

LAW OF THE REPUBLIC OF INDONESIA

NUMBER 3 OF 1982

CONCERNING

THE MANDATORY COMPANY REGISTER

BY THE GRACE OF GOD ALMIGHTY

THE PRESIDENT OF THE REPUBLIC OF INDONESIA

Whereas:

- a. the progress and increasing development of the national in general and the development of economic activity in particular, which has caused the development of the business and company world, make necessary the existence of a Company Register which will constitute an official source of information for all interested parties on identities and other matters involving the world of business and companies incorporated, working, and domiciled in the territory of the Republic of Indonesia;
- b. the existence of such a Company Register is important for the Government in fostering, directing, and supervision, and creating a sound business climate because the Company Register will record correctly drawn up sources of information from every business and so will be able to better guarantee the development and business certainty for the business world;
- c. with regard to the above matters, it is necessary for there to be a Mandatory Company Register Act.

In view of:

1. Article 5 paragraph 1, Article 20 paragraph (1), and Article 33 of the 1945 Constitution;
2. Resolution of the People's Deliberative Council of the Republic of Indonesia No. IV/MPR/1978 concerning the Broad Outlines of the Nation's Direction;
3. The Commercial Code (*Staatsblad* 1847 No. 23) as several times amended and supplemented most recently by Law No. 4 of 1971 (Statute Book 1971 No. 20, Supplement to the Statute Book No. 2959);
4. *Hinder Ordonnantie* (*Staatsblad* 1926 No. 226) as several times amended and supplemented, most recently by *Staatsblad* 1940 No. 450;
5. *Indische Bedrijvenwet* (*Staatsblad* 1927 No. 419) as several times amended and supplemented, most recently by Law No. 12 of 1955 (Statute Book 1955 No. 49);
6. *Bedrijfsreglementerings Ordonnantie* 1934 (*Staatsblad* 1938 No. 86);

7. The Investigation, Taking of Action against, and Trial of Economic Criminal Actions Act (Law No. 7 of 1955) (Statute Book 1955 No. 27, Supplement to the Statute Book No. 801) as several times amended most recently by Law No. 17 of 1964 (Statute Book 1964 No. 101, Supplement to the Statute Book No. 2692);
8. The State Companies Act (Law No. 19 Prp. of 1960) (Statute Book 1960 No. 59, Supplement to the Statute Book No. 1989);
9. The Regional Companies Act (Law No. 5 of 1962) (Statute Book 1960 No. 59, Supplement to the Statute Book No. 2387);
10. The Foreign Capital Investment Act (Law No. 1 of 1967) (Statute Book 1967 No. 1, Supplement to the Statute Book No. 2818) as amended by Law No. 11 of 1970 (Statute Book 1970 No. 46, Supplement to the Statute Book No. 2943);
11. The Principles of Cooperatives Act (Law No. 12 of 1967) (Statute Book 1967 No. 23, Supplement to the Statute Book No. 2832);
12. The Domestic Capital Investment Act (Law No. 6 of 1968) (Statute Book 1968 No. 33, Supplement to the Statute Book No. 2853) as amended by Law No. 12 of 1970 (Statute Book 1970 No. 47, Supplement to the Statute Book No. 2944);
13. The Confirmation of Government Regulation in Lieu of Law No. 1 of 1969 (Statute Book 1969 No. 16, Supplement to the Statute Book No. 2890) concerning Forms of State Companies as Law Act (Law No. 9 of 1969) (Statute Book 1969 No. 40, Supplement to the Statute Book No. 2904);
14. The Principles of Government in the Regions Act (Law No. 5 of 1974) (Statute Book 1974 No. 38, Supplement to the Statute Book No. 3037);

with the approval of

Parliament

HAS DECIDED

to promulgate:

THE MANDATORY COMPANY REGISTER ACT

General Elucidation

Indonesia has never had a law governing a Company Register as an official source of information regarding identity and other matters concerning the business and company world.

In accordance with the 1945 Constitution, national development as set out in the Broad Outlines of the Nation's Direction and the development of activity in the national economy in particular has recently been increasing more and more, and so a Mandatory Company Register Act is felt to

be very necessary. The protection of companies carrying on business in an honest and open fashion is one of the main aims of the Mandatory Company Register Act.

The Mandatory Company Register represents an attempt to realise the granting of such protection as well as the fostering of the business and company world, particularly for the weaker economic classes. In compiling it, attention has also been given to the practices which are flourishing among the community in general and the business world in particular.

For the Government the existence of a Company Register is very important because it will make it easier to be able to from time to time follow in detail the overall actual situation and development of the business world in the territory of the Republic of Indonesia, including foreign companies. Thus the Government will be able to obtain detailed information about the actual situation and development of the business world in the territory of the Republic of Indonesia which will be very useful in compiling and determining policy in the context of giving guidance, fostering, and supervising the business world, and in creating a sound and orderly business climate. Besides the purposes stated above, the Company Register can also be used to secure the state's revenue, because by mandating company registration the creation of a sound and orderly business climate can be directed and attempted.

For the business world, the Company Register is important to avoid and prevent dishonest business practices (unfair competition, smuggling, and so on). As suggested above, one of the main purposes of the Company Register will be to protect companies carrying on business in good faith ("te goeder trouw"). It will be possible to use the Company Register as a source of information for business purposes and similarly for third parties with an interest in such information.

Because the company register will constitute an official source of information regarding identities and other matters involving the business world and companies incorporated, working, and domiciled in the territory of the Republic of Indonesia, all interested parties will be given the opportunity to find out and request easily the information they need about the actual situation of a company. So by its existence the Company Register will prevent and obstruct the appearance of irresponsible companies and business entities which may be harmful to the community.

Another important matter is that the obligation to register a company will train entrepreneurs to behave honestly and openly in all their actions in doing business because the information to be given will be in accordance with the actual situation and so companies registering will themselves be able to gain the trust of the community. Apart from the community in general and entrepreneurs in particular, because the Company Register has the purpose of recording correctly drawn up information regarding company activities which are being carried on in a correct fashion, and so the Company Register will constitute absolute evidence for third parties unless the contrary is proved.

The management and implementation of the Mandatory Company Register under this Law will be regulated by the Government, in this matter the department responsible in the trade sector, because in principle all company activities whatsoever which are performed with the aim of obtaining some benefit or profit try to achieve their aim by trading in goods and/or services which can only be done on the basis of a trading business permit.

CHAPTER I GENERAL PROVISIONS

Article 1

In this Act,

- a. “Company Register” means the official records made under and in accordance with the provisions of this Act and/or its implementing regulations, and containing matters which must be registered by each company and ratified by the authorised officer of the company register office;
- b. “Company” means any form of business carrying on any type of business which is permanent and continuous in nature, and is incorporated, working, and domiciled in the territory of the Republic of Indonesia for the purpose of obtaining benefits and or profits;
- c. “Entrepreneur” means any individual person or partnership of persons or legal entity which runs some sort of company;
- d. “Business” means any act, action, or activity whatsoever in the economic sector which is done by an entrepreneur for the purpose of obtaining some benefit and/or profit;
- e. “Minister” means the Minister responsible in the trading sector.

Elucidation of Article 1

Item a

The official record consists of the forms containing a full record of the matters which must be registered by each company.

Item b

Companies which are owned by or come under social institutions, such as foundations, are also included.

Item c

If the entrepreneur is an individual, the owner of the company is the entrepreneur concerned.

Item d

Sufficiently Clear

Item e

Sufficiently Clear

CHAPTER II PURPOSE AND NATURE

Article 2

The Company Register has the purpose of recording correctly made information on a company and will constitute an official source of information for all interested parties concerning the identity, data, and other information on a company contained in the Company Register in the context of guaranteeing business certainty.

Elucidation of Article 2
Sufficiently Clear

Article 3

The Company Register shall be open by nature to all parties.

Elucidation of Article 3
“Open by nature” means that the Company Register may be used by third parties as a source of information.

Article 4

- (1) Any interested party, after complying with the administration fee established by the Minister, is entitled to obtain the information it requires by receiving a copy or official excerpt from the information contained in the Company Register ratified by the officer authorised for that purpose from the company register.
- (2) Each copy or excerpt given under the provisions of paragraph (1) of this article shall constitute absolute evidence.

Elucidation of Article 4

Paragraph (1)
Sufficiently Clear

Paragraph (2)
Absolute evidence is authentic evidence.

CHAPTER III OBLIGATION TO REGISTER

Article 5

- (1) Every company must be registered in the Company Register.

- (2) The registration must be done by the owner or manager of the company concerned or he may be represented by some other person by giving a valid power of attorney.
- (3) If the company is owned by several persons, the owners are obliged to register. If one of them has met the obligation, the others will be released from the obligation.
- (4) If the owner and/or the manager of a company domiciled in the territory of the Republic of Indonesia do not reside in the territory of the Republic of Indonesia, the manager or his attorney assigned to hold the leadership of the company is obliged to register.

Article 5
Sufficiently Clear

Article 6

- (1) Exempted from the obligation to register are:
 - a. Any state company in the form of a *Perusahaan Jawatan* (PERJAN) (bureau) as stipulated in Law No. 9 of 1969 (Statute Book 1969 No. 40) *juncto Indische Bedrijvenwet* (*Staatsblad* 1927 No. 419) as amended and supplemented;
 - b. Any small sole trader run by the individual entrepreneur himself or herself, or employing only the closest members of his or her own family and not needing a business permit and not constituting a legal entity or partnership.
- (2) The small sole traders contemplated item b in paragraph (1) of this article shall be further regulated by the Minister with due attention to prevailing legislation.

Elucidation of Article 6

Paragraph (1)
Those exempted from the obligation to register are companies not directed towards obtaining benefits and/or profits.

Item a
Sufficiently Clear

Item b
Small sole traders are those who perform activities and/or obtain benefits and/or profits which are only at a level to meet their daily needs. The closest members of their families are direct and collateral relations up to the third degree including sons- and daughters-in-law and brothers- and sisters-in law.

Paragraph (2)
Sufficiently Clear

Article 7

Companies obliged to register in the Company Register are all companies domiciled and carrying on business in the territory of the Republic of Indonesia according to the provisions of prevailing legislation, including branch offices, sub-offices, subsidiaries, and agents and representatives of the company which have authority to enter into contracts.

Elucidation of Article 7

The definition of company includes foreign companies domiciled in and doing business in the territory of the Republic of Indonesia according to prevailing legislation. Companies' agents and representatives are treated the same as companies.

Article 8

The companies contemplated in Article 7 of this Act may be in the form of:

- a. Legal entities, including cooperatives;
- b. Partnerships;
- c. Individuals;
- d. Other companies than those mentioned in items a, b, and c of this article.

Elucidation of Article 8

*Items a, b, and c
Sufficiently Clear*

Item d

"Other companies" means new forms of company in accordance with economic development which are not classified under items a, b, and c.

CHAPTER IV METHOD AND PLACE AND TIME OF REGISTRATION

Article 9

- (1) Registration will be by filling in the registration form determined by the Minister at the company registration office.
- (2) Delivery of the registration form shall be at the company registration office
 - a. in the domicile of the company's office;
 - b. in the domicile of each of the company's branches and sub-offices or subsidiary's office;
 - c. in the domicile of the offices of each of the company's agents and representatives which has the authority to enter into contracts.

- (3) In the event that a company cannot be registered as contemplated in paragraph (2) of this article, the registration shall be done at the company registration office in the provincial capital of its domicile.

Elucidation of Article 9
Sufficiently Clear

Article 10

Registration must be done within three (3) months of the company starting commercial operations.

Elucidation of Article 10
A company shall be deemed to have started commercial operations when it receives its business permit from the authorised technical agency.

CHAPTER V **MATTERS TO BE REGISTERED**

Article 11

- (1) If the company is in the form of a Limited Liability Company, apart from fulfilling the requirements of Limited Liability Companies legislation, the matters to be registered are:
- a.
 - 1. the name of the company;
 - 2. the trademark of the company.
 - b.
 - 1. the date of the company's establishment;
 - 2. the period of the company's establishment;
 - c.
 - 1. the basic activities and other business activities of the company;
 - 2. the permits held by the company;
 - d.
 - 1. the address of the company at the time the company was established and of each of its amendments;
 - 2. the address of each branch office, sub-office, and agent and representative of the company;
 - e. in relation to each manager and commissioner:
 - 1. his/her full name and any aliases;
 - 2. any previous names if different from item e in item 1;
 - 3. the number and date of his/her identity card;
 - 4. the address of his/her permanent residence;

5. the address and permanent country of residence if not permanently resident in the territory of the Republic of Indonesia;
 6. place and date of birth;
 7. country of birth if born outside of the territory of the Republic of Indonesia;
 8. nationality at the time of registration;
 9. any previous nationality if different from item e in item 8;
 10. signature;
 11. date started to hold his/her post;
- f. other business activities of each manager and commissioner;
- g.
1. authorised capital;
 2. number of shares and nominal value of each share;
 3. amount of subscribed capital;
 4. amount of paid in capital;
- h.
1. date of start of commercial operations;
 2. date and ratification number of legal entity;
 3. date of submission of application for registration.
- (2) If registered shares are issued which have or have not been fully paid in, besides the matters contemplated in paragraph (1) of this article, the following matters regarding each shareholder must be registered:
1. his/her full name and any aliases;
 2. any previous names if different from item 1 in paragraph (2);
 3. the number and date of his/her identity card;
 4. the address of his/her permanent residence;
 5. the address and permanent country of residence if not permanently resident in the territory of the Republic of Indonesia;
 6. place and date of birth;
 7. country of birth if born outside of the territory of the Republic of Indonesia;
 8. nationality;
 9. any previous nationality if different from item 8 in paragraph (2);
 10. number of shares held;
 11. amount of money paid in on each share;
- (3) An official copy of the deed of incorporation must be handed in at the time of registration;
- (4) The matters which must be registered, particularly for Limited Liability Companies which sell shares to the public through the intermediary of the capital markets shall be further regulated by the Minister.

Elucidation of Article 11

Paragraph (1)

*Items a, b, c, d, e, f, and g
Sufficiently Clear*

Item h

Limited Liability Companies which have not yet been ratified as legal entities but are doing commercial activities must still register.

Paragraph (2)

Sufficiently Clear

Paragraph (3)

Sufficiently Clear

Paragraph (4)

It is difficult to know the share ownership of Limited Liability Companies which sell shares to the public through the mediation of the capital markets because it may change at any time and so it needs to be specially regulated.

Article 12

- (1) if the company is in the form of a Cooperative, the matters to be registered are:
 - a.
 1. the name of the cooperative;
 2. the name of the company if different from item 1 in item a;
 3. the company trademark;
 - b. the date of establishment;
 - c. the basic activities and other activities of the company;
 - d. the address of the company under its deed of incorporation;
 - e. in relation to each manager and member of the governing body:
 1. his/her full name and any aliases;
 2. any previous name if different from item 1 in item e;
 3. the number and date of his/her identity card;
 4. his/her permanent address;
 5. signature;
 6. date started to hold his/her post;
 - f. other business activities of each manager and member of the governing body;

- g.
 - 1. date it started commercial operation;
 - 2. date of submission of the application for registration.
- (2) At the time of registration, the official copy of the cooperative's ratified deed of establishment must also be handed in together with a copy of the certificate of ratification from the official authorised for that purpose.

Elucidation of Article 12
Sufficiently Clear

Article 13

- (1) If the company is in the form of a limited partnership the matters to be registered are:
 - a. the date and period of establishment of the partnership;
 - b.
 - 1. the name of the partnership and/or the name of the company.
 - 2. the trademark of the company;
 - c.
 - 1. the basic activities and other activities of the partnership;
 - 2. the business permits held;
 - d.
 - 1. the address of the partnership's domicile and/or address of the company;
 - 2. the address of each branch office, sub-office, and agent and representative of the partnership;
 - e. the number of partners broken down into active partners and sleeping partners;
 - f. with regard to each active and sleeping partner:
 - 1. his/her full name and any aliases;
 - 2. any previous names if different from item 1 in item f;
 - 3. the number and date of his/her identity card;
 - 4. the address of his/her permanent residence;
 - 5. the address and permanent country of residence if not permanently resident in the territory of the Republic of Indonesia;
 - 6. place and date of birth;
 - 7. country of birth if born outside of the territory of the Republic of Indonesia;
 - 8. nationality at the time of registration;
 - 9. any previous nationality if different from item 8 in item f;
 - g. other business activities of each active and sleeping partner;

- h. the amount of capital and/or value of goods paid in by each active and sleeping partner;
 - i.
 - 1. date the partnership's activities started;
 - 2. date each new active or sleeping partner entered if after the partnership was established;
 - 3. the date of submission of the application for registration;
 - j. signature of each active partner authorised to sign for partnership purposes.
- (2) If the company is in the form of a partnership limited by shares, apart from the matters contemplated in paragraph (1) of this article, matters concerning capital must also be registered, viz.:
- a. the amount of the limited partnership's capital;
 - b. the number of shares and the size of each share;
 - c. the amount of subscribed capital;
 - d. the amount of paid in capital.
- (3) At the time of registration, an official copy of the deed of establishment ratified by the officer authorised for that purpose must also be handed in.

Elucidation of Article 13
Sufficiently Clear

Article 14

- (1) If the company is in the form of a Firm, the matters which must be registered are:
- a.
 - 1. date of establishment of the partnership;
 - 2. period of establishment of the partnership, if any;
 - b.
 - 1. name of the partnership or name of the company;
 - 2. trademark of the company, if any;
 - c.
 - 1. basic activities and any other business activities of the partnership;
 - 2. business permits held;
 - d.
 - 1. address of the partnership's domicile;
 - 2. address of each branch office, sub-office, and agent and representative of the partnership;
 - e. In relation to each partner:
 - 1. his/her full name and any aliases;

2. any previous names if different from item 1 in item e;
 3. the number and date of his/her identity card;
 4. the address of his/her permanent residence;
 5. the address and permanent country of residence if not permanently resident in the territory of the Republic of Indonesia;
 6. place and date of birth;
 7. country of birth if born outside of the territory of the Republic of Indonesia;
 8. nationality at the time of registration;
 9. any previous nationality if different from item 8 in item a;
- f. other business activities of each partner;
- g. the amount of (fixed) capital of the partnership;
- h.
1. the date the partnership started its activities;
 2. the date of entry of each new partner after the partnership is established;
 3. the date of the submission of the application for registration.
- i. signature of each partner (authorised to sign for partnership purposes).
- (2) If a company in the form of a Firm has a deed of establishment, the official copies of the deed of establishment ratified by the official authorised to do so shall be handed in at the time of registration.

Elucidation of Article 14
Sufficiently Clear

Article 15

- (1) If the company is in the form of an individual, the matters which must be registered are:
- a.
1. the full name of the owner or entrepreneur and any aliases;
 2. any previous names if different from those in item 1 in item a.
 3. the number and date of the identity card.
- b.
1. address of permanent residence;
 2. address and country of permanent residence if not permanently resident in the territory of the Republic of Indonesia;
- c.
1. date and place of birth of the owner or entrepreneur;
 2. country of birth if born outside the territory of the Republic of Indonesia;

- d.
 - 1. nationality of the owner or entrepreneur at the time of registration;
 - 2. any previous nationality of the owner or entrepreneur if different from item 1 in item d;
 - e. name and trademark of the company, if any;
 - f.
 - 1. basic activities and other business activities;
 - 2. business permits held;
 - g.
 - 1. address of company's domicile;
 - 2. address of each branch office, sub-office, and agent and representative of the company, if any;
 - h. amount of fixed capital of the company, if any.
 - i.
 - 1. date the company started its activities;
 - 2. the date of submission of the application for registration.
- (2) If the company in the form of an individual has a deed of establishment, then official copies of the deed of establishment ratified by the officer authorised so to do shall be handed in at the time of registration.

Elucidation of Article 15
Sufficiently Clear

Article 16

- (1) If the company is some other form of business other than those contemplated in articles 11, 12, 13, 14, and 15 of this Act, the matters which must be registered are:
- a. the name and trademark of the company;
 - b. the date of establishment of the company;
 - c.
 - 1. basic activities and other business activities of the company.
 - 2. business permits held;
 - d.
 - 1. address of the company under the deed of establishment.
 - 2. address of each branch office, sub-office, and agent and representative of the company;
 - d. in relation to each manager and commissioner or supervisor:
 - 1. his/her full name and any aliases;
 - 2. any previous names if different from item 1 in item e;

3. the number and date of his/her identity card;
4. the address of his/her permanent residence;
5. the address and permanent country of residence if not permanently resident in the territory of the Republic of Indonesia;
6. place and date of birth;
7. country of birth if born outside of the territory of the Republic of Indonesia;
8. nationality at the time of registration;
9. any previous nationality if different from item 8 in item a;
10. signature;
11. date started in his or her position;

f. other business activities of the each manager and commissioner or supervisor;

- g.
 1. authorised capital;
 2. amount of subscribed capital;
 3. amount of paid in capital;
- h.
 1. date the company started its activities;
 2. date of submission of the application for registration.

- (2) An official copy of the deed of establishment and other declarations and the certificate of ratification from the official authorised for that purpose must be handed in at the time of registration.

Elucidation of Article 16

Paragraph (1)

“Other form of business” means for example a state company, forms of state enterprise such as Share Company (Perusahaan Perseroan), General Company (Perusahaan Umum), and Regional Company (Perusahaan Daerah) as regulated in prevailing legislation and so on.

Paragraph (2)

Sufficiently Clear

Article 17

Other matters which must be registered but not regulated in Articles 11, 12, 13, 14, 15, and 16 of this Act shall be further regulated by the Minister.

Elucidation of Article 17

Sufficiently Clear

CHAPTER VI MANAGEMENT OF THE COMPANY REGISTER

Article 18

The Minister shall be responsible for managing the Company Register.

Elucidation of Article 18
Sufficiently Clear

Article 19

The Minister shall determine the domiciles and composition of the company register offices and the procedures for managing the Company Register.

Elucidation of Article 19
Sufficiently Clear

Article 20

Within three (3) months of receiving the completed registration form, the authorised official from the company registration officer shall determine on its ratification or rejection.

Elucidation of Article 20
Sufficiently Clear

Article 21

- (1) If the authorised officer from the company registration office knows that the registration by the entrepreneur concerned has not been done properly or completely or correctly or it conflicts with public order or morality, the officer shall reject the registration, stating the grounds and giving the entrepreneur concerned an opportunity to make corrections or a re-registration.
- (2) The party whose registration has been rejected may lodge an objection with the Minister.

Elucidation of Article 21

Paragraph (1)

The company whose registration has been rejected shall be deemed to have not yet made a mandatory registration but without prejudice to its opportunities for business or its activities during the period of obligation to register after the registration was rejected.

Paragraph (2)

Sufficiently Clear

Article 22

A Company whose registration in the Company Register has been ratified shall be given a Company Register Certificate valid for a period of five (5) years from its date of issue and which must be renewed at least three (3) months before its expiry date.

Elucidation of Article 22
Sufficiently Clear

Article 23

If the Company Register Certificate is lost the entrepreneur will be obliged to submit a written request to the company registration office to obtain a replacement not more than three (3) months after the loss.

Elucidation of Article 23
Sufficiently Clear

Article 24

Further provisions regarding the matters contemplated in Articles 20, 21, and 22 of this Act shall be made by the Minister.

Elucidation of Article 24
Sufficiently Clear

CHAPTER VII **AMENDMENTS AND DELETIONS**

Article 25

- (1) Any change in the matters registered as regulated in Chapter V of this Act, must be reported to the company registration office by the owner or manager of the company concerned, giving the reason for the change and the date of the change within a period of three (3) months after the change occurred.
- (2) If there is a transfer of ownership or management of the company or its branch office, sub-office, agent and representative, the new owner or manager or the old owner or manager is obliged to report it.
- (3) If the company or its branch office, sub-office, or representative is wound up, the owner or manager or the liquidator is obliged to report it.
- (4) If the authority of an agent is revoked, the owner or manager of the company is obliged to report it.

- (5) At the time of the report, a copy of the deed of change or a declaration ratified by the officer authorised for that purpose must be handed in.

Elucidation of Article 25
Sufficiently Clear

Article 26

- (1) The Company's Registration shall be deleted if the following happens:
- a. the company concerned ceases all business activities;
 - b. the company concerned ceases existence at the time its deed of establishment expires;
 - c. all business activities of the company concerned are terminated under a court judgement which has received absolute legal effect.
- (2) The matters which cause the deletion of a Company's Registration must be reported by the company's owner or manager in a fashion in accordance with the provisions in Chapter IV of this Act and the delivery of copies of the documents concerned ratified by the officer authorised for that purpose.
- (3) The company registration office shall make an announcement of the deletion of the Company's Registration.
- (4) The methods of announcement shall be further determined on by the Minister.

Elucidation of Article 26
Sufficiently Clear

CHAPTER VIII **DISPUTES AND SETTLEMENT**

Article 27

- (1) Any interested third party may lodge an objection in writing with the Minister to the matters registered in the Company Register, giving the grounds therefor.
- (2) The entrepreneur concerned and the company registration office shall be informed of the lodgement of the objection by the interested third party as contemplated in paragraph (1) of this article.

Elucidation of Article 27
Sufficiently Clear

Article 28

- (1) If a company which has registered is found to be carrying on business activities which are not in accordance with its business permit, the officer of the company registration office may, after giving a warning, cancel the registration and oblige the entrepreneur to make a repeat registration.
- (2) An entrepreneur who is dissatisfied with the cancellation contemplated in paragraph (1) of this article may lodge an objection with the Minister, stating the reasons therefor.

Elucidation of Article 28
Sufficiently Clear

Article 29

- (1) In the events contemplated in Articles 21, 27, and 28 of this Act, the Minister shall give a decision after assigning an authorised official to summon and hear the parties concerned.
- (2) The company shall be informed by the authorised official of the Minister's decision contemplated in paragraph (1) of this article in writing.
- (3) The entrepreneur may lodge an objection against the Minister's decision with the District Court.
- (4) The company registration office shall be informed in writing by the Clerk to the District Court of the judgement of the District Court contemplated in paragraph (3) of this article when the judgement has absolute legal force against the party lodging the objection.

Elucidation of Article 29

Paragraph (1)

Because the objection lodged with the Minister by the interested parties as contemplated in Articles 21, 27, and 28 of this Act could result in the deletion of the company concerned from the Company Register, to obtain the truth the parties must be summoned for their information to be heard.

Paragraph (2)

Sufficiently Clear

Paragraph (3)

Sufficiently Clear

Paragraph (4)
Sufficiently Clear

CHAPTER IX COSTS

Article 30

Each company registered will be charged an administrative fee the amount of which shall be determined by the Minister.

Elucidation of Article 30
Sufficiently Clear

Article 31

The amount of the administration fee for obtaining an official copy or excerpt as contemplated in Article 4 of this Act shall be determined by the Minister.

Elucidation of Article 31
Sufficiently Clear

CHAPTER X CRIMINAL PROVISIONS

Article 32

- (1) Any person who under this Act or its implementing regulations is obliged to register his/her company in the Company Register intentionally or through negligence fails to do so shall be liable to a term in jail of not more than three (3) months or a fine of not more than three million rupiah (Rp. 3,000,000).
- (2) The criminal actions contemplated in paragraph (1) of this article constitute felonies.

Elucidation of Article 32
Sufficiently Clear

Article 33

- (1) Whoever makes or procures the making of a false or incomplete registration in the Company Register shall be liable to a term of imprisonment of not more than (3) months or a fine of not more than one million, five hundred thousand rupiah (Rp. 1,500,000).

- (2) The criminal action contemplated in article (1) of this article shall constitute a misdemeanour.

Elucidation of Article 33
Sufficiently Clear

Article 34

- (1) Whoever does not fulfil his/her obligation under this Act or its implementing regulations to appear or refuses to deliver or submit any requirement and/or other information for the purposes of registration in the Company Register shall be liable to a term of imprisonment of not more than two (2) months or a fine of not more than one million rupiah (Rp. 1,000,000).
- (2) The criminal actions contemplated in paragraph (1) of this article shall constitute a misdemeanour.

Elucidation of Article 34
Sufficiently Clear

Article 35

- (1) If a criminal act contemplated in Articles 32, 33, and 34 of this Act is committed by a legal entity, criminal charges shall be made and the sentence handed down against the managers of or the holders of authority from the legal entity.
- (2) The provisions of paragraph (1) of this article shall apply equally to legal entities acting as or as the holders of authority from other legal entities.

Elucidation of Article 35
Sufficiently Clear

Article XI **SUPERVISION AND INVESTIGATION**

Article 36

- (1) Apart from the general investigative officers, the staff of the Government Agency assigned to supervision of the Mandatory Company Register shall also be given the authority to investigate any breaches of the provisions of this Act and its implementing regulations.
- (2) The investigation shall be made according to the procedures laid down in prevailing legislation.

Elucidation of Article 36
Sufficiently Clear

CHAPTER XII

TRANSITIONAL REGULATIONS

Article 37

- (1) Companies having business permits under the provisions of legislation prevailing before the enactment of this Act, must register at the company registration offices in accordance with the provisions of this Act within a period of one year after the enactment of this Act.
- (2) All provisions of legislation not in accordance with or in conflict with this Act are repealed and declared invalid.

Elucidation of Article 37
Sufficiently Clear

CHAPTER XIII

CLOSING PROVISIONS

Article 38

Matters not yet or insufficiently regulated in this Act shall be further regulated by the Minister.

Elucidation of Article 38
Sufficiently Clear

Article 39

This Act shall come into effect on the date of its enactment.

Elucidation of Article 39
Sufficiently Clear

So that all persons shall know of it, it is ordered that this Act be enacted by its placement in the Statute Book of the Republic of Indonesia.

Promulgated in Jakarta on
1 February 1982

PRESIDENT OF THE REPUBLIC OF INDONESIA

signed

SOEHARTO

Enacted in Jakarta on
1 February 1982
MINISTER OF THE STATE SECRETARIAT
OF THE REPUBLIC OF INDONESIA

signed

SUDHARMONO, S.H.