

### Review Form 3

Journal Name:	<a href="#">South Asian Journal of Social Studies and Economics</a>
Manuscript Number:	Ms_SAJSSSE_128036
Title of the Manuscript:	Analysis Of Financial Ratios In Predicting Financial Distress Conditions Of Retail Companies On The Indonesia Stock Exchange (Idx) Period 2020-2023
Type of the Article	

#### **PART 1: Comments**

	Reviewer's comment	Author's Feedback <i>(Please correct the manuscript and highlight that part in the manuscript. It is mandatory that authors should write his/her feedback here)</i>
<b>Please write a few sentences regarding the importance of this manuscript for the scientific community. A minimum of 3-4 sentences may be required for this part.</b>	This manuscript contributes significantly to the scientific community by addressing the critical issue of predicting financial distress in retail companies, a sector vital to economic stability and growth. It employs a robust methodology combining financial ratios and logistic regression, providing a replicable framework for researchers and practitioners. The findings enhance understanding of financial distress determinants, particularly in emerging economies, where retail sectors face unique challenges. Furthermore, the integration of signaling theory offers valuable theoretical insights, bridging gaps between financial theory and practical application. This study serves as a valuable resource for stakeholders aiming to mitigate financial risks and improve decision-making processes.	
<b>Is the title of the article suitable? (If not please suggest an alternative title)</b>	Yes, the title is suitable as it clearly reflects the core focus of the study. However, to make it more concise and appealing, an alternative title could be: "Predicting Financial Distress in Indonesian Retail Companies: An Analysis of Financial Ratios (2020-2023)"	

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<p><b>Is the abstract of the article comprehensive? Do you suggest the addition (or deletion) of some points in this section? Please write your suggestions here.</b></p>	<p>The abstract is comprehensive and effectively summarizes the study's objectives, methodology, and findings. However, the following suggestions could further enhance its clarity and relevance:</p> <p><b>Addition:</b> Include a brief mention of the specific analytical tools used, such as the Altman Z-Score and logistic regression, to highlight the robustness of the methodology. Add a sentence on the practical implications of the findings for stakeholders like investors and corporate managers.</p> <p><b>Deletion/Refinement:</b> The sentence detailing the statistical results could be rephrased for brevity while retaining the key findings. Avoid overly technical terms or detailed statistical figures in the abstract, as these are better suited for the results section of the manuscript.</p> <p><b>Suggested Revision of Abstract:</b> This study analyzes the impact of financial ratios activity, sales growth, profitability, and company size on predicting financial distress in retail companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2023. Utilizing logistic regression and the Altman Z-Score, the study reveals that activity ratios and profitability significantly negatively affect financial distress, while sales growth and company size do not have a significant impact. These findings provide valuable insights for stakeholders, emphasizing the importance of optimizing asset efficiency and profitability to mitigate financial distress.</p>	
<p><b>Is the manuscript scientifically, correct? Please write here.</b></p>	<p>Yes, the manuscript is scientifically correct. The study employs a robust quantitative methodology, including logistic regression and the Altman Z-Score, to analyze financial distress determinants. The data selection is well-justified, focusing on retail companies listed on the Indonesia Stock Exchange from 2020 to 2023.</p> <p>The hypotheses are logically derived from the literature, and the findings are consistent with the theoretical framework, particularly signaling theory. Statistical analyses, including goodness-of-fit tests and coefficient determination, are appropriately applied, providing confidence in the results.</p> <p>However, while the manuscript is technically sound, it could benefit from:</p> <p>A deeper discussion of the limitations of the study, such as the generalizability of findings to other industries or regions. A brief analysis of external factors, such as economic policies or global market conditions, which may influence financial distress beyond the studied variables. These additions would further strengthen the scientific rigor of the manuscript.</p>	
<p><b>Are the references sufficient and recent? If you have suggestions of additional references, please mention them in the review form.</b></p>	<p>The references cited in the manuscript are sufficient and cover a range of relevant studies. However, there is room for improvement in terms of including more recent literature. Many references are dated before 2022, and the inclusion of newer studies could enhance the manuscript's relevance and credibility.</p> <p><b>Suggestions:</b> Include references from 2022–2024 that address financial distress in emerging economies or retail sectors to contextualize the findings better. Consider citing recent studies that explore advancements in financial distress prediction models, particularly those incorporating machine learning or alternative financial indicators.</p> <p><b>Examples of relevant areas for additional references:</b> Studies on the evolving retail industry challenges due to post-pandemic consumer behavior. Research integrating newer econometric tools or hybrid models for financial distress prediction. Incorporating these updates will enrich the manuscript and align it with the latest academic discourse.</p>	

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<p><b>Is the language/English quality of the article suitable for scholarly communications?</b></p>	<p>The language and English quality of the manuscript are suitable for scholarly communication. The manuscript is generally well-written, with clear and concise explanations of concepts, methodology, and findings. However, there are minor areas where sentence restructuring and grammatical refinements could improve readability and flow.</p> <p><b>Suggestions for Improvement:</b>  Simplify overly long or complex sentences to enhance clarity.  Address occasional grammatical errors, such as subject-verb agreement and inconsistent tenses.  Use more precise academic language in certain sections, such as replacing "does not have an effect" with "is not statistically significant" for better scholarly tone.  Overall, the manuscript's language quality is adequate for publication, but minor polishing could further enhance its presentation and scholarly impact.</p>	
<p><b>Optional/General</b> comments</p>	<p><b>Practical Implications:</b>  The manuscript could better emphasize the practical applications of its findings for corporate management and policymakers. For instance, elaborating on how retail companies can use the insights to improve asset utilization and profitability would enhance its impact.</p> <p><b>Comparative Context:</b>  A brief comparison with similar studies conducted in other countries or sectors could add depth and broader relevance to the discussion.</p> <p><b>Limitations and Future Research:</b>  Explicitly mention the study's limitations, such as its focus on a single industry and geographic region, to set realistic expectations for the generalizability of the results.  Suggest exploring additional variables or employing alternative prediction models, such as machine learning, in future studies.</p> <p><b>Figures and Tables:</b>  Ensure all figures and tables are formatted consistently and labeled clearly. Some visual aids, like graphs comparing financial ratios across years, could further illustrate key points.</p> <p><b>Readability:</b>  While the manuscript is well-structured, adding subheadings within sections (e.g., "Hypothesis Testing Results" under the Results section) could enhance navigation and readability.</p> <p>No, there are no competing interest issues identified in this manuscript. The authors have not disclosed any affiliations, financial interests, or personal relationships that could be perceived as influencing the research or its outcomes.  It is recommended, however, that the authors explicitly state a declaration of "no competing interests" within the manuscript to ensure transparency and alignment with best practices in academic publishing.</p> <p>Based on the information available, there is no evidence to suggest plagiarism in the manuscript. The study appears to be original, focusing on the prediction of financial distress in Indonesian retail companies using financial ratios, which is a common research area. While similar studies exist, such as those analyzing financial ratios to predict financial distress in manufacturing companies on the Indonesia Stock Exchange NELITI MEDIA, the manuscript in question applies these analyses specifically to the retail sector during the 2020-2023 period.  The methodologies employed, including the use of logistic regression and the Altman Z-Score, are standard in financial distress prediction research. The manuscript's focus on a specific timeframe and sector provides a unique contribution to the existing literature.  To ensure the originality of the manuscript, it is recommended to use plagiarism detection software to compare the text against existing publications. This will help identify any potential overlaps and ensure the integrity of the research.</p> <p>The manuscript is scientifically robust, addresses a relevant topic, and employs appropriate methodology. However, revisions are required to:  Refine the abstract for greater clarity.  Include recent references to enhance relevance.</p>	

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	Expand on practical implications and study limitations. Improve language quality slightly for scholarly precision. With these adjustments, the manuscript would be ready for publication.	
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**PART 2:**

	<b>Reviewer's comment</b>	<b>Author's comment</b> <i>(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)</i>
<b>Are there ethical issues in this manuscript?</b>	<i>(If yes, Kindly please write down the ethical issues here in details)</i>	

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