

Analysis of Handling of Default Cases in Debts and Receivables of the Deputy Regent of Sidoarjo

Ester Veronica¹, Sinta Ramadhani², Nabila Aulia AdekPutri³, Dwi Desi Yaya Tarina⁴
Fakultas Hukum, Universitas Pembangunan Nasional “Veteran” Jakarta

Article Info

Article history:

Accepted: 27 May 2024

Published: 31 May 2024

Keywords:

Debt and Credit, Breach of Contract, Civil Law

Abstrak

This article discusses the phenomenon of breach of contract in debt collection issues by taking a case study of breach of contract involving the Deputy Regent of Sidoarjo. Through conceptual review and tracing of specific cases, this article explores the legal and social implications of breach of contract in lending relationships. By analyzing legal approaches and related court decisions, the article aims to provide deeper insights into how the law handles contract violations and their consequences, particularly in the realm of governance. The implications of the findings of this article also discuss the need for honesty, responsibility, and fair law enforcement in maintaining public trust in legal institutions.

This is an open access article under the [Lisensi Creative Commons Atribusi-Berbagi Serupa 4.0 Internasional](#)



Corresponding Author:

Dwi Desi Yaya Tarina

Universitas Pembangunan Nasional

Email: dwidesyayitarina@upnvj.ac.id

1. INTRODUCTION

A. Background

Lending and borrowing is an agreement that determines that the first party gives a sum of money that can be used up to the second party on the condition that the second party will return similar goods to the first party in the same amount and condition.

From this definition, things used in lending and borrowing can be goods or money. Borrowing and borrowing money, or what is usually called debts, often occurs in everyday life. This can be done between individuals, companies or other entities.

In debts and receivables, disputes often arise between the debtor and the debt owner. These disputes can cover various things, such as the amount of payment that must be made, payment deadlines, or other terms related to debts or receivables. One of the problems that is quite often encountered regarding debts and receivables is default.

In law, default means failure to fulfill an agreement or achievement that has been determined. The act of default arises from an action, namely breaking the promise, which in this case is a debt. In many jurisdictions, default can result in financial loss and also entitle the party receiving performance to take legal action to obtain damages or fulfillment of promised obligations.

One of the cases of default that occurred in Indonesia was the case of default committed by the Deputy Regent of Sidoarjo. This case occurred in a matter of debts made by the Deputy Regent of Sidoarjo to one of the retired police officers. This ultimately ended in court.

Therefore, this article will discuss the case of default in debts and receivables committed by the Deputy Regent of Sidoarjo, starting from the beginning of the case to how the case was resolved.

B. Formulation of Problem

1. What is the process for resolving Default Cases carried out by the Deputy Regent of

Sidoarjo?

2. What is the main object of the case and the legal basis that is used as a reference in filing an appeal against the resolution of a case like this?

2. RESEARCH METHOD

The type of research used in this research is legal research. Normative legal research is a process of discovering legal rules, legal principles and legal doctrine to answer the legal issues faced. The approach used is as follows:

- 1) Legislative Approach (Statute Approach)

This approach is carried out by reviewing all laws and regulations related to the legal issue being handled. The legal approach is used in this research as the basis for the judge to give his consideration and decision as to whether there is conformity with the debt and receivable agreement

- 2) Case Approach which needs to be understood when using it

The researcher's approach to the case is the judge's decision, namely the legal reasons used by the judge to make a decision. The case approach used in this research is related to the judge's considerations as the basis for the decision, especially in paying attention to the judge's considerations. In these considerations, the judge should consider the material facts and arguments of the parties so that it is hoped that the judge can make an appropriate and consistent decision.

3. RESULTS AND DISCUSSION

1. Default Case Resolution Process

The Deputy Regent of Sidoarjo, namely Subandi, was involved in a debt and receivable case.

This case started in 2012. At that time, Subandi still served as Head of Customs Village, Sedati, Sidoarjo. In May and June 2012, Subandi borrowed IDR 1 billion from Darmiati Tansilong for the reason of developing property. Subandi has made an agreement that the debt will be returned within a period of six months. Subandi will also provide interest of IDR 10 million every month.

The debt repayment had not been completed, in October 2012 Subandi borrowed another Rp. 1 billion and promised to repay the debt within 18 months and gave the plaintiff a gift in the form of a type 45 house.

However, Subandi then asked for an additional debt of IDR 475 million in December 2012 and promised to return IDR 500 million that month.

However, according to the plaintiff's attorney, Subandi had defaulted because in the agreement, Subandi would pay off the entire debt within 6 months. But Subandi is still paying off the debt in installments until 2020, with the remaining debt of IDR 1.1 billion and interest of IDR 10 million promised by him.

Because the defendant was unable to fulfill its achievements and defaulted on the agreement with the plaintiff, the plaintiff filed an unlawful act lawsuit against the defendant through the Sidoarjo District Court.

After the lawsuit was processed by the Sidoarjo District Court, the lawsuit was rejected with various considerations from the panel of judges. The reason for rejecting the lawsuit based on the facts from the trial was that the defendant (Subandi) had paid his debt of IDR 3.016 billion. Apart from that, the panel of judges also stated that Subandi had returned the money he had borrowed from Darmiati. This decision was based on witness statements and evidence at trial, including the value of excess returns based on 45 evidence of transfer transactions.

Even though the plaintiff was dissatisfied with this decision and would file an appeal, the judge stated that the claim could not be adequately proven. Even though the actual value of the defendant's debt was only IDR 2 billion, the plaintiff filed a lawsuit with a value of around IDR 3 billion allegedly with interest for almost 9 years.

This decision shows the importance of paying attention to evidence and facts in the legal process, as well as how judges decide based on the principles of equality before the law and justice. Although plaintiffs have the right to appeal, the final decision remains with the court.

In the Civil Code, Article 1320 states that "For the validity of an agreement, skill is required to make an agreement, consent that is freely given, a subject matter that is lawful and which may be traded, and a lawful cause."

The judge's rejection of the agreement proposed by Darmiati Tansilong was based on the unclear contents of the agreement, incompatibility with the facts of the trial, or indications of coercion in making the agreement.

Thus, in the case of default committed by the Regent of Sidoarjo, it can be analyzed that there are several legal grounds for filing an appeal in the case of the Deputy Regent of Sidoarjo's debts.

2. Main Object of the Case and Legal Basis for Filing an Appeal

Legal remedies are an effort provided by law for a person or legal entity in certain cases to oppose a judge's decision as a place for parties who are dissatisfied with a judge's decision which is deemed not to fulfill a sense of justice.⁵ Legal remedies in Civil Procedure Law divided into 2 (two) types, namely ordinary legal remedies and extraordinary legal remedies. Then an appeal is included in the type of ordinary legal action.

An appeal is a legal effort taken if one party is not satisfied with the District Court's decision. The legal basis is Law No. 4/2004 concerning Amendments to the Basic Law on Power and Law No. 20/1947 concerning Rejuvenation Trials. The meaning of an appeal as a "re-examination" of a case implies that a re-examination of a civil case at the appellate level (High Court) does not focus on who submitted the appeal, whether one party or both parties. An appeal can be submitted to the district court clerk's office within 14 calendar days starting the next day after the decision is pronounced or after being notified to the party who was not present at the reading of the decision. If the 14th day falls on a Saturday, Sunday or Holiday, then the determination of the 14th day falls on the following working day.

In this case, the appellant, who was originally the plaintiff, namely Darmiati Tansilong, filed an appeal against the decision of the Sidoarjo District Court Number: 122/Pdt.G/2021/PN which stated that the Reconvention Plaintiff/Convention Defendant's lawsuit was unacceptable. Then the appeal request was accepted by the Surabaya High Court in its decision PTSurabaya Number 828/PDT/2021/PT SBY. JUDGE:

1. Accept the appeal request from the original plaintiff;
2. Cancel Sidoarjo District Court Decision Number: 122/Pdt.G/2021/PN.Sda

Judging from the Sidoarjo District Court Decision Number: 122/Pdt.G/2021/PN.Sda, it can be explained how the resolution of the default case committed by the Sidoarjo regent was in accordance with the facts at the trial in accordance with the analysis that had been carried out previously regarding the Sidoarjo District Court Decision Number : 122/Pdt.G/2021/PN.Sda.

After her lawsuit was rejected by the Sidoarjo District Court, Darmiati Tansilong's party was dissatisfied and filed an appeal to the East Java High Court. The appeal effort finally yielded results. Darmiati's lawsuit was finally granted. The East Java High Court

stated that Subandi had committed a breach of contract and ordered him to return or pay the amount of money stated in the appeal decision. The defeat of the appeal finally prompted Subandi to make an appeal. However, the appeal attempt also failed and was still won by Darmiati Tansilong. The rejection of Subandi's cassation is stated in the Supreme Court decision Number 1609 K/Pdt/2022.

Along with the rejection of Deputy Regent Sidoarjo Subandi's cassation request regarding the breach of contract case he filed against Darmiati Tansilong, the Supreme Court (MA) partially granted Darmiati Tansilong's claim as plaintiff. The lawsuit states, among other things, that Subandi, who served as Deputy Regent of Sidoarjo, committed acts of breach of contract. Subandi was also sentenced to return Darmiati Tansilong's money amounting to IDR 1.108 billion. Then, Subandi was also sentenced to pay a total profit sharing of IDR 1,080 billion and was also sentenced to pay interest totaling IDR 598 million.

4. CONCLUSIONS AND RECOMMENDATIONS

1. Conclusion

From the description discussed in the previous section, it can be concluded that default is the inability of a contracting party to fulfill one or all of the responsibilities stipulated in the contract or agreement. One method that can be used to enforce the law in cases of default is to resolve the case legally in court. The process of resolving this case is carried out through a lawsuit to the Court which considers two things, namely the object of the lawsuit, which determines whether the dispute can be litigated, and the demands submitted.

We can also know that in the case of debts and receivables, if Subandi, who is the debtor in this case, is not responsible, then the creditor, namely Darmiati Tansilong, can take action in the form of sanctions aimed at the debtor. This includes both light sanctions and strict sanctions if the debtor is still unable to pay off his debt. If the debtor does not fulfill the terms of the agreement, the legal consequences are that the debtor is obliged to compensate the creditor for the losses suffered, and the creditor can demand termination or cancellation of the agreement through a judge, the debtor takes the risk since the default occurs, meaning that the debtor must fulfill the agreement if it can still be carried out or canceled, accompanied by a claim for compensation. If sued before the court, the debtor must also pay court costs.

The basis for the judge's considerations in making decisions regarding the settlement of defaults in the Sidoarjo District Court decision Number 122/Pdt.G/2021 is based on evidentiary evidence and legal considerations are based on contract law which is based on the Civil Code. As stipulated in Article 1234 of the Civil Code which states that "Every agreement is to give something, to do something, or not to do something." Based on the results of the analysis and the judge's decision, it was stated that the defendant had committed a breach of contract and was obliged to immediately pay his obligation of Rp. 1,080 billion and interest of IDR 598 million.

2. Suggestion

Accounts payable and receivable are a vital component of financial activities in every business. However, often the party in debt fails to fulfill its obligations, this can also be known as a Payables and Receivables default. Default occurs when the party in debt fails to fulfill its obligation to pay the amount owed to the creditor or lender. This can be caused by a variety of factors, from financial difficulties to an inability or unwillingness to pay.

Accounts payable defaults can be a serious challenge for the people involved, Also

threaten their financial stability. However, with open communication, a clear understanding of the rights and obligations stated in the contract, and timely action, the people involved in the matter can deal with these default situations more effectively. With this case of default, it is hoped that we can learn to think more openly and be aware about contract performance and effective communication between the parties involved in an agreement. Because this is one way to prevent cases of default due to discrepancies between the contents of the agreement or contract and actual conditions.

5. ACKNOWLEDGEMENT

We would like to say Thank You to everyone in team members who have been dedicated, collaborated and innovated in analyzing the handling of Default cases in the Deputy Regent of Sidoarjo's Accounts Payable and Receivables. Your contribution and commitment means a lot in this process. We would also like to thank all parties involved in various aspects of this project. Your support and knowledge is invaluable.

We appreciate the support and cooperation provided, as well as other parties who participated in this analysis process. Handling this case has provided inspiration and motivation for the entire team to work with enthusiasm and professionalism, and also created a supportive environment where each individual feels valued and is able to make their best contribution.

Thank you also to our supervisor, namely, Dwi Desi Yai Tarina, SH, MH as a lecturer in the Civil Law course who has provided direction in the course of this case analysis. We would also like to thank all parties who took part, although we cannot mention them one by one, your contribution has been very significant in the success of this project.

6. BIBLIOGRAPHY

Journal:

- Syahrul Sitorus (2018). Upaya Hukum dalam Perkara Perdata. (Verzet, Bandung, Kasasi, Peninjauan Kembali dan Derden Verzet). Jurnal Hikmah, Volume 15, No. 1, (63-71)
- Paendong, Kristiane (2022). "Kajian Yuridis Wanprestasi Dalam Perikatan Dan Perjanjian Ditinjau Dari Hukum Perdata." *Lex Privatum* 10.3
- Halim, Henry (2018). "Asas keadilan dalam syarat sahnya perjanjian dalam pasal 1320 KUH Perdata." *JIAGANIS* 3.2
- Salim H.S (2009). Hukum Kontrak Teori dan Penyusunan Kontrak, Jakarta: Sinar Grafika
- Auli.R. 2023. Pasal 1320 KUH Perdata tentang Syarat Sah Perjanjian

Book :

Mahkamah Agung (2007). Pedoman Teknis Administrasi Dan Teknis Peradilan Perdata Umum dan Perdata khusus, buku II.

Internet :

- Dian Kurniawan, Kalah Gugatan Utang Piutang, Wabup Sidoarjo Diharuskan Bayar Rp2,7 Miliar (<https://www.liputan6.com/surabaya/read/5073642/kalah-gugatan-utang-piutang-wabup-sidoarjo-diharuskan-bayar-rp-27-miliar>), diakses pada 31 Maret 2024
- Detik News, Gugatan Utang Piutang RP 3M terhadap Wakil Bupati Sidoarjo, (<https://news.detik.com/berita-jawa-timur/d-5762328/gugatan-utang-piutang-rp-3m-terhadap-wakil-bupati-sidoarjo-ditolak>), diakses pada 31 Maret 2024
- Tim Hukum Online, *Pengertian Wanprestasi, Akibat, dan Penyelesaiannya*, (<https://www.hukumonline.com/berita/a/unsur-dan-cara-menyelesaikan>

wanprestasi-lt621748 78376c7/)diakses pada 30 Maret 2024