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Navigating Legal Complexities: An Empirical Exploration of Minority Shareholders' Rights in Indonesia's Corporate Governance Framework

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ABSTRACT:
Background: In the context of limited liability companies in Indonesia, minority shareholders often encounter structural disadvantages due to the dominance of majority shareholders. Despite having derivative rights as a legal safeguard, exercising these rights in practice remains a complex challenge.
Aims: This research explores the alignment between legal norms and actual practices related to derivative actions initiated by minority shareholders. It focuses on uncovering the systemic barriers they face and proposing pathways for improving legal implementation.
Methods: The study uses an empirical legal research approach. Data were obtained through interviews with minority shareholders in three companies, supported by doctrinal analysis of statutory provisions and legal theories on protection and effectiveness.
Results: The findings indicate three main obstacles: limited financial capacity to initiate lawsuits, political dynamics within shareholder meetings, and insufficient understanding of legal procedures. These issues hinder access to justice and weaken the intended function of minority protection under company law.
Conclusion: Although the legal framework in Indonesia recognizes derivative rights, its application remains far from effective. Achieving fairness requires procedural reform, stronger institutional support, and better legal literacy among minority shareholders.

Keyword:
Corporate Governance;Derivative Rights;Indonesian Company Law;Legal Protection; Minority Shareholders

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INTRODUCTION

In today's corporate environment, the urgency to protect minority shareholders has grown significantly, especially within Indonesia's increasingly privatized economy. Limited liability companies (LLCs) have become the dominant legal form in business, attracting investors due to their structured risk limitations and ease of capital formation. This model divides ownership into majority and minority shareholders, each with distinct levels of influence. While majority shareholders naturally possess stronger decision-making power, minority shareholders often find their roles diminished in practice. Their presence in governance is frequently symbolic, especially in forums where voting power determines strategic outcomes. Such patterns raise serious questions about whether shareholder equality exists beyond statutory texts. Indonesian corporate law has attempted to correct these imbalances by introducing derivative rights. Unfortunately, this legal solution remains difficult to implement effectively due to a range of technical and institutional barriers (Gkrimpizi et al., 2023; Gromova et al., 2022; Kulkov et al., 2021)

The tension between majority control and minority inclusion continues to shape internal corporate dynamics. Voting mechanisms rooted in capital shareholdings often result in dominance by those holding larger stakes. These major shareholders tend to form alliances with directors or commissioners, consolidating authority and sidelining dissent. In such settings, general meetings function more as tools for legitimizing predetermined decisions than as platforms for open deliberation. Minority shareholders rarely have the means or influence to challenge problematic resolutions. Though they may raise objections, these voices are commonly overruled. The derivative right was designed to offer an alternative route—legal recourse when internal oversight mechanisms break down. Yet, this mechanism is underused, misunderstood, and frequently blocked by procedural filters (Burke et al., 2024; Souto & Calado, 2022).

In principle, derivative rights serve a corrective function when wrongdoing by company insiders goes unchecked. These legal provisions allow minority shareholders to initiate actions not for personal gain but to safeguard the interests of the company itself. In jurisdictions where corporate governance is well-regulated, derivative lawsuits are vital for maintaining accountability (Alamer, 2022; Rajabalizadeh & Schadewitz, 2025). However, in the Indonesian context, filing such a suit involves procedural complexities that most investors cannot navigate. Even when there is clear misconduct, courts tend to prioritize administrative formality over substance. As a result, derivative actions fail to deliver justice in many cases. This disconnect reflects broader shortcomings in legal accessibility (Hesselman et al., 2021; Viljoen, 2021). For minority shareholders, the promise of protection often collapses under the weight of legal uncertainty.

Illustrative examples highlight these systemic flaws. In the case involving PT Sumalindo Lestari Jaya, a minority shareholder's attempt to address governance violations was denied by the court due to procedural objections (Prisandani, 2021). Similarly, in a dispute at Blue Bird Taxi, minority investors faced barriers when challenging directors over suspected misuse of assets. Both situations reveal how derivative claims are undermined before substantive examination even begins. Rather than empowering aggrieved shareholders, the law seems to protect entrenched interests. Judicial decisions appear to reflect reluctance in supporting minority initiatives, particularly when faced with complex intra-corporate disputes. Over time, this discourages other shareholders from seeking remedies. Without credible legal avenues, corporate accountability suffers. These case studies emphasize why reforms are not only needed, but overdue.

Aside from legal formalities, minority shareholders must also contend with internal resistance within the companies they invest in. Many firms fail to provide open access to financial records or strategic plans, leaving investors poorly informed. This lack of transparency makes it nearly impossible to compile evidence necessary for legal proceedings (Kelly, 2021; Kelly-Lyth, 2023; Mungiu-Pippidi, 2023). Furthermore, corporate cultures often discourage questioning or opposition, reinforcing conformity with dominant leadership. The statutory requirement that a shareholder must own at least ten percent of shares to file a derivative action adds another layer of exclusion. (Ringe, 2021; Rock, 2021) For individuals or small groups, reaching this threshold is often unfeasible. The result is a corporate structure where only capital-heavy actors have enforceable rights. Such design contradicts the democratic ethos corporate law claims to uphold.

Theoretically, legal frameworks should function as tools for equity. Derivative rights symbolize that principle—enabling shareholders without control to demand accountability from those in power. From the perspective of legal protection theory, these rights serve as checks against abuses embedded in majority dominance (Claassen, 2024; Grosser & Tyler, 2022). Likewise, the theory of law in action reminds us that the value of a law is not in its existence, but in its ability to function under real conditions. In Indonesia, that function is far from optimal. Written laws may be comprehensive, yet they fail to produce tangible outcomes for minority shareholders. Enforcement often depends more on institutional willingness than on clarity of regulation. Without commitment to actual practice, legal principles remain abstract promises.

Findings from field interviews reflect the depth of this implementation gap. Minority shareholders interviewed in three separate firms recounted experiences of exclusion, confusion, and procedural defeat (Danatzis et al., 2025; Gutman & Younas, 2025; Nelson & Johnson, 2024). Some noted that board members used informal pressure to silence concerns. Others described the legal system as inaccessible and unresponsive to their efforts. A lack of legal knowledge also emerged as a recurring theme, with many unaware of their rights or of how to exercise them. Financial concerns further compound these challenges, especially for individuals without corporate backing. These accounts point not to isolated incidents, but to a pattern of systemic neglect. Derivative rights, as currently designed and enforced, are inadequate for protecting investor interests. A more responsive legal environment is urgently needed.

Given the combination of legal, institutional, and cultural challenges, this study contributes to a growing body of work calling for corporate reform in Indonesia (Kurniasih et al., 2021; Tarigan et al., 2020; Turner et al., 2022). It underscores the disconnect between statutory rights and their application, particularly for minority shareholders. The concentration of power within companies, coupled with fragile legal pathways, diminishes the role of small investors. In order for derivative rights to become meaningful, adjustments must be made in regulation, procedure, and judicial practice. This study uses both doctrinal and empirical methods to present a detailed picture of the current landscape. Its findings are expected to support policy discussion and legal development. The future of inclusive corporate governance in Indonesia depends on creating systems that genuinely protect all stakeholders. Strengthening derivative rights is a key step in that direction.

Efforts to protect minority shareholders legally have drawn global scholarly attention. Argues that laws must adapt to contextual vulnerabilities, much like the situation in Indonesian corporate structures. Torquato Rego, (2024)stresses procedural flexibility, reflecting the complexity of derivative claims. Malekela, (2025) finds that procedural formality often hinders justice—similar to how courts in Indonesia treat minority suits. From a transparency angle, Nakayama et al.(2025)show that lack of legal understanding undermines the exercise of rights, a challenge also common among small investors. Maraqa et al.(2025)emphasize that inclusive internal governance boosts corporate performance, supporting broader shareholder participation. Meanwhile, Khanam et al.(2025) highlight how outdated legal systems struggle with dynamic risk, much like Indonesia's rigid shareholding thresholds. Orsayeva et al.(2025)point to institutional accountability as key to legal protection, a principle often weak in Indonesian corporate litigation. Cultural barriers, as examined by Arsene & Shan, (2025), shape how laws are internalized—relevant to Indonesia's corporate culture. Liu et al.(2025) identify institutional enforcement gaps that mirror Indonesia's own legal inconsistencies. Finally, Satz, (2024)explains how power imbalances challenge individual protections, echoing the limited influence of minority shareholders. These perspectives inform this study's analysis of derivative rights, emphasizing the need for procedural reform, legal literacy, and enforcement culture to protect vulnerable shareholders.

In corporate structures where voting power is directly tied to share ownership, minority shareholders often operate at a disadvantage. Although Indonesian law provides derivative rights as a way to protect their interests, in reality, these rights are difficult to enforce. Procedural complexity, unclear legal pathways, and internal resistance from company management often leave minority investors without effective remedies. Legal frameworks exist, but the tools needed to activate those rights—such as access to documents, legal literacy, and affordable litigation—are frequently absent. Various international studies have emphasized the importance of designing legal systems that respond to local institutional challenges. However, there remains a need to assess how these insights translate into Indonesia's unique legal and corporate environment. This study views derivative rights not just as a statutory tool but as a test of whether legal systems can uphold fairness when power is unevenly distributed. Understanding how these rights function—or fail—in practice offers important implications for both theory and reform.

While the body of literature on minority shareholder rights is growing, there is still limited research that connects statutory law to lived experience within Indonesian companies. Most existing works are doctrinal or comparative, offering theoretical frameworks without exploring how the legal process unfolds on the ground. Few studies have captured what actually happens when minority shareholders try to initiate a derivative lawsuit—what barriers they face, how courts respond, and what outcomes result. Also missing is a deeper discussion on how internal corporate behavior interacts with external legal constraints. The specific combination of legal thresholds, corporate culture, and institutional performance in Indonesia remains underexplored. As a result, there is little empirical data that policymakers or reform advocates can rely on when evaluating the system. This study fills that space by presenting field-based insights supported by legal interpretation and analysis.

This research is designed to explore how derivative rights for minority shareholders operate within Indonesia's corporate setting. It aims to uncover the real-world conditions that affect the ability of shareholders to use these rights effectively. The study focuses on identifying the types of challenges shareholders face, including economic limitations, procedural complexity, and resistance from within the companies themselves. It also examines whether current legal mechanisms are capable of supporting fair and accessible pathways to justice. Drawing from interviews and statutory review, the research blends empirical findings with normative legal perspectives. By doing so, it aims to highlight where the system breaks down and what can be done to improve it. Ultimately, the goal is to offer practical, evidence-based recommendations that strengthen protections for minority shareholders and enhance corporate accountability in Indonesia.

METHOD

Research Design

This study takes an interpretive approach that blends legal analysis with real-world inquiry. Rather than focusing solely on written statutes, it looks at how legal rights—specifically derivative claims—are understood and applied in actual business settings. The work draws on both formal legal interpretation and firsthand accounts to explore how minority shareholders interact with the legal system. Laws were examined in context, not in isolation. The research was rooted in understanding the gap between regulation and experience. To support this, legal materials such as company law provisions and judicial rulings were used as foundation. These were complemented by insights gathered directly from affected shareholders. The design allowed space to examine law both as a rule and as a lived process.

Participant

Those involved in this research were private investors holding minority shares in three Indonesian companies. They were selected intentionally based on their experience with internal conflict or attempts to raise legal action on behalf of the firm. The companies represented varied industries to avoid bias toward a single business sector. Participants remained unnamed to protect their identity and to encourage open responses. Their involvement was crucial in understanding obstacles that may not appear in formal records. No company officials or state representatives were included to keep the focus on minority voices. The sample was small but targeted, aiming for depth over breadth. The selection prioritized relevance and legal exposure rather than statistical generalization.

Instrument

Information was collected through guided conversations that allowed respondents to explain their experience in their own terms. A set of flexible prompts was used to guide these conversations, touching on legal understanding, action steps taken, barriers encountered, and outcomes. Notes and recordings were taken, with consent, to preserve accuracy. Some participants also shared documents related to their shareholder position or legal attempts. In addition to interviews, the study involved examining applicable laws, court decisions, and corporate policies that might affect minority shareholders. This combination made it possible to cross-check personal accounts with official sources. The use of open dialogue made room for unexpected but relevant themes to emerge.

Data Analysis

The material gathered was reviewed closely to identify patterns that repeated across different participants. These included mentions of limited access to legal support, difficulty meeting shareholding thresholds, and fear of retaliation. Themes were grouped and compared with what the law allows or promises. The analysis did not rely on software but was done through careful reading and categorization by the researcher. The goal was not only to describe what participants experienced, but also to interpret what those experiences reveal about the broader legal environment. Legal theory—particularly regarding protection and enforceability—was used as a lens to make sense of the findings. Results were then organized by issue area to build a coherent narrative of how derivative rights operate in reality.

Figure 1. The Reality of Minority Shareholders' Derivative Rights in Indonesian Corporate Law

RESULTS AND DISCUSSION

Results

This study uncovers how derivative rights—though clearly stated in Indonesia's Company Law—often fail to function as intended when minority shareholders attempt to use them. Based on interviews with three investors from different companies, a consistent pattern of difficulty was observed throughout the legal process, from initial recognition of corporate harm to final court proceedings. The experiences reported by participants reveal a system where formal rights exist, but the means to exercise them are severely constrained.

The stages they navigated, or attempted to navigate, are best visualized in a process map that captures the recurring obstacles. The flowchart below (Figure 1) reflects the eight phases that typically unfold—from identifying potential misconduct by company leaders, to engaging internal mechanisms, assessing litigation possibilities, and finally, confronting judicial decisions. Most attempts failed before even reaching the court, often due to statutory and practical constraints.

	Respondent	Barrier Faced	Lawsuit Status
1	R1	Did not meet share threshold	Not filed
2	R2	Access to documents denied, legal cost too high	Rejected by District Court
3	R3	Fear of retaliation, unfamiliar with procedures	Did not proceed

Figure 2. Flowchart: The Reality of Derivative Right Implementation by Minority Shareholders

At the internal level, participants tried to use shareholder meetings to raise concerns. However, their proposals were disregarded, largely due to the concentration of voting power among majority shareholders. This left the minority with limited options and pushed them to consider legal action. Yet, a key legal threshold—requiring at least 10% ownership—prevented most from even filing a claim. None of the respondents could meet this requirement on their own.

Among those who still considered pursuing a lawsuit, additional issues surfaced. The process of obtaining supporting documents was described as opaque, and legal fees were out of reach for individual shareholders. One participant noted that fear of backlash from powerful insiders discouraged them from continuing. Another mentioned confusion about procedural steps as a reason for withdrawal. These accounts suggest that the right exists in principle, but is obstructed in practice.

The individual situations of the participants are summarized below:

Table 1. Summary of Field Findings

Respondent	Barrier Faced	Lawsuit Status
R1	Did not meet share threshold	Not filed
R2	Access to documents denied, legal cost too high	Rejected by District Court
R3	Fear of retaliation, unfamiliar with procedures	Did not proceed

What stands out is not only the number of barriers, but how they overlap. Two respondents dealt with both financial and informational obstacles. Others faced emotional or psychological deterrents, such as fear or uncertainty. These combined burdens are reflected in Figure 2, where the frequency of each barrier type is visualized. Most respondents reported more than one challenge.

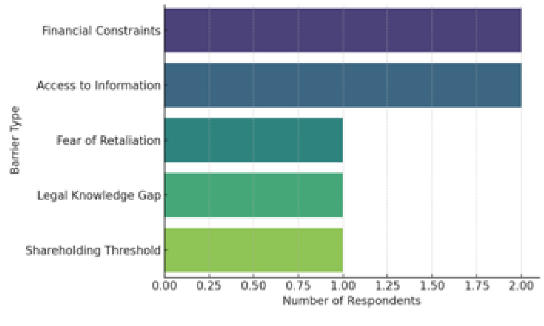

Figure 2. Barriers Faced by Minority Shareholders

The final outcomes—shown in the pie chart below—illustrate the failure of the process to support minority interests. None of the three cases advanced to a successful resolution. One case was dismissed by the court before it could be examined in depth. The other two never made it to court due to structural and psychological barriers. This points to a deeper issue: the formal pathway exists, but is too difficult to follow.

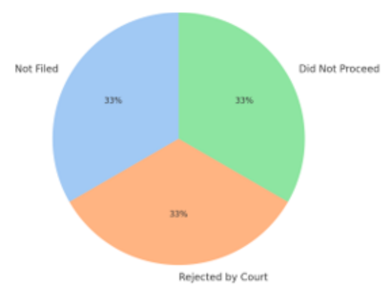

Figure 3. Lawsuit Status Distribution

Altogether, these findings underscore a critical reality: the derivative right, though codified in law, is rarely a viable option for minority shareholders in practice. Without accessible procedures, institutional support, or simplified legal thresholds, the protection promised under the law remains largely symbolic. These results call into question the effectiveness of the current legal framework and suggest the urgent need for structural reform and legal empowerment.

Discussion

This study illustrates how legal protection provided to minority shareholders through derivative rights is difficult to realize in practice. Although the law formally recognizes this mechanism, actual enforcement remains elusive due to layers of procedural, economic, and institutional constraints. One notable aspect is the persistent gap between what is written in law and what minority shareholders can access when misconduct occurs. As Fernández San Martín (2025) emphasized, effective legal frameworks must reflect the reality of vulnerable actors and their contextual limitations. In all cases examined, efforts to raise concerns internally proved futile, with majority dominance rendering minority input insignificant. Legal routes like derivative lawsuits existed, but appeared largely symbolic due to unattainable requirements. This disconnect highlights the disparity between normative ideals and actual access to justice. Without structural reform, the law remains hollow for those it claims to protect.

One pressing challenge found in this research is the rigidity of procedural requirements in derivative actions. Participants often lacked clarity on legal steps and found the process intimidating or unclear. As Torquato Rego (2025) noted, procedures must be designed with inclusivity in mind, or they will exclude precisely those they are meant to serve. Minority shareholders, already in a weak position, are further disadvantaged by legal formalism. Even when wrongdoing was apparent, claims were dismissed due to procedural missteps rather than lack of merit. This pattern reflects a legal culture that prioritizes form over substance. The requirement for legal precision, while important, should not obstruct genuine efforts to uphold company integrity. Such rigidity risks turning protective laws into passive instruments.

Institutional responses also raise serious questions. Courts did not appear eager to examine claims in depth, often rejecting cases on narrow technical grounds. One respondent's claim was dismissed without addressing the substance of the corporate violation. This reflects what Malekela (2025) described as an enforcement culture that favors administrative comfort over equitable resolution. In systems where access to remedies is tightly gated, only the most persistent or resourceful can navigate legal obstacles. Yet minority shareholders often lack the time, money, and expertise required. Instead of acting as protectors of shareholder justice, courts sometimes act as barriers. This reality discourages future claims and reinforces a cycle of corporate impunity. Laws without institutional engagement are ineffective, regardless of how well-written they are.

Information access proved to be another major obstacle. Shareholders reported being denied internal company records, a critical tool in substantiating any derivative claim. This echoes the findings of Nakayama et al. (2025), who underscored that data accessibility and user understanding are essential components of legal empowerment. Without access to the facts, minority shareholders are left to rely on assumptions, making their legal standing precarious. Furthermore, even those who were aware of their rights expressed confusion about enforcement channels. The lack of legal assistance or formal support mechanisms compounded their vulnerability. These barriers reflect not a flaw in intention but a failure of implementation. Where transparency is lacking, abuse often flourishes unchecked. Legal protection becomes conditional, available only to those who already have leverage.

The structural threshold of 10% shareholding creates an especially difficult hurdle. Designed to filter out frivolous claims, it simultaneously blocks many legitimate ones. In this study, none of the shareholders met the requirement on their own, despite clear concerns about management behavior. This finding supports the argument made by Khanam et al. (2025), who warned that static legal thresholds in evolving systems often disadvantage smaller actors. A rigid rule in a dynamic economy fails to consider ownership fragmentation and capital inequality. Additionally, Maraqa et al. (2025) found that inclusive governance contributes positively to corporate outcomes, suggesting that broader participation should be encouraged, not restricted. Reforming this threshold could bring more accountability into corporate spaces. Limiting rights to capital-heavy actors undermines the notion of equitable protection under the law.

Cultural dynamics also played a role in shaping how minority shareholders acted—or chose not to act. Fear of retaliation, reputational harm, or exclusion from future opportunities influenced decisions to withdraw from litigation. Arsene (2025) showed how cultural beliefs and informal pressures often override legal norms, especially in environments with limited oversight. In Indonesian corporate settings, silence is often rewarded while dissent is penalized. This results in an unspoken code that discourages enforcement of rights, even when the legal system allows it. Respondents in this study expressed hesitance not because they lacked conviction, but because they feared consequences. This tension between legality and social dynamics is rarely addressed in lawmaking. Legal reform cannot succeed unless it acknowledges the cultural environment in which it is applied.

Institutional engagement, especially from the judiciary, was largely passive. Courts preferred to avoid complex shareholder disputes, even when clear irregularities were reported. This finding aligns with Orsayeva et al. (2025), who highlighted the importance of active institutional responsibility in enforcing regulations. Judicial reluctance sends a message that derivative suits are unworthy of serious consideration. Without stronger intervention, minority shareholders will remain legally visible but practically voiceless. Moreover, no institutional support—such as ombudsman services or legal clinics—was available to guide them. The legal burden fell entirely on individuals, many of whom lacked the expertise to proceed. When institutions fail to share responsibility, rights become privileges for those who can afford them. In such a system, law protects hierarchy more than justice.

From a governance perspective, the imbalance of power revealed in this study mirrors what Satz (2025) argued in the context of workplace law: that systems must actively work to correct structural inequalities, not reinforce them. The concentration of decision-making authority in the hands of majority shareholders leaves minority voices marginal. Legal protection, while theoretically equal, is shaped by unequal access to resources and influence. This contradicts the foundational principle of shareholder democracy. Without deliberate correction, legal structures will continue to favor the dominant. What emerges is a dual system: one for those with power and another for those without. Restoring balance requires not only doctrinal change but a shift in institutional behavior. Only then can the law live up to its protective promise.

Finally, this study supports Liu et al. (2025) in arguing that law's impact depends not on its existence but on its enforceability. A right that cannot be exercised is indistinguishable from no right at all. The experiences of minority shareholders in this research reflect how legal protections are undermined by both visible and invisible forces. These include legal thresholds, procedural traps, institutional inertia, and cultural silencing. Collectively, they reduce derivative rights to a concept rather than a tool. The findings underscore the need for targeted reform: one that strengthens access, lowers barriers, and fosters institutional accountability. The law must function as an instrument, not merely a text. This research contributes to that goal by bringing empirical evidence into the conversation on corporate legal reform in Indonesia.

Implications

This study provides insight into the disconnect between legal rights and practical access to justice, particularly in corporate settings. What emerges is not simply a critique of statutory design, but a broader reflection on how power, procedure, and institutional behavior shape legal effectiveness. The inability of minority shareholders to exercise their derivative rights suggests that legal protection exists more in principle than in practice. Laws alone cannot ensure accountability when barriers—legal, cultural, and institutional—remain in place. In response, policy discussions must move beyond abstract ideals and consider how laws function under real-world conditions. The findings also speak to a larger conversation about equity in corporate participation, where legal rights must be matched by capacity to act. For scholars and regulators alike, this research reinforces the need to view legal reform as a multidimensional process involving education, enforcement, and accessibility. Ultimately, the health of corporate governance depends not only on legal frameworks but on how they are used, challenged, and defended by all classes of shareholders.

Limitations

This study was based on a limited number of respondents, each representing a specific corporate experience that may not reflect the full range of shareholder dynamics across the country. While the accounts offer valuable insight, they are shaped by individual contexts and may not capture institutional variations in different sectors or regions. The absence of voices from majority shareholders, regulators, and corporate executives also narrows the interpretive lens, limiting our ability to explore opposing viewpoints. In addition, the study focused primarily on the shareholder perspective without in-depth investigation into court documents or regulatory interventions, which might have offered further clarity. Due to time and access constraints, the research did not include observational or ethnographic elements, which could have added richness to the data. It is also worth noting that the sensitive nature of corporate disputes may have influenced the openness of participants during interviews. The findings should therefore be seen as exploratory, intended to spark discussion rather than claim universality. These boundaries offer directions for future inquiry.

Suggestions

Several areas of reform emerge from this study's findings. The first concerns access: rules that restrict legal standing based on share percentage should be reconsidered, possibly allowing for collective claims or reducing thresholds. The second involves support: minority shareholders need access to legal aid or advisory services to help them understand and act on their rights. Third, procedural reform is essential—streamlined processes, transparent requirements, and institutional responsiveness would reduce the likelihood of claims being dismissed prematurely. Fourth, regulatory agencies must take a more active role in overseeing internal governance practices, ensuring fairness not only on paper but in daily operations. Fifth, awareness campaigns and legal literacy programs should be developed to empower shareholders before conflicts arise. Sixth, the judicial system itself must be equipped to handle shareholder litigation with sensitivity and consistency. Finally, ongoing dialogue between academics, practitioners, and policymakers will be key in redesigning legal tools that serve all market participants—not just those with power. Such measures could transform derivative rights into more than symbolic protections.

CONCLUSION

The investigation carried out in this study reveals a legal framework that, while outwardly protective of minority shareholders, offers little in terms of actual access or enforcement. Laws that appear robust in theory fail to function effectively when confronted with procedural barriers, power imbalances, and institutional reluctance. Shareholders with limited influence encounter not only technical hurdles but also cultural resistance and economic constraints that make the use of derivative rights nearly impossible. Their position within corporate structures remains largely symbolic, as the systems designed to support them are inaccessible or unresponsive. These findings suggest that reforms cannot focus solely on legislative language—they must also address how laws are practiced, supported, and interpreted on the ground. Without serious changes to legal thresholds, institutional behavior, and shareholder education, protective mechanisms will remain performative. This study demonstrates the need for a more inclusive legal environment that considers the real capabilities and limitations of minority actors. True corporate accountability depends not just on the existence of rights, but on the ability of all shareholders to use them freely and without fear.

AUTHOR CONTRIBUTION STATEMENT

Author 1 (Muhammad Hafid Adhi Nugraha) is the sole author who independently conceptualized the research problem, carried out doctrinal and empirical legal analysis, conducted field data collection, and completed the manuscript writing.

Author 2 (Dr. Albertus Sentot Sudarwanto, S.H., M.Hum) as the academic advisor and examiner, provided substantial supervisory guidance, supported theoretical alignment, and reviewed the legal structure of the study.

Author 3 (Dr. Hari Purwadi, S.H., M.Hum) as head examiner, contributed critical evaluation and academic insights that helped shape the refinement of the final argument.

Prof. Dr. Puijono, S.H., M.H., as an external examiner, provided constructive legal feedback and contributed to the validation of the research's doctrinal relevance.

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