

**Review Form 1.7**

Journal Name:	Asian Journal of Economics, Business and Accounting
Manuscript Number:	Ms_AJEBA_111488
Title of the Manuscript:	Corporate Governance Mechanism and Financial Ratios On The Indonesia Stock Exchange: How Do They Affect Financial Distress?
Type of the Article	Original Research Article

## Review Form 1.7

### PART 1: Review Comments

	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)
<b>Compulsory</b> REVISION comments  1. <b>Is the manuscript important for scientific community?</b> (Please write few sentences on this manuscript)  2. <b>Is the title of the article suitable?</b> (If not please suggest an alternative title)  3. <b>Is the abstract of the article comprehensive?</b>  4. <b>Are subsections and structure of the manuscript appropriate?</b>  5. <b>Do you think the manuscript is scientifically correct?</b>  6. <b>Are the references sufficient and recent? If you have suggestion of additional references, please mention in the review form.</b>  <u>(Apart from above mentioned 6 points, reviewers are free to provide additional suggestions/comments)</u>	<p>Yes, it highlights the correlation between corporate governance and financial ratios to the possibility of the company experiencing financial distress.</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p> <p>Yes</p>	
<b>Minor</b> REVISION comments  1. <b>Is language/English quality of the article suitable for scholarly communications?</b>	<p>No, there are many typos and some grammatical errors, such as:</p> <ol style="list-style-type: none"><li>1. Page 8, dokuments, should be: documents</li><li>2. Page 8, rish, should be: risk</li><li>3. Page 8, privotal, should be: pivotal</li><li>4. Page 8, responsibilitites: should be responsibility</li><li>5. Page 8, effeciency, should be: efficiency</li><li>6. Page 9, omgoing, should be: ongoing</li><li>7. Page 9, Variabel, should be: variable</li><li>8. Page 10, suuggests, should be: suggests</li><li>9. Page 10, noteworthy, should be: noteworthy</li><li>10. Page 10, goodbess, should be: goodness</li><li>11. Page 11, atributed, should be: attributed</li><li>12. Page 12, institusional, should be: institutional</li><li>13. Page 12, enhacing, should be: enhancing</li><li>14. Page 12, wald test, should be capitalized (2 occurrences)</li><li>15. Page 13, slotion, should be: solution</li><li>16. Page 14, comversely, should be: conversely</li><li>17. Page 14, corresonding, should be: corresponding</li><li>18. Page 14, bankruptcy, should be: bankruptcy</li><li>19. Page 14, substabtial, should be: substantial</li><li>20. Page 14, institusional, should be: institutional</li><li>21. Page 1, conclusion: the higher the total asset value owned by a company, the impact will avoid financial distress. Should be: a higher total asset value owned by a company would reduce the probability of financial distress.</li></ol> <p>Suggest that the author enables the spell checker in Microsoft Word so typos are automatically highlighted.</p>	

Review Form 1.7

Optional/General comments	<p>I have checked that all the conclusions (listed below) are based on the data presented in the manuscript. They are objective and not biased.</p> <ol style="list-style-type: none"><li>1. A greater percentage of institutional ownership will reduce the possibility of the company experiencing financial distress.</li><li>2. Number of directors in a company does not affect the occurrence of financial distress.</li><li>3. Number of audit committee members is not able to reduce the problem of financial distress.</li><li>4. A higher total asset value owned by a company will reduce the probability of financial distress.</li><li>5. Sales growth has no effect on financial distress</li></ol> <p>However, this suggestion on page 1 is not accurate: To avoid financial distress, it is done by improving performance for corporate governance for company management, as well as improving financial management properly.</p> <p>It is not accurate because of 3 reasons:</p> <ol style="list-style-type: none"><li>1. Because we can't avoid financial distress, we can only reduce the possibility of having financial distress.</li><li>2. Not every aspect of corporate governance reduces the possibility of having financial distress. For example: number of directors and audit committee members do not reduce financial distress.</li><li>3. Not every aspect of financial management reduces the possibility of having financial distress. For example: sales growth does not reduce financial distress.</li></ol> <p>Suggestion: The author should change from "improving performance for corporate governance for company management" to "higher percentage of institutional ownership", and from "improving financial management" to "higher total asset value owned by the company".</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)
Are there ethical issues in this manuscript?	(If yes, Kindly please write down the ethical issues here in details)	

Reviewer Details:

Name:	Vincent Rainardi
Department, University & Country	United Kingdom