Law Analysis On Application Of Piercing The Corporate Veil Principles On Directur Responsibility At A Limited Company Based On Law Number 40/2007 Regarding Limited Company

Abstract

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The economic activity generates development. A company is one of significant actors in economy. Limited (Ltd) as a type of companies leads by a director. A director should manage the company based on a good will and responsibility. However, in facts, a director sometimes experiences mistakes and violating the rules. The consequences, a company suffering losses. In some cases, company must warrant a debt because of a directure failure. Based on this phenomenon, researcher was interesting to conduct a research relating to the application of Piercing The Corporate Veil Principles Based on Law Number 40/2007 Regarding Limited Company and its impact Director Responsibility in a limited Company.

The type of research that conducted is a descriptive analysis by describing the facts of the primary data and secondary data which applying normative juridical method. The resulting data were analyzed by juridical qualitative, so that the hierarchy of legislation can be considered as well as to guarantee legal certainty.

Based on result of analysis, it shows that the Piercing The Corporate Veil principles can be implemented if it complied with Law Number 40/2007 Regarding limited company in the article 3 subsection (2). Moreover the Piercing The Corporate Veil Principles can be applied for stock stakeholders and directors who purposefully causing lost for the company, If the directors are proved violating directly or indirectly against the law which utilizing company assets and causing a liabilities, the responsibility of directors as one of the stock stakeholders company can be changed from limited responsibility to unlimited responsibility (Piercing The Corporate Veil).