





Examining the Impact of Behavioral Bias of Mental Accounting by Investors on Financial Policies of Companies Listed on the Tehran Stock Exchange

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1. Round 1

1.1. Reviewer 1

Reviewer:

"Mental accounting examines how individuals interpret information..." Consider elaborating on how mental accounting specifically diverges from rational decision-making principles with concrete examples from existing literature.

"Change makes life interesting, necessitates critical thinking..." This paragraph appears philosophical. Align it more closely with the study's focus by linking the concept of change directly to financial decision-making and behavioral biases.

The descriptive statistics table shows extreme values for financial leverage and other indicators. Discuss whether these outliers were addressed or how they might affect the robustness of the results.

"...mental accounting by investors does not have a significant interactive effect..." This result is surprising given the theoretical basis. Discuss why mental accounting might lack this interaction effect despite its influence on other variables.

The reported R² values for the models are relatively high. Explain how multicollinearity or overfitting was avoided in such a complex model.

The presence of heteroscedasticity is noted. Were any corrections or robust standard errors employed to account for this issue?

Authors revised the manuscript and uploaded the new document.

1.2. Reviewer 2

Reviewer:

"In several organizations and government agencies, decision-making forms the essence of managerial duties..." This claim requires specific citations or examples to substantiate the importance of decision-making in financial policies.

"The statistical population of this study includes investment companies listed..." Clarify why the exclusion of banks and insurance companies enhances the study's validity. Consider explaining potential limitations of this exclusion.

"The period 2014–2020..." Justify the selection of this time frame. Could the specific economic or market conditions during this period have biased the findings?

The use of "Hausman test" is mentioned, but the justification for choosing fixed effects over random effects could be expanded with more details about the decision-making process.

"...their stock trading must not have been suspended for more than three months..." Discuss how this criterion affects the generalizability of the results.

"Mental accounting by investors significantly affects debt maturity..." The relationship is explained, but consider including more theoretical justification or referencing studies that align or conflict with these results.

"Mental accounting by investors significantly affects the long-term debt-to-equity ratio..." Provide a deeper analysis of why this ratio specifically is influenced by mental accounting, compared to other financial indicators.

"The findings of this study indirectly align with..." Expand on how this alignment occurs by detailing the shared mechanisms between this study and referenced works (e.g., Grinblatt & Han, 2005).

Authors revised the manuscript and uploaded the new document.

2. Revised

Editor's decision after revisions: Accepted.

Editor in Chief's decision: Accepted.