

ABSTRACT**The Principle of Bankruptcy Law in Indonesia**

This research is about the principles of bankruptcy law in Indonesia. The objectives of this research are firstly, to find principles of bankruptcy law generally adopted by states of various jurisdictions; secondly, to lay down the principles into Indonesian Bankruptcy Law; and then, lastly, to observe the application of the principles and legal norms specified in the Indonesian Bankruptcy Law to judicial practice at the Commercial Court.

The type of this research is a legal research. In this research, statute, case, and comparative approaches are employed. Statute approach is taken for studying bankruptcy legal norms specified in the Indonesian Bankruptcy Law. Comparative approach is used in studying principles of bankruptcy law adopted by various states. Then, case approach is referred to as to observe the application of principles and legal norms specified in the Indonesian Bankruptcy Law to judicial practice at the Commercial Court.

From this research, it is found three things. First, some principles are adopted as legal norms in Indonesian Bankruptcy Law and some others are not so. The principles of bankruptcy law generally adopted are *paritas creditorium*, *pari passu pro rata parte*, structured creditor, debt collection, debt pooling, debt forgiveness, universal, territorial, and commercial exit from financial distress principles. Indonesian Bankruptcy Law adopts *paritas creditorium*, *pari passu pro rata parte*, structured creditor, debt, debt collection, and dissenting opinion principles. Debt forgiveness principle is not adopted since this principle is in conjunction with fresh starting, commercial exit from financial distress principles, and debt limitation principles; while, debt pooling principle is ambiguously adopted in the Indonesian Bankruptcy Law. Finally, it found that there are some inconsistencies in applying principles and legal norms in bankruptcy cases that lead to inconsistent judgments.

Key words:

- principles of bankruptcy law
- adopted
- application
- Commercial Court