 0.003 (sig <0.05). Based on the calculated t value and the significance obtained, it can be concluded that H1 is accepted, meaning that LDR has a negative and significant effect on working capital credit distribution.Pengaruh CAR terhadap penyaluran kredit modal kerja

From the results of the regression analysis, the t-count value was 3.414 with a significant level of 0.001. When compared with t table at degrees of freedom (df) = nk -1 = 70-4-1 = 65, where n = number of samples, and k = number of independent variables, the value of t table at 95% confidence level (significance 5% or 0.05) is ± 1.99714. Thus, t count > t table (3.414 > 1.99714) and a significance value of 0.001 (sig <0.05). Based on the calculated t value and the significance obtained, it can be concluded that H2 is accepted, meaning that CAR has a positive and significant effect on working capital credit distribution.Pengaruh ROA terhadap penyaluran kredit modal kerja

From the results of the regression analysis, the t-count value is -2.335 with a significant level of 0.023. When compared with t table at degrees of freedom (df) = nk -1 = 70-4-1 = 65, where n = number of samples, and k = number of independent variables, the value of t table at 95% confidence level (significance 5% or 0.05) is ± 1.99714. Thus, t count > t table (-2.335>-1.99714) and a significance value of 0.023 (sig <0.05). Based on the calculated t value and the significance obtained, it can be concluded that H3 is accepted, meaning that ROA has a negative and significant effect on working capital credit distribution.The effect of interest rates on working capital lending

From the results of the regression analysis, the t-count value is -0.438 with a significant level of 0.663. When compared with the t-table at degrees of freedom (df) = nk -1 = 70-4-1 = 65, where n = number of samples, and k = the number of independent variables, the value of t table at the 95% confidence level (significance 5% or 0.05) is ± 1.99714. Thus, t count < t table (-0.438 < -1.99714) and a significance value of 0.663 (sig > 0.05). Based on the calculated t value and the significance obtained, it can be concluded that H4 is rejected, meaning that the interest rate does not affect the distribution of working capital loans.

F Test (Anova Test)

Tabel 5.F Test Results

ANOVA[b]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	2,816E24	4	7,040E23	5,342	,001[a]
	Residual	8,566E24	65	1,318E23		
	Total	1,138E25	69			

a. Predictors: (Constant), tingkat suku bunga, CAR, ROA, LDR
b. Dependent Variable: kredit modal kerja

Based on table 5 above, it can be seen that this simultaneous test resulted in an F value of 5.342 with a significant level of 0.001. The F table value for the regression model above is 2.51, thus the calculated F is greater than the F table and the significance is 0.001 less than 0.05. This shows that the four independent variables, namely LDR, CAR, ROA and interest rates together significantly affect the number of working capital loans.

DISCUSSION
Interpretation of Research Results

This discussion section will contain a more detailed discussion of each variable.

1.The effect of LDR on working capital lending to commercial banks listed on the Indonesia Stock Exchange for the 2017-2021 period

Based on testing with multiple linear regression analysis, the partial test results (t test) can be seen that the variable (X_1), namely LDR, has a significant but negative effect. This conclusion is based on the results of testing the LDR ratio for working capital lending which produces a significant value of 0.003 lower than the 0.05 significance level and with t count > t table

(-3.067>-1.99714) so that it can be partially concluded that the independent variable LDR has a negative and significant effect on the dependent variable of working capital credit distribution. This can happen because of the imbalance between the bank and the customer where the customer wants to withdraw the money that has been channeled for lending.

The results of this study are supported by the research of Andreani Caroline Barus (2017), partially the independent variable LDR has a negative and significant effect on the dependent variable of MSME lending.

2.The effect of CAR on working capital loan disbursement at commercial banks listed on the Indonesia Stock Exchange for the 2017-2021 period

Based on testing with multiple linear regression analysis, the partial test results (t test) can be seen that the variable, (t_2) namely CAR has a positive and significant effect. This conclusion is based on the results of testing the ratio of CAR to working capital lending which produces a significant value of 0.001 lower than the 0.05 significance level and with t count > t table (3.414> 1.99714) so it can be concluded partially the independent variable CAR has a positive effect. and significant to the dependent variable of working capital credit distribution. This means that the higher the solvency ratio proxied through CAR in banking companies in Indonesia, the higher the distribution of working capital loans or it can be said that the ability of banks to find sources of funds to finance their activities through the Capital Adequacy Ratio (CAR) can affect the level of working capital lending.

The results of this study are supported by research by Dwi Fitriani (2018), partially CAR has a positive effect on working capital credit distribution and Himaniar Triasdini (2016) explains that the CAR variable has a positive and significant effect.

3.The effect of ROA on the distribution of Working Capital Loans at Commercial Banks listed on the Indonesia Stock Exchange for the 2017-2021 Period

Based on testing with multiple linear regression analysis, the partial test results (t test) can be seen that the variable (X_3), namely ROA, has a significant but negative effect. This conclusion is based on the results of testing the ROA ratio for working capital lending which produces a significant value of 0.023 which is lower than the 0.05 significance level and with t count > t table (-2.335>-1.99714) so it can be concluded partially the independent variable ROA has a negative and significant effect on the dependent variable of working capital credit distribution. This means that the bank in determining the size of the volume of credit to be disbursed does not use ROA as a basis.

This research is supported by Lidya Mukharomah Parmawati (2021) which states that ROA has a significant negative effect on Credit Distribution.

1. **The Influence of Interest Rates on Working Capital Loans at Commercial Banks listed on the Indonesia Stock Exchange for the 2017-2021 Period**

   Based on testing with multiple linear regression analysis, the partial test results (t test) can be seen that the variable (X_4), namely the interest rate, has no effect on working capital credit distribution. This conclusion is based on the results of testing the interest rate on working capital lending which produces a significant value of 0.663 greater than the 0.05 significance level and with t count < t table (-0.438> -1.99714) so that it can be partially concluded that the independent variable interest rates have no effect on the dependent variable of working capital loan distribution. That is, credit interest rates have a low and unidirectional relationship between lending rates and distribution.

   Previous research supported by Ariansyah Jallo (2020) Explains that credit interest rates have no significant effect on lending to commercial bank companies.

2. **Effect of LDR, CAR, ROA and Interest Rates on Working Capital Loans at Commercial Banks listed on the Indonesia Stock Exchange for the 2017-2021 Period**

   Simultaneous test results (f test) can be seen that the variables LDR, CAR, ROA and interest rates have a positive and significant effect on the distribution of working capital loans to commercial banks listed on the Indonesia Stock Exchange. This conclusion is based on the test results using the f test which produces an F value of 5.342 with a significant level of 0.001. The F table value for the regression model above is 2.51, thus the calculated F is greater than the F table and the probability of 0.001 is less than 0.05. This shows that the four independent variables, namely LDR, CAR, ROA and interest rates together significantly affect the number of working capital loans.

   This research is supported by the research of Andreani Caroline Barus (2018), simultaneously, the spread of bank interest rates, CAR, LDR and NPL simultaneously affects the dependent variable, namely MSME Credit and M. Syadam Siswanto (2018), simultaneously. third parties and interest rates together have an influence on loans given to banking sector companies listed on the Indonesia Stock Exchange in 2014 -2018.

CONCLUSIONS AND RECOMMENDATIONS

This study was used to determine directly the effect of Financial Ratios proxied by Loan to Deposit Ratio (LDR), Capital Adequacy Ratio (CAR), Return on Assets (ROA) and Bank Interest Rates on the distribution of Working Capital Loans at Commercial Banks registered in The Indonesia Stock Exchange for the period 2017-2021, based on the analysis and discussion that has been carried out, there are five hypotheses that have been tested using multiple regression analysis, the following conclusions are obtained:

1. Partially the Loan to Deposit Ratio (LDR) has a negative and significant effect on the distribution of working capital loans.
2. Partially, the variable Capital Adequacy Ratio (CAR) has a positive and significant effect on the distribution of working capital loans.
3. Partially Return on Assets (ROA) has a negative and significant effect on the distribution of working capital loans.

4. Partially the interest rate has no effect on the distribution of working capital loans.
5. Simultaneously LDR, CAR, ROA and interest rates have a positive and significant effect on the distribution of working capital loans.

FURTHER STUDY

We hope that this research is useful in economic development, and we hope that in the future there will be more detailed research on bank interest rates under the conditions of the COVID-19 pandemic and the effect on financial ratios.

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