

## ABSTRACT

Bankruptcy is a common condition that occurs in the business world. In the legal system of Indonesia itself, the Suspension of Debt Payment Obligations (PKPU) has been facilitated as a legal tool provided by the government to prevent bankruptcy of a business entity. However, not all PKPU processes are successful. One example of bankruptcy practice in Indonesia is the PKPU case in of the Central Jakarta Commercial Court verdict submitted by PT. Benangsari Indahtexindo against itself. The rejection of the Composition Plan submitted by PT. Benangsari Indahtexindo as a debtor by its creditors resulted in PT. Benangsari Indahtexindo ending up bankrupt. The rejection of the Composition Plan Proposal raises legal issues regarding the implementation of the PKPU process in the bankruptcy of PT Benangsari Indahtexindo as well as the background and consequences of the cancellation of the PKPU process experienced by PT Benangsari Indahtexindo. The research method used is the normative juridical approach, which discusses the doctrines or principles in the field of law and refers to the laws and regulations in force. Based on the research conducted, it was found that PT Benangsari Indahtexindo as the debtor had gone through the PKPU process for 270 days but faced rejection of the Composition Plan. This was because during the PKPU process, PT Benangsari Indahtexindo had violated Article 242 paragraph (1) in conjunction with Article 245 of Law No. 37 of 2004 concerning Bankruptcy and Suspension of Debt Payment Obligations, and also the conditions set by PT Bank Mandiri as a secured creditor by paying off the initial principal debt. If payment was made, it should be not only to one creditor but to all creditors including preferred creditors. Based on the voting results of the Proposed Settlement Plan submitted by PT Benangsari Indahtexindo, most of the attending creditors rejected the Proposed Settlement Plan. As a consequence, PT Benangsari was eventually declared bankrupt, which means that PT Benangsari Indahtexindo lost its independence in controlling its assets, and the control of the assets was placed under the curator's control.

***Keywords : Suspension of Debt Payment Obligation, Cancellation of The Composition Plan.***