

Legal Protection of Shareholders in the Sale and Purchase of Limited Liability Companies Engaged in the Business of Coal Mining

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Abstract:

Purpose:

In the practice of the mining industry, the acquisition of ownership of mining assets is often done through an acquisition mechanism of a business entity that already has a Mining Business Licence (IUP). One of the commonly used methods is through the sale and purchase of a Limited Liability Company (PT) holding a coal IUP. Therefore, it is important to examine the role of notaries in buying and selling Limited Liability Companies in businesses engaged in Coal mining and how legal protection of shareholders in the sale and purchase of PT in the field of Coal mining. The objectives of the research are general research objectives and specific research objectives.

Methodology:

This research is a type of normative legal research. The approach used in this research is a statutory approach and a conceptual approach. The data used is secondary data consisting of primary legal materials, secondary legal materials, and tertiary legal materials.

Findings:

Based on the results of the research, it is known that notaries play an important role in the sale and purchase of PTs engaged in the coal mining business through the making of deeds. Authentic deeds made by notaries not only function as legally valid and strong written evidence, but also as instruments capable of minimising legal risks that may arise in the future. In addition, based on the results of the research, it is known that the legal protection of shareholders in the sale and purchase transaction of PT, especially those engaged in coal mining, consists of preventive and repressive protection.

Implication:

This research has an impact on notaries to understand their role in buying and selling Limited Liability Companies in businesses engaged in Coal mining. In addition, it has an impact on shareholders to understand the legal protection that must be obtained in the sale and purchase transaction of PT in the field of Coal mining.

INTRODUCTION

Natural resources are the basic capital for development in a country. It is because natural resources have a high economic value, which is the material to meet human needs, from food to industrial needs (Redi, 2016). Natural resources, especially minerals and coal, are things that cannot be underestimated for the availability of energy at this time. The central government of the country is responsible for the use of mineral and coal resources in the jurisdiction of the Unitary State of the Republic of Indonesia. Mineral and coal resources must be managed and utilised effectively, efficiently, and efficiently to encourage and support the growth and independence of national industries that depend on mineral and coal resources.

The mining industry plays an important role in a country's economy, especially coal mining. Coal mining plays an important role, especially in providing raw materials for various industrial sectors, as it is the core of the national energy mix and contributes greatly to state revenue, job creation, and infrastructure development (Minerba, 2024). Natural resource management in Indonesia is very important. Various laws in Indonesia regulate mining management to ensure that the business is run ethically and sustainably. According to Law No. 3/2020 on Mineral and Coal Mining, mining management can be carried out by various parties, including private companies, State-Owned Enterprises (BUMN), Regional-Owned Enterprises (BUMD), and qualified foreign companies. The

law also regulates community mining, which allows local communities to engage in mining activities with certain licences, provided they are eligible to do so.

Mining companies are branches of companies controlled by the state. Licenced mineral and coal mining companies have the authority to manage mineral and coal excavation materials. One of the strategic non-renewable natural resources controlled by the state is coal and minerals, which are important commodities that control the lives of many people and play an important role in the national economy. Therefore, its management must be as much as possible to increase the prosperity and welfare of the people (Qurbani, 2012).

According to the Law of the Republic of Indonesia Number 2 of 2025 concerning the Fourth Amendment to Law Number 4 of 2009 concerning Mineral and Coal Mining, every company engaged in mining is required to have a valid Mining Business License (IUP) in order to carry out business activities. Companies holding IUP are usually in the form of a Limited Liability Company (PT), which consists of a structure of share ownership, directors, and commission boards. However, the implementation of mining activities involves not only internal parts of the Company but also involves third parties such as contractors, investors, and other business partners, as well as local communities living around the mine site. This structure gives shareholders ultimate authority through the General Meeting of Shareholders (GMS), which elects the company's organs and sets company policy.

The board of directors is responsible for managing the day-to-day operations of the company, including the planning and execution of mining activities in accordance with applicable regulations. One of the responsibilities of the board of commissioners is to supervise and advise the board of directors to ensure compliance and managerial effectiveness. Mining activities involve third parties such as contractors, investors and other business partners who cooperate in terms of funding, technology or technical execution outside of internal structures. Local communities around the mine are also external stakeholders, especially in terms of social, environmental and economic impacts. Therefore, IUP-holding companies are obliged to carry out responsible mining practices by involving all parties proportionally to realise fair and sustainable governance (Agoes, 2012).

In accordance with Article 3 paragraph (1) of the Minister of Energy and Mineral Resources Regulation No. 34/2017 on Licensing in the Mineral and Coal Mining Sector, companies that do not have a Mining Business Permit (IUP) are not allowed to conduct business activities in the mining sector because IUP is the main legality that gives companies the right to explore, exploit, and explore mineral and coal resources. However, in practice, companies that do not have an IUP can enter the sector through an acquisition or share purchase process. Businesses often use this legal method to gain access to mining activities without having to go through the licensing process from the start.

Acquisition or share purchase is a better option to accelerate access to licensed mining areas without having to undergo the lengthy and arduous process of applying for an IUP in the first place. As there are legal stipulations that must be adhered to, such transactions cannot be done freely. According to Law No. 3/2020 on the amendment of Law No. 4/2009, the transfer of shares or control in an IUP-holding company must be approved by the central government through the Minister of Energy and Mineral Resources (1), especially if the transfer exceeds 51% after the production operation stage. Sale and purchase transactions carried out by IUP holder companies have high legal risks and require high caution due to the complexity of the regulations surrounding them (Suhendra, 2017). Serious violations, such as selling IUPs as merchandise, transferring licences without consent, or entering into nominee agreements that hand over all operational activities to third parties, can result in administrative sanctions up to licence revocation. Therefore, to maintain business sustainability and the legality of mining company operations, sale and purchase transactions as a means of obtaining IUPs must be conducted in full legal compliance and transparency.

In the context of a sale and purchase transaction of a company holding an IUP, the notarial deed serves as a form of validation of changes in company ownership, but this does not automatically guarantee that all legal obligations, including obligations related to business licences and other legal aspects, have been fully fulfilled. Although the notarial deed has legal force, if it is not accompanied by a careful examination of all aspects of the

company's legality, including the status of the IUP and other obligations, the validity of the transaction may be questioned at a later date. In this case, legal protection of shareholders and third parties involved is very important, so that their rights are not neglected and the transactions carried out can provide fair legal certainty for all parties. In addition, in the sale and purchase of companies, the aspect of transparency obligations towards third parties must receive serious attention, so as not to cause harm to parties who are not directly involved in the transaction (H, 2009). Therefore, it is important to examine more deeply the mechanism of legal protection in the sale and purchase transactions of companies holding IUP through notarial deeds.

One of the main problems that often arises in mining company sale and purchase transactions is the uncertainty regarding the status of the IUP owned by the company being sold. Even though the transaction is legally carried out through a notary deed, non-compliance or violation of applicable regulations may cause the IUP owned by the company to be revoked or cancelled. It will certainly have an impact on shareholders, both old and new, who may not get adequate information regarding the status of the business licence of the company they are buying. This situation shows how important legal protection for shareholders is, so that their rights are not neglected due to the unclear status of the IUP owned by the company.

A Mining Business Licence (IUP) is one of the important requirements for the implementation of mining. Law of the Republic of Indonesia Number 4 of 2009 concerning Mineral and Coal Mining, State Gazette of the Republic of Indonesia of 2009 Number 4, as amended for the first time by Law Number 3 of 2020, State Gazette of the Republic of Indonesia of 2020 Number 147, and amended for the second time through Law Number 6 of 2023 concerning Stipulation of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation and amended for the Fourth time through Law of the Republic of Indonesia Number 2 of 2025 concerning the Fourth Amendment to Law Number 4 of 2009 concerning Mineral and Coal Mining into Law regulates the prohibition of alienation of Mining Business License (IUP) and Special Mining Business License (IUPK) in the provisions of Article 93 stipulates: (1) Holders of IUP and IUPK are prohibited from transferring IUP and IUPK to other parties without the approval of the Minister. (2) The approval as referred to in paragraph (1) may be given after the Holders of IUP and IUPK fulfil the following requirements: a. have completed Exploration activities as evidenced by the availability of resource and reserve data; and b. fulfill administrative, technical, environmental and financial requirements.

In the practice of the mining industry, the acquisition of ownership of mining assets is often done through an acquisition mechanism of a business entity that already has a Mining Business Licence (IUP). One commonly used method is through the sale and purchase of a Limited Liability Company (PT) holding a coal IUP. This approach is seen as an effective and efficient strategy, as it allows business actors to acquire rights to mining areas directly without having to go through the lengthy administrative process of applying for a new licence. In addition, such acquisitions provide benefits in terms of operational continuity and legal certainty over the mining activities to be undertaken. While it may seem like an ordinary business transaction in the realm of civil law, this practice is actually fraught with problems, as it encompasses state administrative law as well as social and environmental responsibility.

The sale and purchase of a Company with a Mining Business Permit has implications for shareholders and third parties, as well as the Community and creates uncertainty for the continuation of the business and the Share value of the IUP, which is the main value of the transaction, risks being cancelled or revoked if these obligations are ignored. Share buyers, on the other hand, often do not realise that they are not only buying shares but also taking legal responsibility for the company, including environmental and social obligations, which can lead to conflict in communities around the mine. In practice, notaries are responsible for drafting the deed of sale and purchase of shares; however, their work is more formally and does not involve verifying the administrative aspects of the IUP. The role of notaries is crucial in the practice of civil law to ensure that agreements have legal force and stability. As a public official, a notary can put the agreement between parties into the form of an authentic deed, which is legally acceptable. Therefore, it is important to understand how notaries do their job in the process of

making agreements through authentic deeds (Andrianto et al., 2023). It opens up legal loopholes, which may affect the legitimacy and success of legal protection for the parties. Therefore, to ensure legal certainty and fair and responsible mining governance, it is necessary to conduct an in-depth legal study. This study must be conducted to determine the extent to which legal protection can be provided to sellers, buyers, affected communities, and notaries in mining company share sale and purchase transactions.

One of the relevant cases in the context of the sale and purchase of shares of a company holding a Mining Business Licence (IUP) is the coal mining plan of the Limited Liability Company (PT) Kencana Wilsa in West Kutai Regency, East Kalimantan. However, due to internal and external issues, the company decided to sell all of its shares to Limited Liability Company (PT) Galindo Lestari. Limited Liability Company (PT) Galindo Lestari took full ownership of the company in less than a year. After that, they started initial mining operations by building hauling lines and transporting coal. However, the community of Kampung Ongko Asa, Barong Tongkok sub-district, rejected these efforts. They still objected to the existence of the mine due to previous bad experiences with Kencana Wilsa Limited Liability Company (PT). This community rejection had prevented the Galindo Lestari Limited Company (PT) from carrying out mining activities. According to Fery Yunedi, Head of Mining Engineering (KTI) of Galindo Lestari Limited Liability Company, the mining destination in the area was eventually given to another company. Despite this, PT Galindo Lestari continues to re-approach the area through a mechanism of socialisation to the community and re-management of licensing elements and environmental documents, including a thorough revision of the environmental impact assessment (AMDAL). The aim is to regain social legitimacy and legal certainty for planned mining operations (Yovanda, 2021).

Share sale and purchase transactions in Limited Liability Companies holding Mining Business Licences (IUPs), such as that of Limited Liability Company (PT) Kencana Wilsa which sold its shares to Limited Liability Company (PT) Galindo Lestari in West Kutai Regency, East Kalimantan, demonstrate that while such transactions are civilly valid, without the approval of the Minister of Energy and Mineral Resources, required by Article 93 of Law No. 3, they can have significant legal consequences. The former shareholders of Kencana Wilsa Limited Liability Company (PT) have legal responsibilities, including environmental and social responsibilities, which cannot be legally and openly transferred. It is especially true in the case of failure or omission to disclose material facts. The new shareholder (PT Galindo Lestari) faces major risks administratively, such as suspension of the IUP, and socially, such as community opposition, which could halt mining despite the legal transfer of shares. As third-party drafters of the law, notaries can also be held ethically liable if they neglect to include important notes or do not alert the relevant parties to further administrative responsibilities. Conversely, if consultation, consent and environmental impact assessments are not conducted in a participatory manner, indigenous or local communities such as those in Ongko Asa Village have the legal right to reject the mine.

Based on the description of the case that has been presented, it is clear that the operation of Limited Liability Company (PT) Kencana Wilsa and Limited Liability Company (PT) Galindo Lestari is greatly influenced by the application of the share sale and purchase agreement as a legal tool that regulates the legal relationship between the parties involved in the transfer of ownership of Limited Liability Companies holding Mining Business Licences (IUP). In civil law, default of negligence or denial of agreed obligations is a problem that most often arises in contract law. In this case, the seller is responsible for delivering the object of the share agreement and all attached rights, including the IUP, legally and without legal problems. The buyer has the right to demand the fulfilment of such performance, as stipulated in Articles 1234 and 1243 of the Civil Code. If this is done, in the event of a breach, the purchaser also has the right to claim damages. The performance in a mining company share transaction includes the transfer of leadership and legal certainty over the status of the IUP, which are important values in such transactions. The buyer risks losing the legal benefits of the transaction if administrative requirements, such as approval from the Minister of Energy and Mineral Resources as stipulated in Article 93 of Law No. 3/2020 on Mineral and Coal Mining, are not met.

Therefore, it is very important to provide legal protection to buyers and parties involved, such as ensuring that the clauses of the agreement are clear and all information is disclosed, as well as the role of notaries as public officials responsible for making legal deeds that reflect the agreement of the parties. Taking these matters into account, the author conducts research by analysing how the role of a notary in the sale and purchase of a Limited Liability Company in a business engaged in Coal mining and how the legal protection of shareholders in the sale and purchase transaction of a Limited Liability Company in the field of Coal mining.

METHODS

This research is classified as normative legal research that examines the law from an internal perspective with the object under study (Putra, 2021). Normative research aims to find legal rules or legal doctrines to answer the legal problems being studied (Fajar & Achmad, 2013). The type of approach used in this research is the statute approach and the type of conceptual approach. The statute approach is an approach that is carried out by examining all laws and regulations that are related to the legal issues being addressed (Susanti & Efendi, 2014).

The approach used in this research aims to identify relevant legal norms, such as Limited Liability Company Law Number 40 of 2007, Law Number 3 of 2020 concerning Mineral and Coal Mining, as well as implementing regulations governing procedures for changes in share ownership and the transfer of mining business licences. All of these provisions form the basis for the legal protection of the parties involved in the transaction. In addition, a conceptual approach is also used, which is an approach that relies on views and doctrines in legal science that have developed over time. This approach assists researchers in understanding relevant legal principles and notions, thus supporting a more comprehensive analysis of the legal issues under study (Ibrahim, 2007).

The data used in this research is secondary data consisting of primary, secondary, and tertiary legal materials. Primary legal materials, namely, binding legal materials in the form of laws and regulations relating to research problems. Secondary legal materials, namely, as supporting materials to provide explanations for primary legal materials, such as legal expert opinions contained in literature, legal journals, and legal writings on internet websites related to the issues studied. Meanwhile, tertiary legal materials are obtained from legal dictionaries or encyclopedias related to the issues studied.

Data collection in this research uses a literature study. This technique is carried out by examining various legal sources that are relevant to the issues that are the focus of the research. Through literature study, researchers can explore and understand the applicable legal norms, as well as gain deeper insight into the legal principles that form the basis of a particular regulation or legal practice (Marzuki, 2021).

The method of analysing legal materials used is descriptive with an interpretative approach, namely by describing laws and regulations and relevant legal documents are described and then interpreted to obtain a deep understanding of their meaning and application.

RESULTS AND DISCUSSION

1. The Role of Notary in Conducting the Sale and Purchase of Limited Liability Companies in Businesses Engaged in the Field of Coal Mining.

a. Implementation of the Sale and Purchase Agreement of Limited Liability Companies in Businesses Engaged in the Field of Coal Mining. An agreement is one of the main sources of civil legal relations between parties, and its comprehensive regulation can be found in the Civil Code (KUH Perdata). In the Indonesian civil law system, which adheres to the principle of freedom of contract, agreements have an important position as a basis that binds the parties like laws. The agreement itself is defined as a legal relationship of wealth or property between two or more people that gives one party the right to obtain achievements and at the same time obliges the other party to fulfil the achievements (Az, 2019).

The implementation of the agreement must, of course, fulfil the legal requirements of the agreement as stipulated in Article 1320 of the Civil Code. This article states that four conditions must be met in order for an

agreement to be considered valid, namely: agreement between those who bind themselves, capacity to make an agreement, a certain thing, and a halal cause. The implementation of the agreement must also pay attention to the principles of the agreement regulated in the Civil Code, one of which is the principle of freedom of contract. This principle is specifically regulated in Article 1338, paragraph (1) of the Civil Code. This principle gives the parties the freedom to determine the contents of the agreement they make. However, this freedom is not absolute; some limitations must be considered, such as the provisions of law, decency, and public order. This provision then also correlates with other articles in the Civil Code, namely Article 1337 of the Civil Code, which regulates the prohibition of the contents of agreements that conflict with the law, decency, or public order.

The legal implications of the principle of freedom of contract then result in various agreements, one of which is a sale and purchase agreement. A sale and purchase agreement is an agreement between the seller as a provider of goods and the buyer as a recipient of goods based on a request, so that an agreement is formed and gives rise to rights and obligations. Regulations regarding sale and purchase agreements are regulated in the explanation of Article 1457 to the explanation of Article 1540 of the Civil Code. The Civil Code provides a clear understanding of the sale-purchase agreement, namely the agreement between the seller and the buyer about the object or goods agreed upon by paying a sum of money to the seller as a right that must be given (Anggraeni & Rizal, 2019).

The object of the sale and purchase agreement is very diverse, one of which is the sale and purchase of limited liability company shares. The sale and purchase agreement of a Limited Liability Company (PT) is a form of transfer of share ownership or control over a legal entity that has status as a legal subject. In the context of businesses engaged in coal mining, this agreement not only reflects business transactions but also involves complex legal and administrative aspects. It is due to the characteristics of the mining industry, which is strictly regulated by laws and regulations, especially those relating to business licensing, control of natural resources, and environmental responsibility. Therefore, the implementation of Limited Liability Company (PT) sale and purchase agreements in this sector requires caution and compliance with applicable legal procedures so as not to cause legal risks in the future.

The sale and purchase of a Limited Liability Company (PT) is also often known as an acquisition. Acquisition in the terminological sense is the acquisition of ownership or control of the shares or assets of a company by another company, and in this event, both the acquiring and the acquired company continue to exist as separate legal entities (Hartana, 2017). Juridically, the provisions regarding acquisitions are regulated in Government Regulation No. 27 of 1998 concerning Mergers, Consolidations, and Acquisitions of Limited Liability Companies. Based on Article 1 Point 3 of Government Regulation No. 27 of 1998 concerning Mergers, Consolidations, and Acquisitions of Limited Liability Companies, an acquisition or takeover is a legal action carried out by a legal entity or individual to acquire either all or most of the shares of a company which may result in the transfer of control over the company. The acquisition of a Limited Liability Company (PT) in its specificity and characteristics can be interpreted as the takeover of a Limited Liability Company (PT) by purchasing the majority shares of the Limited Liability Company (PT) so that it becomes the controlling shareholder. Both the acquiring Limited Liability Company (PT) and the acquired Limited Liability Company (PT) continue to exist and do not come to a legal end because only the shares are transferred.

Based on Article 4 of Government Regulation No. 27 of 1998 on Mergers, Consolidations, and Acquisitions of Limited Liability Companies, the implementation of acquisitions must take into account the interests of the company, minority shareholders, and employees of the company concerned, as well as the interests of the public and fair competition in doing business. Acquisitions also do not reduce the rights of minority shareholders to sell their shares at a fair price. The procedure for the acquisition of a Limited Liability Company (PT) is specifically regulated in Articles 26-Article 32 of Government Regulation No. 27 of 1998 on Mergers, Consolidations, and Acquisitions of Limited Liability Companies. The procedure will be explained as follows:

- 1) The party to be acquired conveys its intention to conduct the acquisition to the Board of Directors of the company to be acquired.
- 2) The Board of Directors of the company to be acquired and the party to be acquired shall each prepare a proposal for the takeover plan. The proposal must contain the provisions set forth in Article 26 paragraph (3) and must be approved by the Commissioner of the company to be acquired or a similar institution of the party to be acquired.
- 3) Furthermore, the Acquisition Plan shall be prepared jointly between the Board of Directors of the company to be acquired and the party to be acquired.
- 4) The summary of the Acquisition Plan must be announced by the Board of Directors in 2 (two) daily newspapers and notified in writing to the employees of the acquiring company at the latest 14 (fourteen) days before the invitation to the General Meeting of Shareholders of each company.
- 5) The Acquisition Plan must be approved by the General Meeting of Shareholders of the company to be acquired and the acquiring party or a similar institution of the acquiring party. The approved takeover plan is set forth in the Acquisition Deed, which must be made before a notary in the Indonesian language.
- 6) Suppose the acquisition of a company is carried out by amending the Articles of Association. In that case, the acquisition shall take effect from the date of approval of the Articles of Association by the Minister.
- 7) Suppose the acquisition of a company is carried out with amendments to the Articles of Association, which do not require the Minister's approval. In that case, the acquisition shall take effect as of the date of registration of the Acquisition Deed in the Register of Companies.
- 8) Suppose the acquisition of a company does not result in an amendment to the Articles of Association. In that case, the acquisition shall take effect from the date of signing of the Acquisition Deed.

The implementation of the Sale and Purchase Agreement/acquisition of Limited Liability Company in Business Engaged in Coal Mining has been carried out between Limited Liability Company (PT) Kencana Wilsa and Limited Liability Company (PT) Galindo Lestari, domiciled in West Kutai Regency, East Kalimantan. The acquisition or transfer and sale, and purchase of shares is set out in Deed No. 8 dated 21 August 2008. In connection with the above agreement or other similar agreements, it is not only guided by the Civil Code and Government Regulation No. 27 of 1998 concerning Merger, Consolidation, and Acquisition of Limited Liability Companies, but must also pay attention to regulations in the mining sector. Based on Law Number 4 Year 2009 on Mineral and Coal Mining, which was last amended in Law Number 2 Year 2025 on the Fourth Amendment to Law Number 4 Year 2009 on Mineral and Coal Mining, there are several provisions regarding the sale and purchase/transfer/acquisition of limited liability companies in businesses engaged in coal mining, namely as follows:

- 1) IUP and IUPK holders are prohibited from transferring IUP and IUPK to other parties without the Minister's approval.
- 2) Approval by the Minister can be given after the IUP and IUPK Holders fulfil the following requirements at least:
 - a) Have completed Exploration activities as evidenced by the availability of resource and reserve data;
 - b) fulfill administrative, technical, environmental, and financial requirements.
- 3) Business Entities holding IUP or IUPK are prohibited from transferring share ownership without the approval of the Minister.
- 4) Approval by the Minister can be given after fulfilling the requirements of at least:
 - a) have completed Exploration activities as evidenced by the availability of resource and reserve data;
 - b) fulfill administrative, technical, environmental, and financial requirements.

Based on this regulation, it is known that the sale and purchase/transfer/acquisition of limited liability companies in businesses engaged in coal mining must be accompanied by the Minister's approval. IUP/IUPK will only be transferred if there has been a transfer of share ownership with the approval of the Minister. If the shares

have been transferred, the parties also have the right to transfer the IUP or IUPK to the new shareholder, but still with the approval of the Minister. In addition, what is important to note is that the transfer of shares also requires the involvement of a notary in terms of making a Deed of Acquisition.

b. The Role of Notary in the Sale and Purchase of Limited Liability Companies in Businesses Engaged in the Field of Coal Mining. In the business world, especially in the coal mining sector, which is full of regulations and high investment value, the sale and purchase process of a Limited Liability Company (PT) is not only an ordinary business transaction, but also reflects a change in ownership that has a significant impact on the legal structure and operations of the company. Therefore, the involvement of a notary in this process is crucial. The notary not only acts as the party that makes the authentic deed, but also acts as the guardian of legal certainty, transparency, and compliance with applicable regulations.

In general, based on Law Number 30 of 2004 concerning the Position of Notary, which was last amended by Law Number 2 of 2014 concerning Amendments to Law Number 30 of 2004 concerning the Position of Notary, Notary has an important role in preparing authentic deeds that contain every act, agreement, or stipulation required by laws and regulations or desired by the parties to be used as valid legal evidence. The authentic deed functions as strong and complete evidence, so it has a central role in ensuring legal certainty and protection in various aspects of community life. This role becomes very important in various legal relationships, including in business activities, banking, land, social activities, and other sectors that require clear and accountable legal legitimacy.

Through the making of authentic deeds, notaries play an important role in providing legal protection and legal certainty for the parties involved in a legal action, especially in the sale and purchase transactions of Limited Liability Companies (PT) engaged in the coal mining business. An authentic deed made by a notary not only functions as legally valid and strong written evidence, but also as an instrument capable of minimising legal risks that may arise in the future due to discrepancies or disputes in the implementation of the transaction.

In addition, based on the results of interviews with sources, namely Mr Wayan Nuaja SH as a Notary in Denpasar City, it is known that notaries also play a role in preparing Minutes of the General Meeting of Shareholders (GMS) or Extraordinary General Meeting of Shareholders (EGMS), which contains a statement that the shareholders approve the actions of one or several shareholders to sell some or all of the shares they own, either to other shareholders or to third parties outside the scope of shareholders. The minutes of this event then become one of the requirements in making an authentic deed by a notary.

In the context of buying and selling shares or transferring ownership of a Limited Liability Company that runs a business in the coal mining sector, of course, it has its own legal regulations and complexities. It makes the role of notaries even more significant. The notary is tasked with ensuring that all legal requirements, permits, and supporting documents required by laws and regulations have been fulfilled completely and legally. It is important to ensure that the transaction is carried out legally, transparently, and in accordance with applicable provisions, both in terms of corporate law, mining law, and treaty law.

Thus, the existence of an authentic deed made by a notary provides legitimacy and legal certainty to the sale and purchase transaction. The parties involved, both sellers and buyers, will feel safer and more protected because they have a strong legal basis and can avoid potential legal disputes in the future. Therefore, the involvement of a notary in the sale and purchase process of Limited Liability Companies in the coal mining sector is an essential aspect for the creation of orderly, legal and fair transactions.

Notary, as a public official, is the personification of the law of truth, justice, and even guarantees legal clarity for the community. The notary in making an authentic deed of sale and purchase or transfer of shares of a Limited Liability Company (PT) engaged in coal mining also plays a role in realising justice for the parties. According to Gustav Radbruch's opinion, the meaning of justice is related to the equal distribution of rights and obligations. It is reflected in the authentic deed made by the notary, which also includes clauses regarding the rights and obligations of the parties.

Through an authentic deed that clearly determines rights and obligations, it guarantees legal certainty, and at the same time, it is hoped that disputes can be avoided. Although disputes cannot be avoided, in the process of dispute resolution, authentic deeds, which are the strongest and fullest written evidence, make a real contribution to the settlement of cases cheaply and quickly.

Specifically, in the sale and purchase or acquisition of a limited liability company in a business engaged in coal mining, a notary also has an important role in the acquisition, namely through the preparation of an Acquisition Deed. It is based on the provisions of Article 31 of Government Regulation Number 27 of 1998 concerning Mergers, Consolidations, and Acquisitions of Limited Liability Companies, which stipulates that the approved acquisition plan must be in a Deed of Acquisition. The deed is made before a notary in the Indonesian language. This provision has a very important meaning in ensuring legal certainty and protection for all parties involved in a takeover transaction. The Acquisition Deed referred to here is a legal document in the form of an authentic deed prepared and authenticated by a notary as a public official, who is authorised to ensure that the contents of the deed are correct, valid, and in accordance with the prevailing laws and regulations. Using Indonesian as the official language of the country, to ensure the clarity, openness, and legality of the document in the Indonesian legal system. By making this deed by a notary, the takeover transaction not only has legal force, but also becomes perfect evidence in the event of a dispute or legal problem in the future.

Not only that, notaries also need to play a role so that the acquisition process can run in accordance with the laws and regulations. It can be done by ensuring that the necessary documents are available and valid. Specifically, in the sale and purchase or acquisition of a limited liability company in a business engaged in coal mining, before transferring the IUP, the IUP holder must first transfer share ownership with the approval of the Minister to the buyer. Furthermore, the IUP to be transferred to the buyer must also be based on the Minister's approval. Before the transfer of the IUP, the notary must ensure that the seller or IUP holder has fulfilled all the requirements, both administrative requirements such as the deed of establishment and NIB, technical requirements such as the list and qualifications of experts/geology/mining engineering and mine technical management plans, environmental requirements such as AMDAL, KLHS, and social and environmental responsibility, and financial requirements such as the last audit financial statements and tax documents. The aim is to ensure that the sale and purchase/acquisition proceed in accordance with the provisions of laws and regulations and do not cause problems in the future. Examination and verification by a notary is also an implementation of the notary's obligation stipulated in Article 16, paragraph (1), letter a of the Notary Public Office Law, which requires notaries to be able to act carefully in making authentic deeds. Therefore, the notary also must study, scrutinise, and understand the documents related to the making of the deed.

The role of the notary is needed so that it does not cause document engineering later. In this case, based on the results of research on secondary data, there is a tendency to manipulate mining permit documents by Ismail Thomas (PT Kencana Wilsa) before being acquired or sold to the Limited Liability Company (PT) Galindo Lestari. If the allegation is proven, it shows that even though there is an authentic deed, the deed does not guarantee the truth relating to the legal acts in the deed. Therefore, to be able to prevent problems such as the example of the case above, notaries should carry out their duties and obligations carefully, thoroughly, and accurately so that the authentic deed produced also supports the truth of the legal acts stated in the deed.

2. Legal Protection of Shareholders in Sale and Purchase Transactions of Limited Liability Companies in the Coal Mining Sector.

a. The Role of Notary in Providing Legal Protection to Shareholders in Sale and Purchase Transactions of Limited Liability Companies in the Field of Coal Mining. In an increasingly complex and dynamic business world, share sale and purchase transactions in Limited Liability Companies (PT), especially in strategic sectors such as coal mining, require legal certainty and adequate protection for the parties involved. PT is an alliance to run a certain company using an authorised capital divided into a number of shares, each containing a certain amount of money, namely the nominal amount, as stipulated in the notarial deed of establishment of a

limited liability company (Musriansyah & Sihabudin, 2017). The coal mining sector is one of the most important industries for the national economy, but on the other hand, it is also laden with legal risks, large investments, and multinational interests. Therefore, the process of buying and selling shares in mining companies must be carried out carefully and in accordance with the provisions of the applicable laws and regulations.

In this context, the role of notaries is vital. A notary, as a public official authorised by law to make authentic deeds, is not only tasked with recording and validating the parties' agreement, but also has a moral and juridical responsibility to ensure that every transaction is carried out in good faith and within the correct legal corridor. Especially in share sale and purchase transactions in the coal mining sector, where large-value assets and potential conflicts of interest between shareholders are involved, the presence of a notary can be a guarantor of legal certainty and protection of the rights of shareholders.

The legal protection provided by notaries is reflected in various aspects, from verifying the validity of documents, checking the legal status of shares and companies, to preparing the deed of sale and purchase carefully, meticulously, in accordance with the principles of prudence and legal compliance. Notaries also ensure that the process of changing share ownership is properly reported and recorded in the register of shareholders and reported to the relevant agencies, including the Ministry of Law. Thus, the notary's involvement is not only administrative, but also substantive in maintaining the validity and legal enforceability of the transaction.

In addition, based on Article 126 paragraph (1) of Law Number 40 of 2007 on Limited Liability Companies, which is also further regulated in Government Regulation Number 27 of 1998, it is stipulated that the legal action of Merger, Consolidation, Acquisition, or Demerger must take into account the interests of the Company, minority shareholders, employees of the Company, and the Company's employees:

- 1) The Company, minority shareholders, and employees of the Company;
- 2) creditors and other business partners of the Company; and
- 3) the public and fair competition in doing business.

Based on this regulation, a notary in making a deed of sale and purchase/transfer of shares of a Limited Liability Company (PT) must also provide legal protection to minority shareholders. Legal protection by notaries for minority shareholders is also important because Article 4, Paragraph (2) of Government Regulation No. 20 of 1998 stipulates that the implementation of acquisitions does not reduce the rights of minority shareholders to sell their shares at a fair price.

In relation to the definition of minority shareholders, the Limited Liability Company Law does not explicitly define who a minority shareholder is. However, if examined from the provisions regarding the minimum number of shareholdings required to be able to propose a GMS as stipulated in Article 79 paragraph (2) of the Company Law, as well as the right to file a lawsuit against members of the Board of Directors (Article 97 paragraph 6) and members of the Board of Commissioners (Article 114 paragraph 6) through the District Court, it appears that the minimum shareholding limit to exercise these rights is 10% of the total shares outstanding. Therefore, it can be concluded that in the context of the Limited Liability Company Law, minority shareholders refer to parties who own shares not exceeding 10% of all shares in the company.

In general, the Limited Liability Company Law regulates the rights of minority shareholders. These rights consist of:

- 1) The right to file a direct lawsuit (Direct Suit): A direct suit is a lawsuit brought by a minority shareholder acting for and on behalf of himself or herself, suing a Limited Liability Company (PT) on the grounds that the minority shareholder feels he or she has been harmed by the Limited Liability Company (PT).
- 2) The right to file a derivative suit (Derivative Suit): Derivative Suit is a lawsuit based on the primary right of the Limited Liability Company (PT), but brought by a shareholder for and on behalf of the Limited Liability Company (PT).

- 3) The right to inspect the documents of a Limited Liability Company (PT): Article 138 paragraph (1) of the Limited Liability Company Law states that "an inspection of a Limited Liability Company (PT) may be conducted for the purpose of obtaining data or information if there are certain allegations.
- 4) Right to request the convening of a GMS: A request to convene a GMS can be made by a minority shareholder when the minority shareholder feels that there are important matters that need to be decided at the meeting.
- 5) Right to request that a Limited Liability Company (PT) be dissolved: The Limited Liability Company Law gives minority shareholders the right to propose or request that a Limited Liability Company (PT) be dissolved.
- 6) The right to information disclosure: The Law on Limited Liability Companies (UU Perseroan Terbatas/PT), as the legislation that protects minority shareholders in Indonesia, also regulates the principle of disclosure, which is the foundation of minority shareholder protection.
- 7) Right to sell shares (Appraisal Right): This right is a manifestation of Article 62 of the Limited Liability Company Law (UU Perseroan Terbatas/PT) whereby a shareholder of a Limited Liability Company (PT) who does not agree to an acquisition can request the Limited Liability Company (PT) to purchase his/her shares.

In particular, there are several ways that a notary can provide legal protection to shareholders in a sale and purchase transaction of a limited liability company in the field of coal mining, including for minority shareholders. These efforts consist of:

- 1) Checking the Legality and Ownership of Shares: before making a deed of sale and purchase of shares or a deed of transfer, the notary conducts limited legal due diligence, among others:
 - a) Ensuring that the shares to be sold actually belong to the seller and are free from disputes.
 - b) Ensure that there are no restrictions in the articles of association or shareholders' agreement that may disadvantage minority shareholders.
- 2) Examining and Explaining the Provisions in the Articles of Association: Notaries are required to read and understand the Articles of Association of a Limited Liability Company (PT), especially the provisions on: share transfer mechanism, required GMS approval, and special rights of minority shareholders.
- 3) Ensure compliance with laws and regulations: The notary must ensure that the transaction does not violate the Limited Liability Company Law and other regulations.
- 4) Drafting a deed that is fair and not prejudicial: The notary acts as a neutral official and is obliged to draft the transaction deed objectively, paying attention to the balance of rights and obligations of the parties. The notary must refuse to draw up a deed if the content has the potential to harm minority shareholders legally or ethically.
- 5) Provide transparent legal explanations: Notaries are obliged to explain the contents of the deed and its legal consequences to all parties in an open, impartial and easy-to-understand manner. Minority shareholders who may not have legal counsel are still adequately briefed before agreeing to the transaction.

b. Types of Legal Protection to Shareholders in Sale and Purchase Transactions of Limited Liability Companies in the Coal Mining Sector. Legal protection of shareholders in sale and purchase transactions of Limited Liability Companies (PT), especially those engaged in coal mining, is a crucial aspect to ensure legal certainty, prevent losses, and protect the rights of the parties. In this context, legal protection can be divided into two main forms, namely preventive legal protection and repressive legal protection.

1). Preventive Legal Protection of Shareholders in Sale and Purchase Transactions of Limited Liability Companies in the Field of Coal Mining. The sale and purchase of shares in a Limited Liability Company (PT) in the coal mining sector is a strategic and high-risk activity. This sector not only involves a large amount of investment, but also relates to the control of natural resources that are protected and closely monitored by the state. Therefore, any transaction that changes the composition of share ownership must be carried out carefully and in accordance with applicable legal provisions, in order to avoid disputes and losses in the future.

In this context, preventive legal protection plays an important role. According to Philipus Hadjon, preventive legal protection is provided by the government in legislation with the intention of preventing an offence (Malie et al., 2024). Preventive legal protection is a form of prevention carried out through legal mechanisms so

that the rights of both majority and minority shareholders are not violated from the start. This approach focuses more on preventing conflicts or violations of the law, rather than resolving disputes after they occur.

Preventive legal protection efforts are carried out through several instruments, including the preparation of deeds and checking the completeness of documents carefully, thoroughly and thoroughly, the implementation of the principle of prudence (due diligence), information disclosure, and the involvement of legal officials such as notaries, legal consultants and auditors to ensure that transactions take place transparently, legally and fairly. In this case, the notary acts as the guardian of legality and the balance of interests of the parties by ensuring that all legal requirements have been met and that no party, especially shareholders, is secretly disadvantaged.

Based on the results of interviews with the resource person, Mr I Nyoman Sardana S.H., M.Kn, as a notary in Denpasar City, it is known that for preventive protection the notary must contain clauses that can be a protection for the parties such as the transfer of shares or companies by the second party who still has cooperation or responsibility to the first party / to other parties, there must be permission or notification to the previous party. Before the permission of the first party is approved, the second party is prohibited from transferring or not transferring the company to a third party.

In addition, regulations contained in the Limited Liability Company Law (PT) also provide a legal basis for efforts to protect the rights of shareholders, such as the right to information, the right to vote in the GMS, and the right to sue if they feel disadvantaged. This mechanism is part of an important preventive protection system, especially in the coal mining sector, which has complex, lengthy business characteristics and often involves foreign parties or large corporations.

Preventive protection is also carried out based on the Minerba Mining Law. As stipulated in Articles 93 and 93 A that IUP and IUPK holders who wish to transfer IUP and IUPK or transfer shares must be accompanied by the Minister's approval. The main function of ministerial approval in this context is to supervise and control, and protect the legal actions of transferring ownership and management of natural resources, to remain in accordance with national interests. Through this approval mechanism, the state can ensure that the party receiving the transfer of IUP/IUPK or shares is a party that meets adequate technical, administrative, environmental and financial requirements. It is important to maintain the sustainability of mining operations and avoid the risk of misuse of licences as commodities that are traded without a commitment to responsible resource management.

By strengthening preventive legal protection, it is hoped that share sale and purchase transactions in the coal mining sector will not only take place legally and in a legal order, but also ensure business continuity and protect all parties from potential violations that can cause both material and immaterial losses.

2) Repressive Legal Protection of Shareholders in Sale and Purchase Transactions of Limited Liability Companies in the Field of Coal Mining. In business practice, especially in strategic sectors such as coal mining, share sale and purchase transactions in Limited Liability Companies (PT) are common as part of ownership restructuring, expansion, or investment transfer. However, not all transactions are without problems. In many cases, there are violations of shareholders' rights, either due to procedural irregularities, neglect of the principle of transparency, or manipulative actions by parties with majority power. It is where repressive legal protection is needed as an effort to restore the rights that have been violated.

Repressive legal protection is a form of protection provided after a violation or dispute has occurred. Its main purpose is to provide justice, restore the legal position of the aggrieved shareholder, and provide sanctions or legal consequences against the party that committed the violation. This protection becomes important when shareholders, especially minority shareholders, cannot protect their interests through preventive mechanisms, or when the share sale and purchase agreement is carried out by ignoring the provisions of laws and regulations and the company's articles of association.

The Limited Liability Company Law provides a number of repressive legal instruments that shareholders can use to claim their rights. For example, Article 97 paragraph (6) and Article 114 paragraph (6) of the Company Law give shareholders the right to file a lawsuit at the District Court against the Board of Directors or the Board

of Commissioners who are deemed to have committed errors or omissions that harm the company. In addition, shareholders can also apply for the dissolution of the company, cancellation of GMS resolutions, or take civil or criminal legal action if there are indications of fraud in the share trading process.

Specifically related to the problems in this thesis, repressive legal protection can also be implemented based on the Notary Office Law. Notaries are public officials authorised to make authentic deeds, including deeds of sale and purchase/transfer of shares of Limited Liability Companies (PT) engaged in the coal mining business. If a notary in carrying out his/her position has neglected to carry out the obligation to make deeds carefully, thoroughly, and thoroughly as stipulated in Article 16 paragraph (1) letter a of the Notary Position Law, the notary may be subject to sanctions stipulated in Article 16 paragraph (11) of the Notary Position Law. The sanctions can be in the form of:

- a) written warning;
- b) temporary dismissal;
- c) honourable dismissal; or
- d) dishonourable dismissal.

In the context of the coal mining sector, which has high economic value and involves many interests, this repressive legal protection mechanism is important as a control tool against potential abuse of power in the company. Through the available legal mechanisms, shareholders have access to justice and legal certainty to defend their rights and obtain compensation for their losses. Thus, repressive legal protection is not only a corrective effort for legal violations that occur, but also an integral part of the legal system that ensures justice, accountability and integrity in every corporate transaction, especially in strategic sectors such as coal mining.

CONCLUSION

1. Based on the results of the research, it is known that through the making of authentic deeds, notaries play an important role in providing legal protection and legal certainty for the parties in the sale and purchase transaction of PT engaged in the coal mining business. The authentic deed made by a notary not only functions as a legally valid and strong written evidence, but also as an instrument capable of minimising legal risks that may arise in the future due to discrepancies or disputes in the implementation of the transaction. The notary also plays a role in ensuring that all legal requirements, licences and supporting documents required by laws and regulations have been fulfilled completely and legally.
2. Legal protection of shareholders in the sale and purchase transaction of PT, especially those engaged in coal mining, consists of preventive and repressive protection. Preventive legal protection efforts are carried out through the preparation of deeds and checking the completeness of documents carefully, thoroughly, and carefully, the implementation of the principle of prudence (due diligence), information disclosure, and the involvement of legal officials such as notaries, legal consultants, and auditors to ensure that transactions take place transparently, legally, and fairly. Meanwhile, repressive legal protection efforts can be carried out by filing a lawsuit in the District Court against the Board of Directors or the Board of Commissioners, who are considered to have committed errors or negligence that harm the company. Specifically related to the problems in this thesis, repressive legal protection can also be implemented based on the Notary Office Law. Suppose the notary, in carrying out his/her position, has neglected to carry out his/her obligations. In that case, the notary may be subject to sanctions as stipulated in Article 16, paragraph (11) of the Notary Position Law.

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