

**Review Form 1.7**

Journal Name:	<b>Asian Research Journal of Arts &amp; Social Sciences</b>
Manuscript Number:	<b>Ms_ARJASS_107688</b>
Title of the Manuscript:	<b>A STUDY ON FACTORS INFLUENCING CAPITAL STRUCTURE WITH SPECIAL REFERENCE TO CNX JUNIOR NIFTY</b>
Type of the Article	<b>Original Research Article</b>

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**PART 1: Review Comments**

	<b>Reviewer's comment</b>	<b>Author's comment</b> (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<p><b>Compulsory</b> REVISION comments</p> <ol style="list-style-type: none"> <li>1. <b>Is the manuscript important for scientific community?</b> (Please write few sentences on this manuscript)</li> <li>2. <b>Is the title of the article suitable?</b> (If not please suggest an alternative title)</li> <li>3. <b>Is the abstract of the article comprehensive?</b></li> <li>4. <b>Are subsections and structure of the manuscript appropriate?</b></li> <li>5. <b>Do you think the manuscript is scientifically correct?</b></li> <li>6. <b>Are the references sufficient and recent? If you have suggestion of additional references, please mention in the review form.</b></li> </ol> <p><b><u>(Apart from above mentioned 6 points, reviewers are free to provide additional suggestions/comments)</u></b></p>	<p><b>General Comments</b></p> <p>From my point of view, it is a very interesting topic and simultaneously it seems that to the best of my knowledge is an important study examines the factors that influence the capital structure of companies listed on India's CNX Junior Nifty index. Capital structure refers to the combination of debt and equity financing utilized by a company. The capital structure choice is one of the most critical decisions made by financial management. The study investigates the factors that influence the capital structure, considering the debt-equity ratio as the dependent variable and liquidity, profitability, growth, tangibility, and size as independent variables. A sample of 40 companies constituting the National Stock Exchange's CNX Junior Nifty was analyzed from 2021 to 2023. This study identifies the factors that influence capital structure through the systematic application of various quantitative techniques such as ANOVA, correlation analysis, and panel regression. The findings provide valuable insights into the factors that impact the capital structure decisions of Indian companies in the context of the CNX Junior Nifty index. The paper consists of the sections: Introduction, Literature Review, Research Methodology, Regression Model and Conclusion.</p> <p><b>However, I find some recommendations:</b></p> <ol style="list-style-type: none"> <li>1. The abstract must contains the main purpose of the paper, the research method used in the research and the main contributions.</li> <li>2. It would be very useful to add in the "Introduction" section the purpose, objectives and hypothesis of the research.</li> <li>3. The Literature Review cannot be missing from the paper.</li> <li>4. We consider that the introduction should specify the novelty of the paper compared to other papers published in this area.</li> <li>5. I consider an econometric model will increase the quality of the paper.</li> <li>6. The research is well based on science and the results are in agreement with the theoretical part. From my point of view, the paper is original and the topic addressed brings added value to the specialized literature regarding regional sector. The paper is well written and easy to read.</li> <li>7. The research is well based on science and the results are in agreement with the theoretical part. The model applied to the analyzed data is correctly used in the analysis undertaken, it is a strength point of this paper.</li> <li>8. It is very important for the authors to analyze the correlation between the variables and to explain the number of items taken into account both in the descriptive analysis (with Kurtosis test, Jarque Berra test and interpretation, Skewness and Kurtosis interpretation) and in the correlation analysis.</li> <li>9. I think that descriptive perspective is crucial to understand the context of the problem to be analyzed.</li> <li>10. I consider that the correlation analysis and the VIF test are very important in this research.</li> <li>11. In the same time, in the <b>Research method</b> section the authors have to apply an econometric method like regression or panel with fixed effect estimation or the random</li> </ol>	

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	<p>effect estimation (see for instance, Baltagi (2008), Hsiao (2014) and Andre B et al. (2015)). Besides, the corresponding tests to determine which is the best method of estimation is needed (see the Hausman test, the Breusch and Pagan (1980)´s Lagrange multiplier, the F test for fixed effects to test whether all unobservable individual effects are zero).</p> <p>12. The authors talk about the relationship between these variables, however they do not support the empirical evidence providing panel cointegration tests that are crucial (see for instance Kao (1999) panel data cointegration test, the Pedroni (1999, 2004) panel data cointegration test or the Westerlund (2005) panel data cointegration test, among others).</p> <p>13. Also, we consider that the literature is not enough and we recommend the authors to refer to other recent works indexed in Web of Science, Scopus, Emerald and Cambridge. We suggest that the authors cite papers indexed in Web of Science Journals, such as:</p> <ol style="list-style-type: none"> <li>1. Batrancea L., Batrancea I., Moscviciov A. (2009), The Roots of the World Financial Crisis, Annals of Faculty of Economics, 3(1):57-62.</li> <li>2. Moscviciov, A., Bătrâncea, I., Bătrâncea, M., Bătrâncea, L.M. (2010) Financial Ratio Analysis Used In the It Enterprises, Annals of the University of Oradea: Economic Science, 19(2):600-603.</li> <li>3. Batrancea, L., Batrancea, I., Moscviciov, A. (2009) The analysis of the entity's liquidity—A means of evaluating cash flow, Journal of International Finance and Economics, 9(1):92-98.</li> <li>4. Batrancea, L., Rathnaswamy, M.K. &amp; Batrancea, I. A Panel Data Analysis on Determinants of Economic Growth in Seven Non-BCBS Countries. J Knowl Econ (2021). <a href="https://doi.org/10.1007/s13132-021-00785-y">https://doi.org/10.1007/s13132-021-00785-y</a></li> </ol> <p>We recommend the authors to number the paragraphs: 1. Introduction; 2. Literature Review; 3. Methods and Results, Discussions and Conclusions. In conclusion, the article should be thoroughly rebuilt (changes in structure recommended above). It should also be enhanced with a review of the literature adequate to the subject and a broader interpretation and commentary of the research results.</p>	
<p><b>Minor</b> REVISION comments</p> <p>1. <b>Is language/English quality of the article suitable for scholarly communications?</b></p>	<p>Yes</p>	
<p><b>Optional/General</b> comments</p>	<p>The Manuscript needs careful English proofreading because there are some shortcomings. For instance, the article "the" is sometimes missing in front of nouns, the message in some paragraphs is not clear enough.</p>	

**PART 2:**

	Reviewer's comment	Author's comment (if agreed with reviewer, correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)
<p><b>Are there ethical issues in this manuscript?</b></p>	<p><i>(If yes, Kindly please write down the ethical issues here in details)</i></p>	

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