



REVIEWER'S REPORT

Manuscript No.:IJAR-58089

Title: Behavioral Biases and Startup Financing Decisions: The Moderating Effect of Financial Literacy.

Recommendation:

Accept as it is

Accept after minor revision Yes

Accept after major revision

Do not accept (*Reasons below*).....

Rating	Excel.	Good	Fair	Poor
Originality		yes		
Techn. Quality		yes		
Clarity		yes		
Significance		yes		

Reviewer'sID: JPR- Dr. Himanshu Gaur

Detailed Reviewer's Report

This study addresses an important and emerging area in entrepreneurial finance by examining the influence of behavioral biases on startup financing decisions and the moderating role of financial literacy. The research is well grounded in behavioral finance theory and effectively highlights how cognitive biases such as overconfidence, optimism bias, and loss aversion can shape entrepreneurs' financial decision-making processes. The inclusion of risk tolerance as a mediating variable and financial literacy as a moderating variable enhances the conceptual depth of the study and provides a comprehensive framework for understanding financing behavior in startups. The use of a quantitative approach, cross-sectional survey design, and Structural Equation Modeling (SmartPLS) is appropriate for testing the proposed relationships. The findings contribute significantly to both behavioral finance and entrepreneurial finance literature by demonstrating that financial literacy can mitigate irrational financing behaviors and promote more informed decision-making. However, the abstract would benefit from a clearer description of the sample size, demographic characteristics of respondents, and the practical implications of the findings for entrepreneurs, investors, and policymakers. Additionally, a brief discussion of the study's limitations and future research directions would strengthen its academic value. Overall, the study offers meaningful theoretical and practical contributions toward understanding the psychological determinants of startup financing decisions.