OPEN ACCESS

LAW RESEARCH Review Quarterly

Law Research Review Quarterly is a **Journal for Law, Justice, and Crime in Indonesia and Southeast Asia**. The Journal is a peer-reviewed journal published by Faculty of Law Universitas Negeri Semarang, Indonesia. The Journal published quarterly on February, May, August, and November. ISSN 2716-3415 (Online)
Online at https://journal.unnes.ac.id/snh

Issuer's Liability for Misleading Information: Study of Article 80 Capital Market Law from Legal Liability Perspectivele of Article

Mochammad Rizky Maulana
Universitas Negeri Semarang, Semarang, Indonesia
rizkii853@students.unnes.ac.id

Sang Ayu Putu Rahayu
Universitas Negeri Semarang, Semarang, Indonesia
rahayufh@mail.unnes.ac.id

Mayzura Kamila Sukma
Universitas Negeri Semarang, Semarang, Indonesia
mayzuraks@students.unnes.ac.id

Abstract

The capital market heavily relies on the principle of full disclosure to maintain investor trust and market efficiency. However, violations such as presenting misleading information in the prospectus remain a significant issue. The main problem addressed in this paper is the difficulty investors face in obtaining civil compensation when issuers provide inaccurate material facts, as regulatory enforcement tends to prioritize administrative sanctions over civil restitution. This study aims to analyze the issuer's liability for misleading information and examine the implementation of Article 80 of Law Number 8 of 1995 concerning the Capital Market from a legal liability perspective. This study employs a normative legal research method utilizing statutory and conceptual approaches. The findings reveal that while Article 80 establishes a robust foundation for civil liability based on fault, its practical execution is hindered by the heavy burden on investors to prove a direct causal link between the misleading information and their financial loss. Consequently, dispute settlements rarely result in actual compensation for public shareholders. In conclusion, the current disclosure settlement mechanism is inadequate to provide fair legal protection. It requires regulatory reinforcement to operationalize civil liability effectively, ensuring issuers are held accountable for financial restitutions to restore legal certainty in the Indonesian capital market.

KEYWORDS
Capital Market; Civil Liability; Disclosure Settlement; Misleading Information; Prospectus.

Introduction

The The capital market serves as a fundamental pillar driving the modern global economy, functioning both as a source of funding for corporations and an investment platform for the general public. In both global and national contexts, the stability, efficiency, and integrity of the capital market rely heavily on the implementation of the principle of full and fair disclosure. In Indonesia, this fundamental principle is explicitly mandated in Article 1 number 25 of Law Number 8 of 1995 concerning the Capital Market (Capital Market Law), which requires issuers to disclose material facts accurately, completely, and in a non-misleading manner so that investors can make rational decisions.[1] Furthermore, to adapt to the complexity of global financial instruments, implementing regulations such as the Financial Services Authority Regulations (POJK) are periodically updated to tighten the standards for prospectuses and financial statements to prevent information asymmetry that harms public interests.[2]

[1] Republic of Indonesia, *Law Number 8 of 1995 concerning Capital Market*
[2] Financial Services Authority, *Regulation of the Financial Services Authority Number 8/POJK.04/2021 concerning the Form and Content of the Prospectus and Abbreviated Prospectus in the Context of a Pre-emptive Rights Issue* (Jakarta: OJK, 2021)

However, global and domestic capital market dynamics show a contradictory reality; despite tightened disclosure regulations, the practice of presenting misleading information in prospectuses and financial statements continues to occur on a massive scale. This white-collar crime not only damages market integrity and distorts fair price discovery mechanisms but also causes large-scale financial losses for both retail and institutional investors. Conceptually, misleading information occurs when company management manipulates material data to create an illusion of positive company fundamentals, thereby deceiving the public who rely on such information for their investment strategies.[3]

One of the worst precedents representing the failure of compliance with the disclosure principle in Indonesia is the manipulation of the financial statements of PT Garuda Indonesia (Persero) Tbk for the 2018 fiscal year. In this monumental scandal, the issuer unilaterally recorded future receivables from PT Mahata Aero Teknologi amounting to USD 239.94 million as actual revenue for that year. This window-dressing practice drastically changed the company's financial posture from a loss of hundreds of millions of dollars to an artificial profit. The presentation of misleading information created an illusion of profitability that directly misled public investors in assessing the intrinsic value and prospects of this state-owned enterprise's shares on the stock exchange.[4]

In response to these serious violations, law enforcement instruments have indeed been deployed. The Financial Services Authority (OJK), along with the Ministry of Finance, imposed administrative sanctions in the form of billions of rupiah in fines on the issuer and its board of directors, as well

[3] Bismar Nasution, Disclosure in the Capital Market. (Jakarta: Rajawali Pers, 2020), 45. https://digilib.ub.ac.id/opac/detail-opac?id=136274
[4] Aviantara R (2023), "Scoring the financial distress and the financial statement fraud of Garuda Indonesia with «DDCC» as the financial solutions". *Journal of Modelling in Management*, Vol. 18 No. 1 pp. 1–16, doi: https://doi.org/10.1108/JM2-01-2020-0017

as suspending the licenses of the involved public accountants. However, this existing solution raises a fundamental legal problem: administrative sanctions paid to the state treasury do not provide any recovery for the financial losses suffered by public investors due to the plummeting stock prices after the truth was revealed. This settlement model, which emphasizes public law, fails to deliver corrective justice for minority shareholders whose assets have been depleted.[5]

The lack of an effective compensation mechanism for investors highlights the crucial urgency of implementing Article 80 of the Capital Market Law. Theoretically, this article provides a strong civil law basis for investors to claim damages (civil liability) against parties who sign the prospectus or registration statement if it contains untrue or misleading material information. Yet, in practice, the settlement of disclosure violations in Indonesian courts is extremely difficult to execute. The concept of the issuer's civil liability is paralyzed by the heavy burden of proof placed on investors, especially the requirement to prove a direct causal relationship between the misleading information and the specific losses suffered. The steep gap between the ideal legal protection in Article 80 and the reality of its enforcement is the primary focus of this research.

Various previous literatures have attempted to examine the issue of disclosure principle violations in the capital market, which can be synthesized into five groups of studies. First, research by Hasibuan et al. (2025) focused on the effectiveness of OJK's supervision in cracking down on capital market crimes, but this study only emphasized administrative law aspects without touching upon investors' civil rights.[6] Second, a study by

[5] Financial Services Authority, "Press Release: OJK Imposes Sanctions on PT Garuda Indonesia (Persero) Tbk Case" (Jakarta, June 28, 2019), https://www.ojk.go.id/.

[6] Hasibuan, R. R. A., Darmawansyah, D., Pramita, J. N., & Abdillah, M. Z. (2025). Peran Otoritas Jasa Keuangan (OJK) dalam mengawasi pasar modal Indonesia. *Pajak dan Manajemen Keuangan, 2*(6), 63-72. https://doi.org/10.61132/pajamkeu.v2i6.1894

Siregar (2020) analyzed the Garuda Indonesia case purely from a Good Corporate Governance (GCG) perspective but failed to discuss the compensation mechanism legalistically.[7] Third, Anisa, Y. (2024) examined the threat of criminal sanctions for misleading information, which, despite providing a deterrent effect, does not solve the issue of returning investor funds. Fourth, research by Pridehan, S., Maharani, V., Pane, E. N., & Tarina, D. D. Y. (2024) discussed the redefinition of material fact boundaries but did not offer a disclosure settlement scheme if those boundaries were breached.[8] Fifth, a comparative study by Kharisma DB, Hunaifa A (2023). compared investor protection in Indonesia and the Common Law system but did not doctrinally dissect the editorial weaknesses of Article 80 of the Capital Market Law within the framework of liability based on fault.

Based on this comprehensive literature review, the main limitation of previous studies is the lack of doctrinal analysis that specifically examines the operationalization of civil liability for misleading information within Indonesia's procedural law landscape. Therefore, this research aims to unravel the deadlock in enforcing Article 80 of the Capital Market Law and presents a novelty in the form of reconstructing the disclosure settlement mechanism purely from the perspective of Legal Liability theory. By elaborating on the problem of the burden of proving causality, this paper is expected to formulate legal prescriptions to overcome the procedural limitations that have long disadvantaged investors. A profound understanding of the significance of identifying this issue and the research objective is crucial for building a disclosure regime that is not only oriented

[7] Siregar, B. (2020). Analysis of good corporate governance in the case of financial report manipulation of PT Garuda Indonesia Tbk. Journal of Corporate Law Science, 4(3), 210-225. Retrieved from https://jurnal.uisu.ac.id/index.php/corporate/article/view/3124

[8] Pridehan, S., Maharani, V., Pane, E. N., & Tarina, D. D. Y. (2024). Legal analysis of financial reporting obligations in the capital market: Case study of the manipulation of PT Garuda Indonesia's financial reports in 2018. Media Hukum Indonesia, 2(4), 903-908. https://ojs.daarulhuda.or.id/index.php/MHI/article/view/999

towards administrative compliance but also focuses on achieving restorative justice for shareholders in the capital market.[9]

Methods

This study utilizes a normative legal research methodology, examining statutory, conceptual, and case approaches. This method focuses on the study of legal norms contained in various laws and regulations, as well as the analysis of legal doctrines and thinking developed in academic literature.[10] With this approach, the research systematically examines legal materials to comprehend the concepts, principles, and regulatory frameworks related to the issuer's liability in the capital market.

This research employs several approaches to support a comprehensive analysis. First, a statutory approach is used to examine and analyze the provisions of Law Number 8 of 1995 concerning the Capital Market—specifically Article 80—and various Financial Services Authority Regulations (POJK) related to disclosure principles. Second, a conceptual approach aims to examine the doctrines of legal liability and civil liability based on theories developing in modern corporate law. Third, a case approach is utilized to observe the practical implications of disclosure violations, particularly drawing context from the misleading information case of PT Garuda Indonesia (Persero) Tbk.

Three categories of legal materials were employed in this study:

[9] Dian Kusuma, "Comparative Study of Investor Protection against Misleading Prospectus: Indonesia and the UK Legal Frameworks," *Indonesian Journal of International Law* 16, no. 4 (2019): 430–50, https://doi.org/10.17304/ijil.vol16.4.772.
[10] Marzuki, P. M. (2017). Penelitian Hukum (Rev. ed.). Kencana. https://books.google.co.id/books?id=CKZADwAAQBAJ&printsec=copyright#v=onepage&q&f=false

primary, secondary, and tertiary legal materials. Primary legal resources consist of authoritative laws and regulations pertaining to the capital market. Secondary legal resources comprise pertinent academic literature, such as books and scientific journals discussing corporate liability and disclosure settlements. Tertiary legal materials comprise supplementary sources that help comprehend the legal terms employed, such as legal dictionaries. The research problem was then methodically explained and examined through a qualitative analysis of all legal resources utilizing descriptive-analytical techniques.

Result and Discussion

This research reveals a profound dichotomy in Indonesia's capital market legal framework: while civil law instruments to claim compensation for misleading information have been explicitly stipulated in statutory regulations, their practical effectiveness remains starkly minimal. Unlike previous publications that tend to focus merely on the evaluation of administrative law enforcement by the Financial Services Authority (Otoritas Jasa Keuangan/OJK) or general corporate governance effectiveness,[11] this study critically shifts the paradigm toward private enforcement. The findings specifically demonstrate that the stagnation of investor protection is not due to a lack of regulatory substance, but rather lies in the severe complexity of constructing civil causality proof currently embedded in Article 80 of the Capital Market Law.

The narrative of investor protection has recently been dominated by the euphoria surrounding the enactment of Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector

[11] Mentari, N. (2021). Disgorgement (Fund): A New Era of Investor Protection in the Capital Market. *Pancasila and Law Review*, 2(1), 45-56. https://doi.org/10.25041/plr.v2i1.2238.

(P2SK Law). Many contemporary legal scholars praise this omnibus legislation for granting OJK the absolute authority to execute disgorgement funds and confiscate illicit profits from capital market criminals.[12] However, the analysis in this study emphasizes that the P2SK Law merely strengthens administrative loss recovery instruments. It fundamentally operates within the domain of public law and has completely failed to touch the core of civil procedural law reform. Consequently, the actual financial losses suffered by retail investors in the secondary market—which often far exceed the confiscated illicit profits—remain uncompensated.

The root cause of this compensatory failure is the rigid adherence to the conventional civil procedural doctrine derived from Article 1365 of the Indonesian Civil Code (KUHPerdata). When retail investors attempt to utilize Article 80 of the Capital Market Law to sue an issuer for publishing a misleading prospectus, they are immediately confronted with an insurmountable evidentiary barrier.[13] Investors are required to mathematically prove a direct causal link between the issuer's fraudulent information and the plummeting of their specific stock portfolio. In a highly volatile stock exchange influenced by thousands of macroeconomic variables, establishing this absolute causality is a judicial impossibility, rendering Article 80 a mere "sleeping article" that fails to deliver restorative justice.

Therefore, ensuring legal certainty and equitable protection requires a holistic reconstruction of the disclosure settlement mechanism. The legal

[12] Wijaya, V.R.A., & Gunadi, A. (2022). Disgorgement: Pemulihan kerugian investor pasar modal (studi perbandingan Amerika Serikat dan Indonesia). Al'Adl: Jurnal Hukum, 14(1), 143-161. https://doi.org/10.31602/al-adl.v14i1.5991

[13] Wala, G. N. (2024). Perlindungan Hukum Bagi Investor Melalui Transparansi Pelaporan Keuangan: Perspektif Hukum Pasar Modal. Dinasti Accounting Review, 1(4), 156-163ratama, A., & Wijaya, R. (2021). The Effectiveness of the Financial Services Authority's Supervision of Violations of the Principle of Information Disclosure in the Capital Market. https://doi.org/10.38035/dar.v1i4.1830

regime must evolve from merely penalizing issuers through state-collected fines to actively facilitating retail investors in recovering their civil rights through a more accessible litigation framework.[14] To dissect this legal deadlock comprehensively, the ensuing discussion is systematically elaborated through four main sub-topics. First, it analyzes the conceptual violation of the disclosure principle through the monumental PT Garuda Indonesia case. Second, it contrasts the construction of issuer liability under the Capital Market Law versus the P2SK Law. Third, it proposes procedural reconstructions such as the shifting burden of proof and class action mechanisms. Finally, it explores the expansion of joint and several liability toward capital market supporting professions.

1. The Concept of Misleading Information and the Violation of the Disclosure Principle: An Analysis of the PT Garuda Indonesia Case

The disclosure principle (full and fair disclosure) is the soul and the most essential instrument in the capital market ecosystem, specifically designed to prevent information asymmetry between company management (insiders) and the public. Based on Article 1 number 25 of Law Number 8 of 1995 concerning the Capital Market (Capital Market Law), the disclosure principle is defined as a general guideline obliging issuers, public companies, and other parties subject to this law to inform all material facts accurately, fully, and not misleadingly.[15] The availability of transparent and reliable information is an absolute prerequisite for creating an efficient market, where the securities prices formed on the exchange truly reflect the fundamental and intrinsic value of the corporation.

[14] Kharisma DB, Hunaifa A (2023), "Comparative study of disgorgement and disgorgement fund regulations in Indonesia, the USA and the UK". *Journal of Financial Crime*, Vol. 30 No. 3 pp. 635–649, doi: https://doi.org/10.1108/JFC-01-2022-0022
[15] Republic of Indonesia. (1995). *Law Number 8 of 1995 concerning Capital Market*.

Violations of the disclosure principle manifest directly in what is doctrinally known as misleading information. Misleading information occurs in a condition where a prospectus document, registration statement, or financial statement contains material statements that are factually untrue, or deliberately conceals and omits material facts that should have been disclosed to the public.[16] This condition is highly fatal because it creates an illusion of the company's fundamental performance that leads to the deception of public perception and the distortion of investment decisions. In capital market law, presenting engineered financial statements is not merely a violation of accounting ethics, but a form of white-collar crime that systematically harms market integrity.

The practice of blurring the boundaries between financial performance optimization and accounting data manipulation was clearly and massively evident in the case of PT Garuda Indonesia (Persero) Tbk for the 2018 fiscal year. This case became one of the most monumental disclosure violation scandals in Indonesia because it involved a State-Owned Enterprise (BUMN) with public company status, which should have been a prime role model for Good Corporate Governance (GCG).[17] In the first quarter of 2019, the public and market players were shocked by the release of Garuda Indonesia's 2018 financial report, which recorded a net profit of USD 809.85 thousand. This figure triggered intense suspicion because it

[16] Safitri, I. (2020). Transparency, Independence, and Investor Protection: Theory and Practice of Capital Market Law. Rajawali Pers. https://books.google.co.id/books/about/Transparansi_independensi_pengawasan_kej.html?id=ugflAAAAMAAJ&redir_esc=y

[17] Pridehan, S., Maharani, V., Pane, E. N., & Tarina, D. D. Y. (2024). Analisis hukum terhadap kewajiban laporan keuangan di pasar modal: Studi kasus manipulasi laporan keuangan PT Garuda Indonesia tahun 2018. *Media Hukum Indonesia, 2*(4), 903-908. https://ojs.daarulhuda.or.id/index.php/MHI/article/view/999

skyrocketed drastically and irrationally when compared to the massive loss of USD 216.5 million suffered by the airline in the previous year (2017).

The chronology of this manipulation originated from the aggressive move of Garuda Indonesia's management, who unilaterally recorded projected receivables from a Wi-Fi facility provision cooperation agreement with PT Mahata Aero Teknologi amounting to USD 239.94 million as actual realized revenue in 2018.[18] This practice of recognizing artificial revenue (window dressing) had actually received fierce opposition from within the company itself. Two Garuda Indonesia commissioners at the time, Chairal Tanjung and Dony Oskaria, openly refused to sign the 2018 financial report. They strongly argued that recognizing revenue from PT Mahata, whose funds had not been received at all, blatantly violated the rules of the Statement of Financial Accounting Standards (PSAK) Number 23.[19] The objection letter from these two commissioners leaked to the public and acted as a whistleblower, opening the authorities' eyes to the intentional material flaws in the document.

Responding to the polemic that shook market stability and trust, the Financial Services Authority (OJK), together with the Ministry of Finance and the Indonesia Stock Exchange (IDX), immediately intervened to conduct an in-depth investigative examination. Based on the OJK Press Release dated June 28, 2019, the authority officially decided that Garuda Indonesia was proven to have committed a fatal violation of Article 69 of the Capital Market Law in conjunction with OJK Regulation Number 29/POJK.04/2016 concerning the Annual Report of Issuers or Public

[18] Aviantara, R. (2023). Scoring the Financial Distress and the Financial Statement Fraud of Garuda Indonesia with "DDCC" as the Financial Solutions. Journal of Modelling in Management, 18(1), 1–16. https://doi.org/10.1108/JM2-12-2021-0294.
[19] Yustisia, A. D., & Santoso, B. (2022). Legal Protection for Capital Market Investors Against the Practice of Window Dressing Financial Reports. USM Law Review Journal, 5(2), 560-575. https://doi.org/10.26623/julr.v5i2.5028.

Companies. OJK confirmed that recording the cooperation with PT Mahata as 2018 revenue was an act contrary to applicable accounting standards and constituted the presentation of untrue material information.

As a repressive follow-up, OJK imposed multiple administrative sanctions. These sanctions included a fine of Rp 100 million for PT Garuda Indonesia (Persero) Tbk, a fine of Rp 100 million for each board of directors member who signed the financial statements, and a joint and several fine of Rp 100 million for the directors and commissioners who co-signed the annual report.[20] Furthermore, the Ministry of Finance suspended the registration license of Public Accountant Kasner Sirumapea (from the KAP Tanubrata Sutanto Fahmi Bambang & Rekan) for 12 months due to his negligence in auditing the report. Imperatively, Garuda Indonesia was also ordered to conduct a restatement of the 2018 financial report.

The imposition of sanctions by the authorities is indeed commendable as a form of law enforcement from an administrative standpoint; however, this approach triggered sharp criticism within the landscape of civil legal protection for investors. The administrative fine deposited directly into the state treasury did not at all touch the root problem of recovering losses (restitution) for public investors.[21] After Garuda was forced to revise its report—which ultimately confirmed that the company was actually still losing hundreds of millions of dollars—Garuda's stock price (GIAA) experienced tremendous selling pressure in the secondary market. Therefore, this paper strongly argues that, unlike previous literature

[20] Sugiarto, T., et al. (2024). The Board of Directors' Liability for the Audit of PT Garuda Indonesia (Persero) Tbk's Financial Statements Reviewed Through the Fiduciary Duty Doctrine. UNISDA E-Journal. https://e-jurnal.unisda.ac.id/index.php/mimbar/article/view/6479

[21] Asri, D. P. B. (2020). Preventive and Repressive Legal Protection for Investors Against Window Dressing Practices in the Capital Market. Udayana Master of Law Journal, 9(3), 500-515. https://doi.org/10.24843/JMHU.2020.v09.i03.p05.

viewing this merely as an administrative governance violation,[22] the actions of Garuda's directors absolutely fulfilled the elements of a Civil Tort (Perbuatan Melawan Hukum) that harmed the public. The legal system's failure to facilitate actual compensation for the plummeted stock value reflects the impotence of implementing Article 80 of the Capital Market Law in Indonesia.[23]

2. The Construction of Issuer Liability Based on Article 80 of the Capital Market Law and the P2SK Law in a Legal Liability Perspective

In the perspective of Legal Liability, the fundamental principle that applies is that any party causing loss to another party due to negligence or intentional acts is obliged to provide full recovery (restitutio in integrum) as a manifestation of liability based on fault.[24] The harmonization of this theory with Indonesian positive law has inherently been strongly reflected in Article 80 paragraph (1) of Law Number 8 of 1995 concerning the Capital Market (Capital Market Law). This regulation explicitly states that parties who sign or approve the Registration Statement/Prospectus are jointly and severally liable for losses suffered by the public due to untrue or misleading information.[25] Through this legal construction, issuers and involved capital market supporting professionals are required to prioritize the principle of due diligence, considering the threat of civil lawsuits that can drain corporate assets if they are proven to have misrepresented material facts.

[22] Calista Alvernia & Mutiara Maimunah. (2024). The influence of good corporate governance on creative accounting behavior in financial reporting engineering. Journal of Accounting Information, 3(1), 38

[24] Marzuki, P. M. (2017). *Penelitian Hukum* (Rev. ed.). Kencana. https://books.google.co.id/books?id=CKZADwAAQBAJ&printsec=copyright#v=onepage&q&f=false

[25] Republic of Indonesia. (1995). *Law Number 8 of 1995 concerning Capital Market*.

Nevertheless, the operationalization of Article 80 of the Capital Market Law in civil courts has proven to be exceedingly sluggish, and the envisioned protection tends to become a 'dormant article' (sleeping article). This stagnation stems from Indonesia's conventional civil procedural law regime concerning the burden of proof, which relies on Article 1365 of the Indonesian Civil Code (KUHPerdata), where the investor (plaintiff) bears a highly burdensome evidentiary weight. Investors must be able to prove mathematically and causally that the plummeting value of their investments was purely caused by the misleading information in the prospectus, and not due to market fluctuations or general macroeconomic sentiments.[26] The complexity of this proof makes the civil liability mechanism inefficient, costly, and often causes retail shareholders to back down before even filing a lawsuit in court.

Responding to this civil litigation deadlock, the government together with the House of Representatives formulated a new paradigm of investor protection through the enactment of Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector (P2SK Law). Through the P2SK Law, the Financial Services Authority (OJK) is now granted statutory-level legitimacy to manage the mechanism of Disgorgement (Returning Illicit Profits) and the Disgorgement Fund (Investor Loss Compensation Fund).[27] This mechanism previously solely relied on a technical-level regulation, namely the OJK Regulation (POJK) Number 65/POJK.04/2020. By elevating this provision into the P2SK Law, the state grants quasi-judicial authority to OJK to forcibly confiscate the

[26] Safitri, I. (2020). Transparency, Independence, and Investor Protection: Theory and Practice of Capital Market Law. Rajawali Pers. https://books.google.co.id/books/about/Transparansi_independensi_pengawasan_kej.html?id=ugflAAAAMAAJ&redir_esc=y

[27] Republic of Indonesia. (2023). Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector.

financial profits obtained by issuers or individuals violating the disclosure principle, to be subsequently distributed proportionally to the aggrieved investors.[28]

Conceptually, the institutionalization of this disgorgement fund is a progressive legal breakthrough worthy of appreciation as it shifts the burden of proof from the shoulders of retail investors to state authorities. However, when viewed from the perspective of equitable legal protection, this system possesses a fundamental weakness because its character rests on the domain of public law (administrative-restitutive).[29] The disgorgement mechanism heavily relies on proactive investigative initiatives from OJK and is strictly limited by the nominal amount of illicit profits successfully identified from the perpetrators. In reality, in cases of massive-scale material information manipulation, the total market capital loss suffered by millions of retail investors in the secondary market due to plummeting stock prices is almost certainly far greater than merely the illicit profits enjoyed by the fraudulent issuer's management.[30]

Consequently, the current construction of issuer liability becomes imbalanced and has not fully resolved the root problem of the disclosure settlement. The presence of the P2SK Law indeed strengthens sanction instruments and public law-based recovery, but the regulation does not substitute, let alone reform, the civil lawsuit procedures (Article 80 of the Capital Market Law), which should be the primary avenue for the full

[28] Wijaya, V.R.A., & Gunadi, A. (2022). Disgorgement: Pemulihan kerugian investor pasar modal (studi perbandingan Amerika Serikat dan Indonesia). Al'Adl: Jurnal Hukum, 14(1), 143-161. https://doi.org/10.31602/al-adl.v14i1.5991
[29] Mentari, N. (2021). Disgorgement (Fund): A New Era of Investor Protection in the Capital Market. *Pancasila and Law Review*, 2(1), 45-56. https://doi.org/10.25041/plr.v2i1.2238.
[30] Purba, M. F., & Sulistiyono, A. (2024). Disgorgement dan disgorgement fund: Pemulihan kerugian dan perlindungan investor. *Amandemen: Jurnal Ilmu Pertahanan, Politik dan Hukum Indonesia, 1*(2), 86-94. https://doi.org/10.62383/amandemen.v1i2.139

recovery of actual losses for investors.[31] If Indonesia's capital market legal regime solely relies on the disgorgement fund without revitalizing the effectiveness of Article 80 of the Capital Market Law—for instance, through the introduction of the presumption of loss doctrine for investors—then the issuer's liability for material information violations will only stop at the nominal limit set by the authority, rather than achieving a fully equitable civil restitution for the public.

3. Causality Constraints and the Reconstruction of the Disclosure Settlement Mechanism Based on Investor Legal Protection

The most fundamental weakness causing the impotence of applying Article 80 of Law Number 8 of 1995 concerning the Capital Market (Capital Market Law) in Indonesian courtrooms lies in the rigidity of the conventional civil procedural law doctrine regarding the burden of proof. Referring to the principle of actori incumbit probatio enshrined in Article 1865 in conjunction with Article 1365 of the Indonesian Civil Code (KUHPerdata), any party claiming a right or demanding compensation for an Unlawful Act (Tort) is obliged to prove all elements of the violation.[32] In the context of capital market disputes, this means retail investors suing an issuer must convincingly prove a direct causal link between the plummeting price of the shares they own and the lies or misleading information in the issuer's prospectus or financial statements.

[31] Khairandy, R. (2010). Limited Liability Company Law. UII Press.
[32] Harahap, M. Y. (2016). Civil Procedure Law on Lawsuits, Trials, Confiscations, Evidence, and Court Decisions. Sinar Grafika.

In the highly dynamic landscape of stock exchange trading, fulfilling this causality requirement constitutes a judicial impossibility for lay investors.[33] The capital market is a highly fluctuating ecosystem influenced by thousands of macroeconomic variables working simultaneously. The price movement of a stock is not solely determined by the company's internal fundamental condition reflected in its financial statements, but also by global market sentiments, currency exchange rate fluctuations, central bank interest rate policies, and even international geopolitical instability. Therefore, proving absolutely and mathematically that a specific investor's financial loss was only caused by a single variable—namely, the issuer's misleading information—will always be easily refuted by corporate defense lawyers in court under the pretext of economic force majeure or ordinary market mechanisms.

Beyond the causality constraint, the severe information asymmetry between company management (insiders) and minority shareholders makes the enforcement of civil justice increasingly unbalanced. The evidence discovery mechanism in Indonesia's colonial-legacy civil procedural law (HIR/RBg) does not recognize a discovery system (forced disclosure of documents prior to trial) as adopted by common law countries.[34] Consequently, retail investors situated outside the management fence lack access to obtain internal documents, confidential audit drafts, or directorial correspondence that could prove the element of intent (scienter) in manipulating public information. It is this disparity in evidentiary instruments that renders Article 80 of the Capital Market Law a frightening paper tiger in the realm of theory, yet toothless in the realm of execution.

[33] Fuady, M. (2011). Modern Capital Markets: A Legal Review. Citra Aditya Bakti
[34] Sembiring, S. (2019). Indonesian Capital Market Law. Nuansa Aulia.

To unravel this acute problematic issue and guarantee the certainty of disclosure settlement, this research proposes two interconnected main legal reconstructions. The first reconstruction is the renewal of civil procedural law specifically for capital market disputes through the intervention of the Supreme Court. The Supreme Court needs to issue a Supreme Court Regulation (PERMA) that boldly adopts the legal fiction of the Fraud-on-the-Market doctrine.[35] This doctrine is built upon the foundation of the Efficient Capital Market Hypothesis, which assumes that in an open and active market, the price of a stock is the accumulative reflection of all material information circulating in the public.

By adopting the Fraud-on-the-Market doctrine, civil courts in Indonesia would no longer require investors to prove that they individually read, understood, and relied on the misleading prospectus before purchasing shares.[36] The panel of judges would apply a legal presumption that the material information falsehood disseminated by the issuer has automatically distorted and inflated the market price. Because investors are assumed to transact by relying on the integrity of the market price, when that price turns out to be the result of manipulation, the investor's loss is absolutely deemed to have a causal relationship with the issuer's deception. This approach is a manifestation of distributive justice that protects the most vulnerable parties in the investment ecosystem.

To truly comprehend the urgency of adopting the Fraud-on-the-Market doctrine, it is imperative to conduct a comparative legal analysis with the Common Law system, particularly the jurisprudence of the United States,

[35] Kusuma, D. (2019). Comparative Study of Investor Protection against Misleading Prospectus: Indonesia and the UK Legal Frameworks. *Indonesian Journal of International Law*, 16(4), 430-450. https://doi.org/10.17304/ijil.vol16.4.772.
[36] Nasution, B. (2020). Transparency in Capital Markets, Rajawali Pers. https://digilib.ub.ac.id/opac/detail-opac?id=136274

which serves as the primary mecca of global capital market regulation. In the US, the deadlock of proving individual reliance and causality in securities fraud under SEC Rule 10b-5 was decisively resolved by the United States Supreme Court in the landmark case of Basic Inc. v. Levinson (1988). Prior to this ruling, American investors faced the exact same insurmountable hurdle as Indonesian investors currently do: the traditional common law tort of deceit required plaintiffs to definitively prove that they had personally read, comprehended, and directly relied upon the fraudulent statements before executing their trades. Recognizing that such a rigid evidentiary standard would effectively immunize massive corporations from liability in an impersonal, highly computerized, and fast-paced modern stock exchange, the Supreme Court took a progressive leap by judicially endorsing the Efficient Capital Market Hypothesis (ECMH).

The Court ruled that in an open, active, and developed securities market, the price of a company's stock is automatically determined by all available material information regarding the company and its business. Therefore, misleading statements will invariably defraud purchasers of stock even if those purchasers do not directly read or rely on the misstatements themselves, because they relied on the integrity of the market price which was artificially inflated by the fraud. By establishing this rebuttable presumption of reliance, the US legal system masterfully shifted the focus from the subjective knowledge of the individual retail investor to the objective integrity of the market price. This judicial innovation fundamentally revolutionized securities litigation; it allowed thousands of defrauded investors to aggregate their claims without being bogged down by individualized proofs of reliance, thereby breathing real deterrent life into the private enforcement of securities laws. If Indonesia aspires to elevate its investor protection mechanisms and capital market integrity to internationally recognized standards, ignoring the monumental success of this common law doctrine is no longer a theoretically or practically viable option.[37]

However, grafting a doctrine born from the flexible, precedent-based traditions of Common Law into the rigid, codified framework of Indonesia's Civil Law system—specifically the archaic Article 1365 of the Indonesian Civil Code (KUHPerdata)—requires careful doctrinal justification to avoid clashing with the established hierarchy of statutory regulations. Opponents of this legal transplantation often argue that Indonesian procedural law (HIR/RBg) strictly commands the plaintiff to independently prove every single element of an unlawful act, and that creating modern legal fictions through a Supreme Court Regulation (PERMA) would constitute unauthorized judicial overreach. Nevertheless, this orthodox, positivistic view severely undermines the overarching philosophical purpose of the law itself, which is to deliver substantive justice rather than mere procedural compliance. From a doctrinal standpoint, the Fraud-on-the-Market concept can be perfectly assimilated into Indonesian civil procedural law through the mechanism of presumptio juris tantum (a rebuttable presumption of law) or persangkaan hakim (judicial presumption) as formally recognized under Article 1915 of the Civil Code.

By issuing a specific PERMA for Capital Market Disputes, the Supreme Court would not be rewriting or violating the Civil Code; rather, it would be performing its inherent duty of rechtsvinding (legal discovery) to provide a specialized evidentiary guideline tailored for the unique complexities of modern financial markets. This form of judicial activism is profoundly justified by the doctrine of progressive law, which mandates that procedural

[37] Apandi, B. H., Putri, P. A. W., Ariputra, A. R., Putri, F. M., & Aprilia, R. P. (2023). Penerapan prinsip piercing the corporate veil dalam kasus forced delisting. Jurnal USM Law Review, 6(2), 795-812. https://share.google/e7m1v5HoGKNcEbwvO

rigidity must be systematically bypassed when it structurally prevents victims from obtaining actual restitution. Furthermore, the adoption of this evidentiary presumption acts as a logical extension of the stringent transparency obligations inherently embedded in the Capital Market Law. It forces issuers to realize that disseminating misleading information is not merely an administrative infraction against the state apparatus, but a direct, quantifiable financial betrayal against every individual who transacted in the market under the false assumption of price integrity. Therefore, transplanting this doctrine is not an unconstitutional violation of Indonesia's civil law tradition, but rather a necessary, urgent evolutionary step to modernize its evidentiary rules in the face of increasingly sophisticated white-collar economic crimes.[38]

The logical consequence of applying this doctrine within a PERMA is the enactment of a shifting burden of proof.[39] Instead of investors struggling to find evidence of the exact cause of the stock price drop, the burden is reversed and becomes the responsibility of the issuer and its supporting professionals. Under this scheme, it is the corporation that must prove before the panel of judges that the decline in their stock price was purely caused by macroeconomic factors (such as a global recession) and had absolutely nothing to do with the misleading information they once published. If the issuer fails to prove this, civil liability must be imposed on them.

The second reconstruction to bridge the effectiveness of civil lawsuits is the synchronization between public law products and private law

[38] Yustianti, S. (2017). Banking regulatory and supervisory authority by Bank Indonesia and the Financial Services Authority (OJK). Acta Diurnal: Journal of Notary Law and PPAT, 1(1), 61-72. http://jurnal.fh.unpad.ac.id/index.php/jad/issue/view/7

[39] Maulana, M. R., & Hariri, A. (2024). Perlindungan hukum bagi investor ritel terhadap praktik insider trading di pasar modal. Jurnal Kertha Semaya, 12(12), 1493-1506. https://doi.org/10.25216/jhp.10.2.2021.245-266.

instruments. Administrative sanction decisions and investigative Examination Result Reports (LHP) from the Financial Services Authority (OJK)—such as those issued in the PT Garuda Indonesia case—must not merely end up as administrative law enforcement archives. These authoritative documents must be jurisprudentially recognized and bound by civil judges as perfect preliminary evidence (prima facie evidence). This recognition is crucial because OJK's LHP is compiled by independent forensic auditors possessing pro-justitia authority to penetrate corporate secrecy, meaning the validity of the disclosure principle violation findings no longer needs to be debated from scratch in civil proceedings.

Ultimately, with the presence of the shifted burden of proof and OJK's LHP as prima facie evidence, retail investor groups will possess a very strong legal standing and evidentiary ammunition to file a Class Action lawsuit, as stipulated in PERMA Number 1 of 2002. The Class Action model becomes the only logical litigation vehicle for disclosure settlement, because exorbitant court costs and legal expert fees can be collectively subsidized by thousands of victims. The convergence of the Fraud-on-the-Market doctrine, solid evidence from the authority, and the Class Action mechanism will not only ensure investors receive actual compensation but will also create a massive financial deterrent effect for any corporation daring to toy with the integrity of information disclosure in the Indonesian capital market.

4. The Expansion of Joint and Several Liability: The Civil Liability of Capital Market Supporting Professions in Misleading Information Cases

In an efficient capital market ecosystem, investor protection cannot rely solely on the integrity of issuers; it depends heavily on Capital Market Supporting Professions. These entities, which include Public Accountants, Legal Consultants, Appraisers, and Notaries, doctrinally act as independent gatekeepers. Their presence is legally mandated to provide objective opinions, audits, and appraisals to ensure that all material information presented by the issuer to the public is entirely free from manipulation or conflicts of interest.[40] When a prospectus or financial statement is published, the signatures of these supporting professionals serve as a stamp of legitimacy that provides a sense of security for retail investors to invest their capital.

Given this crucial role, Law Number 8 of 1995 concerning the Capital Market (Capital Market Law) does not grant immunity to supporting professionals. From a Legal Liability perspective, the Capital Market Law adopts a very strict liability doctrine. Article 80 paragraph (1) explicitly establishes the principle of joint and several liability (tanggung renteng), which binds not only the issuer but also all supporting professionals who approve the information within the Registration Statement.[41] This legal construction signifies that, under civil law, investors suffering losses due to misleading information possess the absolute right to claim proportional or full compensation from the involved Public Accounting Firm (KAP) or Legal Consultant, without having to wait for the issuer to be declared bankrupt.

However, the implementation of this joint and several liability principle is still far from ideal. This is clearly reflected in the handling of the PT

[40] Ikhfan Octareza & Kurniawan, "Legal Review of the Application of Transparency Principles in the Capital Market as a Form of Legal Protection for Investors in Light of Law Number 8 of 1995 Concerning the Capital Market," *Jurnal Commerce Law 3*, no. 1 (2023): p. 233 https://doi.org/10.29303/commercelaw.v3i1.2811
[41] Republic of Indonesia. (1995). *Law Number 8 of 1995 concerning Capital Market*.

Garuda Indonesia (Persero) Tbk financial statement scandal in 2018. Although the authorities' investigation proved the existence of revenue engineering (window dressing) facilitated by audit negligence, law enforcement against Public Accountant Kasner Sirumapea (from KAP Tanubrata Sutanto Fahmi Bambang & Rekan) was limited to a 12-month professional license suspension by the Ministry of Finance, along with administrative sanctions from OJK.[42] The absence of civil tort (Perbuatan Melawan Hukum) lawsuits against the public accountant in this case demonstrates the operational failure of Article 80. The public seems to be led into a misguided paradigm that ethical and administrative sanctions are sufficient to erase the civil compensation obligations that should rightfully belong to the aggrieved shareholders.[43]

Doctrinally, supporting professionals in the capital market are not burdened with unconditional strict liability; rather, they are provided a protective shield through the due diligence defense. Article 80 paragraph (2) of the Capital Market Law affirms that supporting parties can be exempted from liability for damages if they can prove they have acted professionally, independently, and conducted thorough examinations according to their professional standards.[44] The problem arises when a misleading information scandal occurs, such as in the Garuda case, courts and authorities often do not proactively test whether the public accountant truly performed adequate due diligence, or intentionally turned a blind eye

[42] Y. Anisa, "The Role of Lack of Integrity as a Moderator of the Influence of Fraud Hexagon on the Potential for Fraudulent Financial Reporting (In Banking Companies Listed on the IDX in 2019-2022)" (Doctoral dissertation, University of Lampung, 2024)

[43] Sugiarto, T., et al. (2024).Directors' liability for the financial statement audit of PT Garuda Indonesia (Persero) Tbk reviewed through the fiduciary duty doctrine. *E-Jurnal UNISDA (Mimbar)*, 8(1), 45-56. https://e-jurnal.unisda.ac.id/index.php/mimbar/article/view/6479.

[44] Rohendi, A. (2017). Obligations and responsibilities of legal consultants as capital market supporting professions. *Jurnal Ecodemica: Jurnal Ekonomi Manajemen Dan Bisnis*, 1(1), 59–71. https://doi.org/10.31294/jeco.v1i1.1427

(willful blindness) merely to maintain commercial contracts with giant issuers.

This is where the urgency of applying civil instruments against supporting professionals becomes highly relevant, especially when linked to the Deep Pocket Theory in the realm of tort law. In many cases of massive corporate failures, issuers proven to have manipulated financial statements often end up in extreme financial distress or even bankruptcy, leaving their assets insufficient to pay compensation to public shareholders.[45] In such situations, Public Accounting Firms and Law Firms—which are often affiliated with multinational professional networks (such as the Big Four) and protected by professional indemnity insurance—are the most rational "deep pocket" entities for investors to target in order to recover their investment losses.

Unfortunately, the reluctance of law enforcement agencies and civil courts in Indonesia to touch the assets of supporting professionals stems from a lack of specific understanding regarding white-collar crimes in the stock exchange. Conventional civil judges tend to isolate audit failures merely as "violations of the professional code of ethics" resolved internally by professional associations, rather than as Civil Torts (Article 1365 of the Civil Code) that severely harm third parties (investors).[46] This narrow dichotomy paralyzes the spirit of Article 80 of the Capital Market Law, which originally designed joint and several liability as a double safety net for

[45] Aviantara, R. (2023). Scoring the financial distress and the financial statement fraud of Garuda Indonesia with "DDCC" as the financial solutions. *Journal of Modelling in Management*, 18(1), 1-16. https://www.emerald.com/jm2/article-abstract/18/1/1/243712/Scoring-the-financial-distress-and-the-financial?redirectedFrom=fulltext

[46] Minto, G. C., & Nefi, A. (2022). Peran, tanggung jawab, dan keabsahan akta Notaris pengganti di bidang pasar modal [The role, responsibility, and validity of substitute Notary deeds in the capital market]. *Palar (Pakuan Law Review)*, 8(1), 1–25. https://doi.org/10.33751/palar.v8i1.4783.

the public. If auditors and legal consultants feel immune from the threat of civil compensation that endangers their personal and firm's wealth, their function as independent gatekeepers will continually degrade into mere rubber stamps for the issuers' manipulative ambitions.

In conclusion to untangle this problematic issue, the legal reconstruction of the disclosure settlement must firmly place capital market supporting professionals on par with issuers in the defendant's seat. The Supreme Court needs to encourage jurisprudence asserting that OJK's examination results regarding the negligence of supporting professionals constitute perfect preliminary evidence (prima facie) for investors to file civil lawsuits. By activating the real financial threat of this joint and several liability principle, supporting professionals will be economically and legally forced to enhance their professional skepticism. This step will ultimately create a much stronger layer of preventive protection for the Indonesian capital market, where misleading information can be intercepted at the independent audit stage before it eventually poisons the investment decisions of the wider public.

Conclusion

The implementation of Article 80 of the Capital Market Law currently fails to uphold the principle of full civil liability due to severe procedural impediments and an overreliance on public law remedies. Although the legal framework establishes that issuers are strictly liable for damages resulting from misleading information, as starkly demonstrated in the PT Garuda Indonesia financial manipulation scandal, actual law enforcement remains heavily skewed towards administrative sanctions. Furthermore, while the enactment of the

P2SK Law introduced a disgorgement fund to confiscate illicit profits, this mechanism operates strictly within the domain of public administrative law. It remains fundamentally inadequate for compensating the massive secondary market capital losses actually suffered by the public, ultimately leaving retail investors without equitable restitution.

To address this systemic legal deadlock, a structural reform of civil procedural law specifically tailored for capital market disputes is urgently required. The existing regime structurally shields corporate issuers from civil accountability because conventional tort law (Article 1365 of the Indonesian Civil Code) imposes an insurmountable burden of proof on retail investors to mathematically link their financial losses exclusively to the fraudulent disclosures. Consequently, this research strongly advocates for the Supreme Court to issue a specific regulation (PERMA) that formally adopts the Fraud-on-the-Market doctrine. This legal fiction would effectively shift the burden of proof directly onto the issuers, requiring them to demonstrate that stock price declines were caused by unrelated macroeconomic factors rather than their misleading publications.

In addition to shifting the evidentiary burden, there must be a seamless synchronization between administrative investigative findings and private civil litigation. The investigative Examination Result Reports (LHP) produced by the Financial Services Authority (OJK) must be jurisprudentially recognized by civil judges as prima facie evidence. By utilizing these authoritative documents, retail investor groups can bypass the complex evidentiary discovery phase and secure the robust legal standing necessary to pursue Class Action lawsuits. This collective litigation mechanism will economically empower minority shareholders to seek actual financial restitution against massive corporations that would otherwise be untouchable through individual small-claim lawsuits.

Moreover, true restorative justice in the capital market cannot be achieved without actively enforcing the principle of joint and several liability against Capital Market Supporting Professions. Independent gatekeepers, such as Public Accountants and Legal Consultants, must be held civilly accountable when they fail to exercise adequate professional due diligence and inadvertently or intentionally facilitate the publication of misleading information. By targeting these solvent, "deep-pocket" entities, the legal system provides a vital secondary safety net for investors, particularly when the fraudulent issuer faces bankruptcy or severe financial distress. Enforcing civil torts against these supporting professionals will economically incentivize stricter professional skepticism, intercepting white-collar fraud before it poisons the public market.

Ultimately, this research concludes that the Indonesian capital market disclosure settlement regime must evolve from an administrative compliance orientation toward genuine restorative justice. By integrating the Fraud-on-the-Market doctrine, elevating OJK's findings to prima facie evidence, facilitating Class Action vehicles, and holding supporting professionals jointly liable, the state can dismantle the procedural barriers that have long paralyzed Article 80 of the Capital Market Law. The application of these comprehensive legal reconstructions will not only guarantee the full recovery of actual investor losses but also establish a formidable deterrent effect, thereby safeguarding the foundational integrity and global credibility of Indonesia's capital market.

References

Laws and Regulations

Financial Services Authority. (2016). Regulation of the Financial Services Authority Number 29/POJK.04/2016 concerning the Annual Report of Issuers or Public Companies. State Gazette of the Republic of Indonesia of 2016 Number 150. Retrieved from https://peraturan.bpk.go.id/Details/172807/peraturan-ojk-no-23pojk042016-tahun-2016

Financial Services Authority. (2020). Regulation of the Financial Services Authority Number 65/POJK.04/2020 concerning the Disgorgement and Disgorgement Fund in the Capital Market Sector. State Gazette of the Republic of Indonesia of 2020 Number 314. Retrieved from https://ojk.go.id/id/regulasi/Pages/Pengembalian-Keuntungan-Tidak-Sah-dan-Dana-Kompensasi-Kerugian-Investor-di-Bidang-Pasar-Modal.aspx

Financial Services Authority. (2021). Regulation of the Financial Services Authority Number 8/POJK.04/2021 concerning the Form and Content of the Prospectus and Abbreviated Prospectus in the Context of a Pre-emptive Rights Issue. State Gazette of the Republic of Indonesia of 2021 Number 82. Retrieved from https://peraturan.bpk.go.id/Details/164741/pojk-no-8pojk042021-tahun-2021

Government of the Republic of Indonesia. (1995). Law Number 8 of 1995 concerning Capital Market. State Gazette of the Republic of Indonesia of 1995 Number 64. Retrieved from https://peraturan.bpk.go.id/Details/46059/uu-no-8-tahun-1995

Government of the Republic of Indonesia. (2023). Law Number 4 of 2023 concerning the Development and Strengthening of the Financial Sector. State Gazette of the Republic of Indonesia of 2023 Number 4. Retrieved from https://peraturan.bpk.go.id/Details/234661/uu-no-4-tahun-2023

Supreme Court of the Republic of Indonesia. (2002). Supreme Court Regulation Number 1 of 2002 concerning Class Action Procedures. State Gazette of the Republic of Indonesia of 2002 Number 1. Retrieved from https://peraturan.bpk.go.id/Details/120286/perma-no-1-tahun-2002

Books, Journal Articles, and Reports

Wijaya, V.R.A., & Gunadi, A. (2022). Disgorgement: Pemulihan kerugian investor pasar modal (studi perbandingan Amerika Serikat dan Indonesia). Al'Adl: Jurnal Hukum, 14(1), 143-161. https://doi.org/10.31602/al-adl.v14i1.5991

Asri, D. P. B. (2020). Preventive and repressive legal protection for investors against window dressing practices in the capital market. Udayana Master of Law Journal, 9(3), 500-515. https://doi.org/10.24843/JMHU.2020.v09.i03.p05

Aviantara, R. (2023). Scoring the financial distress and the financial statement fraud of Garuda Indonesia with "DDCC" as the financial solutions. Journal of Modelling in Management, 18(1), 1-16. https://doi.org/10.1108/JM2-12-2021-0294

Financial Services Authority. (2019, June 28). Press release: OJK imposes sanctions on PT Garuda Indonesia (Persero) Tbk case. Retrieved from https://www.ojk.go.id/id/berita-dan-kegiatan/siaran-pers/Pages/Siaran-Pers-OJK-Berikan-Sanksi-Kasus-PT-Garuda-Indonesia-(Persero)-Tbk.aspx

Financial Services Authority. (2023). Capital market pocket book 2023. Financial Services Authority of the Republic of Indonesia. Retrieved from https://www.ojk.go.id/id/data-dan-statistik/buku-saku/Default.aspx

Fuady, M. (2011). Pasar modal modern: Tinjauan hukum. Citra Aditya Bakti.https://books.google.co.id/books/about/Pasar_Modal_Modern.html?id=TRICEQAAQBAJ&redir_esc=y

Pridehan, S., Maharani, V., Pane, E. N., & Tarina, D. D. Y. (2024). Legal analysis of financial reporting obligations in the capital market: Case study of the manipulation of PT Garuda Indonesia's financial reports in 2018. *Media Hukum Indonesia,* *2*(4), 903-908. https://ojs.daarulhuda.or.id/index.php/MHI/article/view/999

Purba, M. F., & Sulistiyono, A. (2024). Disgorgement and disgorgement funds: Loss recovery and investor protection. Amendment: Indonesian Journal of Defense, Politics, and Law,1(2), 86-94. https://doi.org/10.62383/amandemen.v1i2.139

Harahap, M. Y. (2016). Civil procedural law regarding lawsuits, trials, confiscation, evidence, and court decisions. Sinar Grafika. https://books.google.co.id/books/about/Hukum_Acara_Perdata.html?id=gOztDwAAQBAJ&printsec=frontcover&source=kp_read_button&hl=id&newbks=1&newbks_redir=0&redir_esc=y#v=onepage&q&f=false

Hariyani, I., & Serfianto, R. (2018). Capital market business law. Andi Publisher.https://scholar.google.com/citations?view_op=view_citation&hl=id&user=XwZSkT4AAAAJ&citation_for_view=XwZSkT4AAAAJ:zYLM7Y9cAGgC

Khairandy, R. (2010). Limited liability company law. UII Press. https://law.uii.ac.id/wp-content/uploads/2013/07/Buku-Ridwan%20Khairandy-Perseroan%20Terbatas-Cover.pdf

Kharisma DB, Hunaifa A (2023), "Comparative study of disgorgement and disgorgement fund regulations in Indonesia, the USA and the UK". *Journal of Financial Crime*, Vol. 30 No. 3 pp. 635–649, doi: https://doi.org/10.1108/JFC-01-2022-0022

Langevoort, D. C. (2007). Basic at twenty: Rethinking fraud-on-the-market.

Georgetown University Law Center. http://scholarship.law.georgetown.edu/fwps_papers/41
Marzuki, P. M. (2017). Penelitian hukum (Rev. ed.). Kencana. https://books.google.co.id/books?id=CKZADwAAQBAJ&printsec=copyright#v=onepage&q&f=false
Mentari, N. (2021). Disgorgement (fund): A new era of investor protection in the capital market. Journal of Indonesian Law, 2(1), 45-56. https://e-journal.iainsalatiga.ac.id/index.php/jil/article/view/5998/pdf
Minto, G. C., & Nefi, A. (2022). The role, responsibilities and validity of substitute notary deeds in the capital market sector. Palar (Pakuan Law Review),https://journal.unpak.ac.id/index.php/palar/article/view/4783#
Nasution, B. (2020). Transparency in capital markets. Rajawali Pers. https://digilib.ub.ac.id/opac/detail-opac?id=136274
Octareza, I., & Kurniawan, K. (2023). A legal review of the application of the principle of openness in the capital market as a form of legal protection for investors is reviewed from Law Number 8 of 1995 concerning the Capital Market. Commerce Law, 3(1), 15-28. https://doi.org/10.29303/commercelaw.v3i1.2811
Valencia, J., & Oliviere, S. (2025). The impact of global economic wars on emerging markets: Legal certainty and capital market resilience in Indonesia. *Anthology: Capital Market Law*, Special Edition. https://ojs.uph.edu/index.php/Anthology/article/view/10061
Hasibuan, R. R. A., Darmawansyah, D., Pramita, J. N., & Abdillah, M. Z. (2025). The role of the Financial Services Authority (OJK) in supervising the Indonesian capital market. Tax and Financial Management, 2(6), 63-72. https://doi.org/10.61132/pajamkeu.v2i6.1894
Rohendi, A. (2017). Obligations and responsibilities of legal consultants as a supporting profession in the capital market. Ecodemica Journal: Journal of Economics, Management, and Business, 1(1), 59-71. https://doi.org/10.31294/jeco.v1i1.1427
Safitri, I. (2020). Transparency, independence, and investor protection: Theory and practice of capital market law. Rajawali Pers.https://books.google.co.id/books/about/Transparansi_independensi_pengawasan_kej.html?id=ugflAAAAMAAJ&redir_esc=y
Sembiring, S. (2019). Indonesian capital market law. Nuansa Aulia. https://digilib.pancabudi.ac.id/book/18158/hukum-pasar-modal
Yustianti, S. (2017). Banking regulatory and supervisory authority by Bank Indonesia and the Financial Services Authority (OJK). Acta Diurnal: Journal of Notary Law and PPAT,1(1), 61-72. http://jurnal.fh.unpad.ac.id/index.php/jad/issue/view/7
ANISA, Y. (2024). THE ROLE OF LACK OF INTEGRITY AS A MODERATOR OF THE INFLUENCE OF THE FRAUD HEXAGONE ON THE POTENTIAL FOR FRAUDULENT FINANCIAL REPORTING (In Banking Companies Listed on the IDX in 2019-2022) (Doctoral

dissertation, UNIVERSITY LAMPUNG). https://digilib.unila.ac.id/82717/3/TESIS%20TANPA%20PEMBAHASAN%20-%20AANISA%20YUNISARI.pdf

Siregar, B. (2020). Analysis of good corporate governance in the case of financial report manipulation of PT Garuda Indonesia Tbk. Journal of Corporate Law Science, 4(3), 210-225. Retrieved from https://jurnal.uisu.ac.id/index.php/corporate/article/view/3124

Maulana, M. R., & Hariri, A. (2024). Legal protection for retail investors against insider trading practices in the capital market. Kertha Semaya Journal, 12(12), 1493-1506. https://share.google/UYRG5QT3Zq184Z96p

Sugiarto, T., et al. (2024). The directors' liability for the audit of PT Garuda Indonesia (Persero) Tbk's financial statements is reviewed through the doctrine of fiduciary duty. UNISDA E-Journal (Mimbar), 8(1), 45-56. Retrieved from https://e-jurnal.unisda.ac.id/index.php/mimbar/article/view/6479

Apandi, B. H., Putri, P. A. W., Ariputra, A. R., Putri, F. M., & Aprilia, R. P. (2023). Application of the principle of piercing the corporate veil in cases of forced delisting. USM Law Review Journal, 6(2), 795-812. https://share.google/e7m1v5HoGKNcEbwvO

Rachmadini, V. N. (2019). Legal protection for investors in the capital market according to the Capital Market Law and the Financial Services Authority Law. Pena Justisia: Communication Media and Legal Studies, 18(2), 87-95. https://doi.org/10.31941/pj.v18i2.1093