



Influence “N” Notation on Stock Price: Study in Multiple Voting Shares

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Abstract

Multiple Voting Share (MVS) is classification of shares in which every single one share can provide more than one vote to shareholders eligible. The revocation was indicated in the regulation of Indonesian Otoritas Jasa Keuangan (POJK) number 22/POJK.04/2021 about implementing the classification of share voting right multiple or multiple voting share who released officially by December 2021. This similar line with the regulation of BEI (Indonesian Stock Exchange) then released. There is special notation, specially N notation, its given to issuers that has recorded on market exchange. Multiple voting share is identified as total asset and free float ratio as well. This study attempts to testing whether N notation (total asset and free float ratio) are impacted on stock price on multiple voting share. The benefits on this research is giving the investors informations about the notation, that they have to be careful, and avoid significant risk, This research is an explanatory method, backed by secondary data using. The technique of analysis is statistic testing classic assumption as normality, multicollinearity, autocorrelation and heteroskedasticity to full fill the regression in completely. The Result found that 0,077 of total asset in partial is no effect on the stock price, While the 0,127 of free float ratio in partial is no effect on the stock price too. The score of these independent variables is above the alpha five percent, so both total asset dan free float ratio none that influence to the stock price.

Introduction

Background of financial service authority regulations (POJK) number 22/POJK.04/2021 regarding the application of stock classification with multiple voting or multiple share shares (MVS) which releases officially per December 2021, It's good news for a number of unicorns and decacorn companies to be able to floor the Indonesian stock market. Multiple vote is a stock classification where every single stock can give more than one vote to qualified shareholders (OJK, 2021; Hayden & Bodie, 2008; Easterbrook & Fischel, 1983).

The purpose of the publication of the regulation is to provide opportunities for unicorn and decacorn companies as companies whose activities create new innovations with a high growth rate in the current economic age to make public offers on stock and listing effects on the Indonesian stock exchange (Pahlevi & Anwar, 2022; Yanti, 2019; Akira, 2024). In addition, there is also the purpose of the application of the classification of stocks with multiple voting rights is to protect the founders of the company so that the credibility of the company's mission can be continued to develop in accordance with the activities of the company carried out. Shares with multiple voting rights can be applied with regard to the protection of public shareholders (Khan, 2022; Hart & Zingales, 2022; Aggarwal et al., 2022; Wu et al., 2023).

In line with the OJK rules on the application of the classification of shares with multiple voting share that have been published in advance, then its implementation on the Indonesian stock exchange continued with changes in the rules of BEI registration published a new notation on

the previous special notation by adding the n notation as a sign for the registered company that implemented its shares with mulipel voting rights (Stocker, 2023; Giudici et al., 2022). This new notation (N notation) is expected to help investors to recognize stocks across sectors even better. In addition, this notation is also expected to provide openness of information related to the status of each company (Saniputra, 2022; Ulupui et al., 2021).

Multiple voting privileges are implementation of OJK policy, While n notation is a continuation of the BEI policy that strengthens the OJK policy, Which is one of the characteristics of the implementation of the multiple voting rights., is to identify the total assets of the company that released at the bei. While in effect logging, It says that the stock company of Gojek Tokopedia with the stock code (GOTO) is the only emient that symbolises n notation (Kibaroglu, 2022; Suryadinata, 2004). In stock stock effect records GOTO share is mentioned that the terms for free float ratios have been met. Because the elements of the notation n form are fulfilled, then the next identification is linking total assets and free float ratios to stock prices as necessary to investigate (Albagli et al., 2020).

The formula of problems based on the background that this particular notation aims to signal investors to be cautious in the stock market, then the problem in this research is formulated as follows: 1) Does the total asset have a partial effect on emiten stock prices with the voting rights of the mulipel? 2) Does the free float ratio have a partial effect on emiten stock prices with multiple voting rights? 3) Do total assets and free float ratios have a simultaneous effect on. The limits of research problems are limited to the following: 1. The issuers scanned with this policy are the unicorn and decacron companies that have been noted N by the Indonesian effect exchange for 2021-2022 namely PT Gojek Tokopedia, Tbk 2. Based on the characteristics of a stock with multiple voting rights then the note n refers to the total assets and the ratio of free float.

Special notation is basically find like a letter with a special meaning given by BEI to the issuer. There are several symbols released BEI over the existence of this notation each. Special notation is not a permanent sign affixed to an issuer or company listed on the exchange. This notation can be removed by Bei if the conditions or financial problems facing the issuer have been solved.

Table 1. Special Notation

Notation	Description
B	The Bankruptcy Statement
M	The suspension Of Debt Payment
E	Decrease Of Equity
A	Adverse Opinion From Public Accountant
D	Disclaimer Opinion From Public Accountant
C	Materiality Effect Of Subsidiary Company Law
Q	The Restriction Of company operation by regulacy
Y	The registered company hasn't held a stockbroker's general meeting until 6 months after the year's end
F	Administrative sanction written order of OJK violations
X	Effect Are Equivalent in Special Monitoring
N	The Company Has Been Recorded As an Emiten with Multiple Voting Share

Source: IDX, 2022.

Methods

The research is eksplanatory research methods, namely research aims to test a theory or hypothesis to strengthen or refuse of the result of the hypothesis that had previously existed. The design studies there are several phases, include the model used in the methodology are identification problems and the formulation of the problem, data collection, data analysis, and the conclusion of the result of the examination.Scope this in the form of case studies in public at the indonesian stock exchange affected special notation.The scope of the study areas is the stock market.

The adaptive research variable that became variable in this study is an independent variable with the symbol x_1 which is symbolized by the ta (total asset) total asset derived from the financial report PT Gojek Tokopedia, Tbk .Independent variable with x_2 symbol is symbolized by rff (free float ratio) where this ratio is obtained from the prize decision letter on the recording of the goto-coded emitter effect.For a dependent variable with the symbol y is symbolized by hs (stock price), where hs comes from the daily stock price of goto at the closing price.

Data collecting techniques collected by browsing from idx sites and yahoo finance, Then a literature study. Data analysis techniques analyzed in the following way: 1.Determining frame of thought 2.Inferial stats 3.It means testing the hypothesis by using a sample..The research sample here is an emient lq45 that got the symbol notation n on the board recorded on the bei, Especially unicorns and decacron companies..Need to have significant and generalization tests with a hypothetical test type of relationship test (corelation).4.Proposes a hypothesizing of the research proposed will be performed multiple regression tests with data originating from 2021 and 2022.Research hypothesis then compared to statistical hypothesis, Which is to turn narrative hypothesis into statistical hypothesis because it's going to be tested by the following statistical techniques.

Result and Discussion

The results of the research were initiated by OJK's policy on multiple voting rights set out in the Financial Services Authority Regulation No. 22/OJK.04/2020 on the application of the classification of shares with multiple voting rights or multiple voting share (mvs) officially issued by December 2021. directly captured by the Bei by strengthening it on the changes of the stock registration regulations BEI number I-A, Then, Be publishes a new note on a special note. The note is the note n.A note n is a note incorporated by a bearing for a registered enterprise which is an issuer that applies shares with multiple voting rights. One of the main features of a company that applies special notes in them is: a. the company is obliged to have the total assets of the company at least two trillion rubles. The stock registration requirement is with a free float ratio (rff) with a ratio of 60:1.

Normality Test

The normality aimed at testing whether regression in the model for the dependent variable and independent, both have the data normally distributed or not.The study tested in normality it uses histogram kolmogorov smirnov test and approach

Table 2. Normality Test

One-Sample Kolmogorov-Smirnov Test				
		TA	RFF	HS
N		30	30	30
Normal Parameters ^{a,b}	Mean	1527405 78,6000	63,6347	304,4667

	Std. Deviation	1688200,94789	1,32130	55,16291
Most Extreme Differences	Absolute	,176	,185	,116
	Positive	,176	,185	,080
	Negative	-,119	-,116	-,116
Test Statistic		,176	,185	,116
Asymp. Sig. (2-tailed)		,068 ^c	,081 ^c	,200 ^{c,d}
a. Test distribution is Normal.				
b. Calculated from data.				
c. Lilliefors Significance Correction.				
d. This is a lower bound of the true significance.				

Multicollinierity Test

Multicollinearity testing aims to know if inside the regression model there is a correlation between independent variables.

Table 3. Multicollinierity Test

Model	t	Sig.	Collinearity Statistics	
			Tolerance	VIF
1 (Constant)	3,082	,005		
TA	-1,842	,077	,910	1,099
RFF	-1,574	,127	,910	1,099

Autocorrelation Test

Autocorrelation indicates a sequencing state between interference or u_i disturbance or e_i entering regression function. Autocorrelation appears because consecutive observations all the time relate to each other. Usually this autocorrelation occurs in variables that use timed data or time series as in this study

Table 4. Autocorrelation

Model	R	R Square	Durbin-Watson
1	,486 ^a	,236	,555

Heteroskedasticity Test

The heteroskedasticity aimed at testing whether there is regression in the model variansi dissimilarity of residual one observation to other observations. Glejser heteroskedasticity testing done by this.

Table 5. Heteroskedasticity

Model	t	Sig.
1 (Constant)	-0,962	0,345
TA	0,467	0,644
RFF	1,034	0,310

Linier Regretion

This analysis aims to determine whether or not there is an influence of independent variable namely ta and the free float ratio on the stock price dependent variable.

Table 6. Linier Regretion

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2662,112	863,829		3,082	,005
	TA	-1,061E-5	,000	-,325	-1,842	,077
	RFF	-11,583	7,360	-,277	-1,574	,127
a. Dependent Variable: HS						

F Test

Simultaneous test hypothesis test (test f) to find out that independent variables (ta and rff) simultaneously have a significant influence on dependent variables (hs). This can be seen in the table below :

Table 7. Anova

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	20868,596	2	10434,298	4,181	,026 ^b
	Residual	67376,870	27	2495,440		
	Total	88245,467	29			
a. Dependent Variable: HS						
b. Predictors: (Constant), RFF, TA						

Anova test (analytical of variances) or test f, Shows carry signature level of 0.026 less than the rate determined $\alpha = 0.05$. Thus, the h2 hypothesis is accepted, Meaning there's a significant impact between total assets and free float ratio simultaneously or together on stock prices.

T Test

T test hypothesis is performed in order to get conclusions from multiple liner regression analysis. As for the hypothesis testing that researchers do in this study, it's t. test t is used to know whether partially the effect of free variables has a real effect on the dependent variables.. Decision-making base for test t in regression, based on significant output results spss: if significant value > 0.05 then H_0 is accepted, which means that there is no significant effect between independent variables and partial dependent variables. If significant value < 0.05 then H_0 is rejected which means that there is a significant impact between independent variables and partial dependent variables

Table 8. Coeficiens

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2662,112	863,829		3,082	,005
	TA	-1,061E-5	,000	-,325	-1,842	,077
	RFF	-11,583	7,360	-,277	-1,574	,127
a. Dependent Variable: HS						

Total assets against the stock price with a value of 0,077 greater than the ALP 5% then H_0 is rejected, This means that we don't have an impact on the price of shares in part. The free float ratio to the stock price with the sig value.0.127 is greater than the probability value of 0.05 so the rff does not affect the stock price partially. The variable ta has a t calculation that is -1,842 with a t table 3.082 if t calculation & gt; t table can be concluded that the variable ta has no contribution to y (hs). The variable rff has a t hiyung -1,574 meaning the variable rff does not contribute to hs. The negative t value indicates the variable ta and rff has a non-direct relationship with y, So it is possible to conclude that rff has no significant influence on the stock price.

The result of this research are not in accordance with the results of the study teddy (2007) focusing on free float on the stock with the influential liquidity. While the results of the study are consistent with the results of the study handayani (2016) that will not affect the underpricing rff.

Conclusion

Based on the results and the discussion, Then the conclusion of this research is: 1.N notation is a notation pinned by bei for a recorded company which is an emient that affects the shares with multiple voting rights. One of the key features of the company that applies a special notation is that the company is obliged to have a total of at least two trillion dollars' worth of assets, and the terms of stock logging are free floats by comparison 60: one of these attributes points to the store's ticket with the Goto 2. The research shows that based on the test t, then total assets of 0.077 have no effect on emiten stock prices with the voice rights of a partial mulipel. While the free float ratio also has no effect on emiten stock prices with multiple vote rights partially due to the conclusion of 0.127. These two variable x values are above the alpha 5 percent, so both total assets and free float ratio.

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