

**PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY
BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN
SETTLING NON-PERFORMING LOANS**

A BACHELOR DEGREE THESIS



By:

NADIA ANINDITA

Student Number: 16410314

**INTERNATIONAL PROGRAM
UNDERGRADUATE STUDY
FACULTY OF LAW
UNIVERSITAS ISLAM INDONESIA
YOGYAKARTA**

2021

**PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY
BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN
SETTLING NON-PERFORMING LOANS**

A BACHELOR DEGREE THESIS



By:

NADIA ANINDITA

Student Number: 16410314

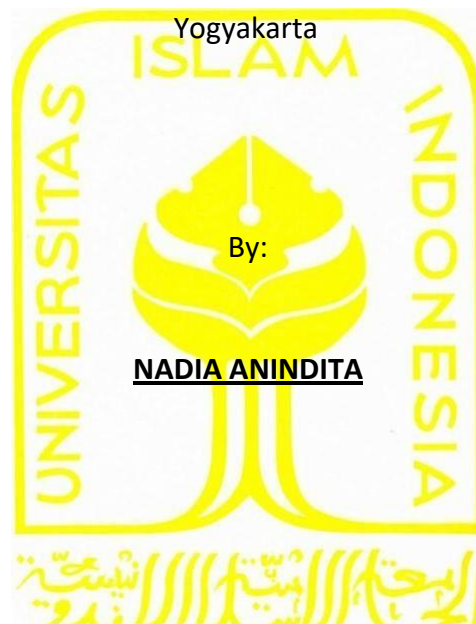
**INTERNATIONAL PROGRAM
UNDERGRADUATE STUDY
FACULTY OF LAW
UNIVERSITAS ISLAM INDONESIA
YOGYAKARTA**

2021

**PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK
PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON-
PERFORMING LOANS**

A BACHELOR DEGREE THESIS

Presented as the Partial Fulfillment of the Requirements to
Obtain a Bachelor's Degree at the Faculty of Law Universitas
Islam Indonesia



**INTERNATIONAL PROGRAM
UNDERGRADUATE STUDY
FACULTY OF LAW
UNIVERSITAS ISLAM INDONESIA
YOGYAKARTA**

2021

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK
PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON-
PERFORMING LOANS**

Has been examined and approved by Thesis Supervisor submitted before the Board of
Examination in Final Thesis Examination

Date on August 1st, 2021

Thesis Supervisor



IMA DYAH SAVITRI, S.S., M.A.

NIK : 183120502



PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY
BANK

Telah diperiksa dan disetujui Dosen Pembimbing Tugas Akhir untuk diajukan
ke depan TIM Penguji dalam Ujian Tugas Akhir / Pendaratan

pada tanggal 12 Maret 2021

Yogyakarta, 29 Mei 2021

Dosen Pembimbing Tugas Akhir,

Lucky Suryo Wicaksono, S.H., M.Kn., M.H.





PRUDENTIAL PRINCIPLE AND THE LEGAL STEPSWERE TAKEN BY
BANK

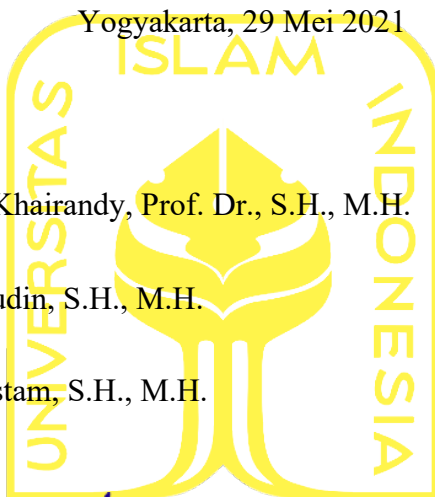
Telah Dipertahankan di Hadapan Tim Penguji dalam
Ujian Tugas Akhir / Pendaran
pada tanggal 12 Maret 2021 dan Dinyatakan LULUS

Yogyakarta, 29 Mei 2021

Tim Penguji

1. Ketua : Ridwan Khairandy, Prof. Dr., S.H., M.H.
2. Anggota : Ery Arifudin, S.H., M.H.
3. Anggota : Riky Rustam, S.H., M.H.

Tanda Tangan



Mengetahui:
Universitas Islam Indonesia
Fakultas Hukum
Dekan,


Dr. Abdul Jamil, S.H., M.H.
NIK. 904100102

SURAT PERNYATAAN

ORISINALITAS KARYA TULIS ILMIAH/TUGAS AKHIR MAHWISWA

FAKULTAS HUKUM UNIVERSITAS ISLAM INDONESIA

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Yang bertanda tangan di bawah ini :

Nama : Nadia Anindita

NIM : 1640314

Adalah benar-benar mahasiswa Fakultas Hukum Universitas Islam Indonesia Yogyakarta yang telah melakukan penulisan Karya Tulis Ilmiah (Tugas Akhir) berupa skripsi dengan judul:

**LEGAL ANALYSIS REGARDING OF NON-PERFORMING LOANS SETTLEMENT
AT BPR SHINTA DAYA YOGYAKARTA**

Karya Ilmiah ini saya ajukan ke tim penguji dalam Ujian Pendadaran yang diselenggarakan oleh Fakultas Hukum Universitas Islam Indonesia.

Sehubungan dengan hal tersebut dengan ini saya menyatakan:

1. Bahwa Karya Tulis Ilmiah ini adalah benar-benar hasil karya saya sendiri yang dalam penyusunannya tunduk dan patuh terhadap kaidah, etika dan norma-norma penulisan sesuai dengan ketentuan yang berlaku.

2. Bahwa saya menjamin hasil karya ilmiah ini adalah benar-benar bebas dari unsur-unsur yang dapat dikategorikan sebagai perbuatan plagiarisme.
3. Bahwa meskipun secara prinsip hak milik karya ilmiah ini adalah pada saya, namun untuk kepentingan yang bersifat akademik dan pengembangannya saya memberikan kewenangan kepada Perpustakaan Fakultas Hukum UII untuk mempergunakan karya ilmiah saya ini.

Selanjutnya berkaitan dengan hal di atas saya anggap menerima sanksi baik administratif, akademik ataupun pidana, jika saya terbukti secara akurat telah melakukan perbuatan yang menyimpang dari pernyataan tersebut. Saya akan bersifat kooperatif untuk hadir, menjawab membuktikan, dan melakukan pembelaan terhadap hak-hak saya serta mendatangi Berita Acara terkait yang menjadi hak dan kewajiban saya, di depan Majelis atau Tim FH UII yang ditunjuk oleh pimpinan fakultas, apabila tanda-tanda plagiat disinyalir terjadi pada karya ilmiah saya ini.

Demikian jasmani dan rohani, dengan sadar serta tidak ada tekanan dalam bentuk apapun dan siapapun.

Yogyakarta, 16 Februari 2021

Yang membuat pernyataan,



Nadia Anindita

CURRICULUM VITAE

1. Nama : Nadia Anindita
2. Place of Birth : Yogyakarta
3. Date of Birth : May 6, 1997
4. Gender : Female
5. Email : nadianindita06@gmail.com
6. Parent Identity
 - a. Father : Ir. Herno S
Occupation : BUMN
 - b. Mother : Yunita
Occupation : BUMN
7. Education
 - a. Elementary School : SD N Purworejo
 - b. Junior High School : SMP N 1 Purworejo
 - c. Senior High School : SMA N 6 Purworejo
 - d. College : International Program, Faculty of Law,

Universitas Islam Indonesia

8. Organization Experience

- a. Member of Judicial Council of International Program Faculty of Law.
- b. Secretary of FORUM ANAK KABUPATEN PURWOREJO
- c. Member of Inspirator Muda Purworejo.

9. Internship

- a. Embassy of Republic Indonesia Bandar Seri Beagwan, Brunei Darussalam.

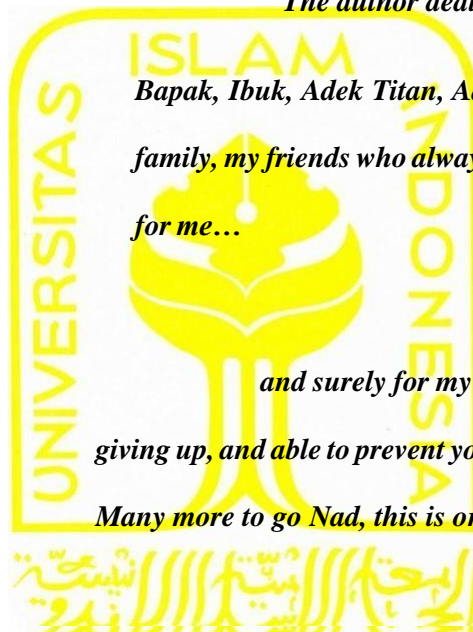
MOTTO



DEDICATION

With gratitude to Allah S.W.T.,

The author dedicates this thesis to:



Bapak, Ibuk, Adek Titan, Adek Dito and all of my family, my friends who always support me and pray for me...

and surely for my self, thank you for not giving up, and able to prevent yourself from negativity.

Many more to go Nad, this is only your

beginning, cheerup!

Lastly, for all of my best friends wherever you are, thank you for your support, inspiration and prayer for me, eventhough we are all separated by Covid-19..

ACKNOWLEDGEMENT

Bismillahirrahmaanirahiim Assalamualaikum

Wr.Wb.

First, I want to thank to Allah S.W.T., who has given me love, strength and bless, and by that I can finish this Thesis, that entitled as:

“ PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON-PERFORMING LOANS ”

Without His grace and help, none of this will ever happen.

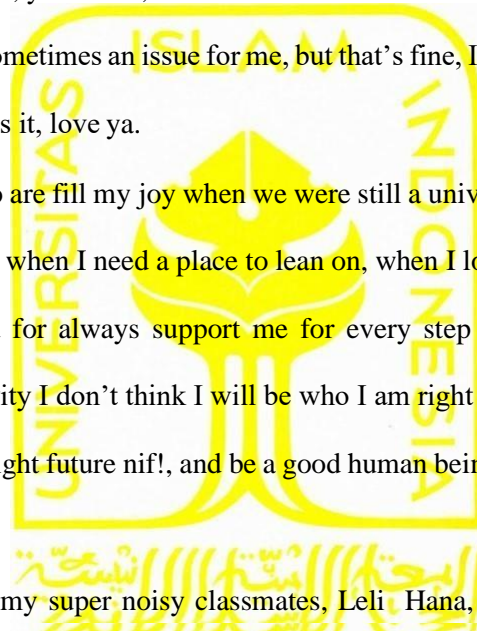
I am just an ordinary human that could not make something as perfect as what Allah did, this thesis is far from what is called as perfect, but I have complete it with full of my dedication and strength, so I could receive my bachelor degree and raise honor to my family. Then, by that, all grateful and thanks are belong to:

1. **Mr. Fathul Wahid, S.T., M.Sc., Ph. D,** as the Rector of Universitas Islam Indonesia, for the permission to write this thesis.
2. **Prof. Mr. Dr. Abdul Jamil, S.H., M.H.,** as the Dean of Faculty of Law, Universitas Islam Indonesia, for the permission to write this thesis.
3. **Mr. Dodik Nur Heryanto, S.H., M.H., LL.M., Ph.D.,** as the Secretary of International Program Faculty of Law Universitas Islam Indonesia, thank you for always try to be there when your students need you, and thank you for your dedications to improve the quality of International Program Class.

4. **Mr. Lucky Suryo Wicaksono, S.H, M.Kn, M.H.** , thank you for guide me when I need some suggestions and when I will do competitions, thank you for all your love and patience when you teach your students, and you are more than a lecture for me and my friends, you are our mother in IP FH UII, thank you.
5. **Mrs. Ima Dyah Savitri, S.S, M.A.** , as my thesis supervisor. Thank you for always guide me on the process of making my thesis, thank you for all of your patience when you teach your students, and last thank you for introduce me with the International Trade Law.
6. **Ibu**, a.k.a Momss, my key to Allah blessing. The door to His *Jannah*. No words or action of thank will ever be sufficient to give. The one who give endless prayers to Allah in every of her *Shalat*. The one who never tired to remind me to *Shalat*, read *Qur'an*, and share to others who need. My best friend at home or everywhere we go, who always laugh with me and be there for me. May Allah give you long and healthy life so I can show you that I will be a success human, not only in the matter of world, but also *akhirat*. Nothing in this world can repay your sacrifice, but I hope I can bring joy and happiness in your life.
7. **Bapak**, as the first man who loves me fully and unconditionally, the one who makes me feel safe and protected. The one who fights with full of his sweats

to make my family live on easy street. Thank you for all of your support and wishes, without you I will not be able to stand alone by myself, even you know that your daughter already in her 23s, you still hold her like she does not know how cruel and hard this world is. May Allah always gives health, wealth, and happiness in your life *aamiin*.

8. **My brother**, even you are super annoying person, but I know that you also love me unconditionally, haha! Thank you for make me feel accompanied when there is no one that I can meet, well, you know, COVID-19. I'm blessed because I have brother, even his personality is sometimes an issue for me, but that's fine, I know that is how siblings life, lol, okay, that's it, love ya.
9. **Hanif**, the one who are fill my joy when we were still a university student! Thank you for always be there when I need a place to lean on, when I lost, and when I was in my lowest. Thank you for always support me for every step that I took, without that support and positivity I don't think I will be who I am right now. Thankyou! Last but not least, have a bright future nif!, and be a good human being as what you always ask me to do!
10. **IP Class of 2016**, my super noisy classmates, Leli Hana, Hima, Dana, Reff, Siraj, Mas Oscar, Dani, and all of members of ip class of 2016. Thanks for all the years we've been through as a university student, I'm blessed for having smart, funny, and silly classmates, sheesh, I miss that moment already. I hope we will be able to see each other



again as a successful human being. And guys, have a long life full with happiness, and joys, where ever you will go, see you again!

11. **My Bestie, Bella, Gusta, Dyta, Ika, Hana, Vienna, Aini.** Thank you, for every counseling that we've been made, it makes me able to share my sadness and happiness. Thank you for being my best friend since we were such a pure little teenagers. Even we do not hanging out often, I wish our friendship will last longer. And then, for all the dirty jokes, support and wishes, thank you. You guys mean a lot to me!
12. To Pakdhe Adri, Bu Agatha, Pak Frans, Thank you for your suggestion and help Nadia to get data for Nadia Thesis.
13. To everyone who contributes on my journey when I was an undergraduate students.

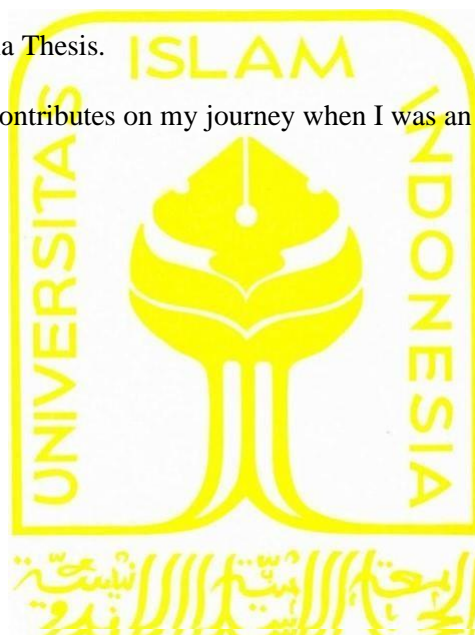


TABLE OF CONTENTS

TITLE PAGE.....ii

SUBMISSION PAGE.....iii

APPOVAL PAGE.....iv

ENDORSEMENT PAGE.....vi

ORIGINALITY STATEMENT.....vii

CURRICULLUM VITAE.....ix

MOTOO.....x

DECICATION.....xi

ACKNOWLEDGEMENT.....xi

TABLE OF CONTECT.....1

ABSTRACT..... 5

CHAPTER I 6

INTRODUCTION..... 6

A. BACKGROUND OF STUDY 6

B. PROBLEM FORMULATION..... 15

C. PURPOSE OF STUDY 15

D. TERMS AND DEFINITION..... 15

E. RESEARCH ORIGINALITY	16
F. LITERATURE REVIEW	20
1. Banking Law Review	20
2. Definition and Elements Credit	22
3. Non Performing Loans	24
G. RESEARCH METHODOLOGY	25
a. Type of Research	26
b. Research Focus	26
c. Source of Data	27
d. Method of Collecting Data	28
e. Research Approach	29
f. Processing Data Analysis	29
CHAPTER II	30
GENERAL OVERVIEW OF PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON-PERFORMING LOANS	27
.....	30
A. Definition of Bank	30
B. Definition of Credit	31
C. Purpose and Benefits of Credit	32

D. Credit Application Procedures	35
E. Credit Analysis	37
F. Application of Prudential Principle in Financing	41
G. Credit Decisions	46
H. Credit Risk and Credit Analysis.....	47
I. Non Performing Loans	50
J. Impact of Non-performing Loans.....	52
K. Non Performance Loans Settlement Efforts.....	53
L. The perspective of Islamic Law towards Non-Performance Loans.....	56
CHAPTER III	59
PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON- PERFORMING LOANS	53
A. IMPLEMENTATION OF PRUDENTIAL PRINCIPLE IN CREDIT PROCESS AT BPR SHINTA DAYA YOGYAKARTA.	59
B. LEGAL STEPS TAKEN TO SETTLING NON PERFORMING LOANS IN BPR SHINTA DAYA YOGYAKARTA	77
CHAPTER IV.....	88
CONCLUSION AND RECOMMENDATION	88
A. CONCLUSION.....	88

B. RECOMMENDATION 89

REFERENCE 89

ABSTRACT

This research examined the Settlement of Non Performance Loans through Prudential principle at BPR Shinta Daya, Yogyakarta. This research was a normative research by conducting literature studies through collecting articles, documents and interview results. The data was analyzed by qualitative method. It was conducted by describing the data from BPR Shinta Daya, law, and experts opinion. The result of BPR Shinta Daya showed that in applying the Prudential Principle in financing that had done well. The problem of Non Performance Loans was overcome at BPR Shinta Daya. It had a non-performing loan handling procedure with collectibility as followed; 1 Substandard, namely providing guidance and collection to debtors, making bills, summons, and warning letters to debtors, settlement of other asset sales, carrying out rescue follow-ups (credit restructuring) and; 2. Doubtful and Bad, namely providing guidance and collection to debtors, making bills, summons, and warning letters to debtors, settlement of other asset sales, carrying out follow-up actions to rescue credit restructuring, preparing credit settlement strategies, settlement through legal channels/auction, proposing write-offs.

Keywords : Non Performance Loans, Prudential Principle, BPR Shinta Daya Yogyakarta.

CHAPTER I

INTRODUCTION

A. BACKGROUND OF STUDY

Banking as a business entity in the financial sector has various services that can be used by service users. Banks are periodically required to make financial reports to be able to know the level of finances owned and the financial condition of the bank.¹ The function of banks are financial institutions and is an economic power that is worked based on trust in the bank's operational activities also collecting funds from the community in the form deposits and redistributing funds mentioned to the community.²

The role of the bank, in this case, is facilitating credit for productive business with demography which can reduce dependence on Bank Indonesia liquidity credit. Therefore, banks are demanded to be able to play a role as public funds raised through savings, deposits, and current accounts. Community funds are channeled to financing productive activities. Credit facilities are provided by the bank for productive businesses such as small businesses in increasing business opportunities. Also expanding employment by providing credit to several

¹<https://ejournal.unsrat.ac.id/index.php/emba/article/view/9535>, ANALISIS LAPORAN KEUANGAN DALAM MENGUKUR KINERJA KEUANGAN PADA PT. BANK ARTHA GRAHA INTERNASIONAL, TBK, *Melissa Olivia Tanor, Harijanto Sabijono, Stanley Kho Walandouw*, accessed on Monday December 17th 2019, at 05.55 pm.

²<https://ejournal.unisnu.ac.id/JDPT/article/view/200> ,PREDIKSI KREDIT MACET MELALUI PERILAKU NASABAH PADA KOPERASI SIMPAN PINJAM DENGAN MENGGUNAKAN METODE ALGORITMA KLASIFIKASI C4.5, *Adi Sucipto*, accessed on Monday December 17th 2019, at 06.18 pm.

sectors of the economy, the bank is smoothing the flow of goods and services from producers to costumers. Banks are suppliers of some of the money in circulation that is used as a medium of exchange or payment tool.

Definition of credit according to Banking Law Number 10 of 1998 was the provision of money or equivalent bills, based on a loan agreement between banks and other parties that required the borrower to repay a debt after a certain period with interest.³ The term credit came from the Greek “Credere” which means trust, therefore the basis of credit is trust. People or all agencies that gave credit (creditors) believed that the recipient of credit (the debtor) in the future will be able to fulfill everything that has been promised which can be in the form of goods, money, or services.⁴ Loans provided by banks could be defined as the provision of money or bills that can be likewise to it, based on loan agreement between banks and other parties that required the borrowing party to repay the debt after a certain period with the amount of interest, compensation or profit-sharing.⁵ The element contained in the granting of credit facilities are as follows⁶ :

1. Trust

Trust is a belief in the credit provider to be given truly received in the future according to the credit period. The bank gives trust based on why credit can be channelled.

2. Compliance

³ Law Number 10 of 1998 of Banking Law.

⁴ Thomas Suyatno and friends, *Kelembagaan Perbankan*, Gramedia Pustaka Utama, Jakarta, 1998, page 12.

⁵Taswan, “Analisis Pengaruh Insider Ownership, Kebijakan Hutang Dan Dividen Terhadap Nilai Perusahaan Serta Faktor -Faktor Yang Mempengaruhinya”, *Jurnal Bisnis Dan Ekonomi*, No. 2 Vol. 10, 2003, page 163.

⁶Al Haryono Jusup, *Dasar -Dasar Akuntansi, Jilid I*, Sixth Edition, STIE YKPN, Yogyakarta, 2001, page 10.

Agreement in a contract that each party (the creditor and the recipient of the credit) signs their respective rights and obligations. The agreement is in a credit contract and signed by both parties before the credit is disbursed.

3. Duration

From a mutually agreed period regarding the provision of credit by bank and repayment of credit by the debtor customer.

4. Risk

Bad risk can be avoided by credit contract, before the contract has been made on the collateral and charged to the debtor or borrower customer.

5. Achievements

Based on the nature of its usefulness, credit is divided into Working Capital Credit, Investment Credits, and Consumptive Credit. Working Capital Credits are loans whose purpose are used as working capital or business activities, both to begin a business and expand the business. Investment Credit is a type of credit used for investing activities.⁷

Consumptive credit is a credit use for personal consumption. In this credit, there is no increase in goods and services produced consumption, or use. In this credit, there is no increase in goods and services produced because it is indeed to be used by a person or entity.⁸ Type of consumer credit, for instance, housing loans, vehicle ownership loans, credit cards, and customer loans. The credit contract includes the right and obligations of each party, including the period and interest set together. Likewise, the issue of

⁷Bayu, "7 Jenis Kredit Beserta Pengelompokannya", <https://dosenekonomi.com/ilmu-ekonomi/kredit/jenis-jenis-kredit>, accessed on Monday, October 14th 2019, at 11.25 am.

⁸Kasmir, *Bank dan Lembaga Keuangan Lainnya*, 2008 Revised Edition, Rajagrafindo Persada, Jakarta, 2008, page 76-79.

sanctions if the debtor breaks a promise to the agreement that has been together.⁹ In granting this credit, banks must be able to bear a high enough risk. Therefore, before credit is given, to ensure that the customer is truly trustworthy, the first step in conducting a credit analysis. This credit analysis includes the background of the customer or company, business prospects, guarantees provided, and other factors.

The purpose of credit guarantees are to give banks the right and power to get repayment from collateral if the debtors fail to pay, namely to repay the debt at that time which has been stipulated in the contract, guarantees that the debtors participate in transactions to finance his business so that the possibility of leaving his business or project at the expense of himself or his company can be prevented or at least the possibility to do so can be minimized, and encouraged the debtor to fulfil his promise, especially regarding repayment is following the agreed terms so that the debtor and/or third party who participate in guaranteeing not to lose the collateralized property to bank.¹⁰

Credit guarantees provided by the debtor to the bank is only an addition, especially to protect non-performing loans due to a disaster. Therefore, in granting credit, banks must pay attention to the principles of correct credit. This confidence is obtained from the credit assessment result before the credit is distributed. Credit assessments by banks can be carried out with various principles to gain confidence about the debtor.¹¹

⁹Yulistina Melinda, *Sistem dan Prosedur Pemberian Kredit Konsumtif pada PT. BRI (Persero) Tbk Cabang Samarinda, Jilid 1, Edisi 6*, Fakultas Ekonomi Universitas 17 Agustus 1945 Samarinda, 2017, page. 3.

¹⁰Christine S.T.Kansil, *Pokok-pokok Pengetahuan Hukum Dagang Indonesia*, Sinar Grafika, Jakarta, 2002, page 320.

¹¹ Kasmir, *Manajemen Perbankan*, Rajagrafindo Persada, Jakarta, 2000, page 91.

Banks have NPL (Non-Performing Loans), that means there is a problem with credit at the bank. NPL's are hampered in matters of providing credit.¹² From the member of the debtors, there must be a problem with credit payment or NPL. Quotes from Bank Indonesia (BI) "nonperforming loans or NPL's are loans with substandard, doubtful, and bad quality loans."

This substandard, doubtful, and bad quality are the result of the assessment of credit collectability. The assessment can be seen and obtained by debtor's credit collectibility data which is collected and shared between banks or lending companies. The collectability information collected should be used as a material for consideration by banks or lending companies to decide whether the perspective of the debtor is worthy of a loan or not. Nonperforming loans (NPLs) is important because they reflect the credit quality of the loan portfolio of banks, and in aggregate terms, reflect the credit quality.

Non Performing Loans that are commonly used were NPL's, which was adjusted NPL's. The assessment of the quality of the asset itself is related to the bank's assets and the adequacy of credit risk management. This means that NPL is a problem at the bank, which if not immediately addressed, would harm the bank itself. According to Bank Indonesia Regulation No. 6 / 10 / PBI / 2004 concerning the rating system for commercial banks, stipulated that the ratio of problem loans (NPL) was 5%/ the higher the NPL (above 5%), the bank can be said to be unhealthy because as we alluded to, the high NPL would cause a decrease in profits to be received by the bank.¹³

¹²<https://media.neliti.com/media/publications/71800-ID-none.pdf> , ANALISIS KREDIT MACET (PT. BANK SULUT, TBK DI MANADO) Fransisca Claudya Mewoh Harry J Sumampouw Lucky F Tamengkel, accessed on Monday October 14th 2019, at 10.09 am.

¹³ <https://www.simulasikredit.com/apa-itu-npl-non-performing-loan/>, accessed on Wednesday, December 27th 2020, at 8.36pm.

Credit at the development direct its function to for both sides parties to help each other for achievement purposes needs, both in the field both business and necessity daily. A credit achieve its function if good for debtors, creditors,nor society brings influence at the stages better, meaning all parties can enjoy the benefits of the credit. Implement a partnership between bank clerk with its customers and for the creation of a banking system which is healthy, then giving credit to the public is necessary based on several general principles banking is a principle trust (fuduciary relation principle), the prudential principle, the principle of confidentiality(secretcy principle), principle know the customer (know how customer principle). Fourth general principles have been be the main foundation by the bank is in the running business activities.¹⁴

In carrying out activities the credit business, banking is represented by bank officials provide service products and or services credit to the community. As for the definition of an official bank according to Article 1 number 5 Bank Indonesia Regulation No. 11/19 / PBI / 2009 of 2009 about Management Certification Risks for Management and Commercial Bank Officers (as amended by Bank Indonesia Regulation No. 12/7 / PBI / 2010 of 2010 which defines: "Official a bank is a bank employee occupy the position below directors according to size and business complexity, including bank clerks have influence over policy and or operational bank.". The accuracy of the bank officials themselves is very plays an important role in implementation of business activities this credit because it can be influential in giving credit, which is often a problem inside general principles are be the main foundation for banks in providing credit. One case in point Lack of research done by AO BPR Shinta Daya Yogyakarta against the prudential principle occurs at BPR Shinta Daya Yogyakarta to one of

¹⁴ Neni Sri Imaniyati, Pengantar Hukum Perbankan Indonesia, (Bandung : PT Refika Aditama, 2010), halaman, 16.

the “X” debtors, the debtor applies for credit at BPR Shinta Daya by falsifying data, namely by using someone else's home address as one of the assets of the debtor. In this case, the debtor has collaborated with other people and coordinated with the people who live near (neighbors) the owner of the house. BPR Shinta Daya Yogyakarta AO team in this case, there was a lack of thoroughness in checking the data from the debtor and responsibility for verify, confirmation of the truth and validity above data / documents. The debtor Given that in conduct business activities at banking sector, bank represented by bank officials in carrying out activities banking business, then bank have a responsibility against all that action carried out by bank officials along the way according to the orders and authority owned by bank officials, but on the other hand, bank officials also have personal responsibility for his actions are outside the provisions and orders his duties.

Currently, lending in DIY (Daerah Istimewa Yogyakarta) has reached a target of more than 80 percent in 2017. Therefore, the distribution of these funds was considered good. This showed that the credit rate in Yogyakarta was quite high, besides that the most common credit agency in Yogyakarta that provided consumer credit services was the Bank Perkreditan Rakyat (BPR), Yogyakarta. While, in the business of lending the risk of failure or congestion of repayment, in this case, the customer was no longer able to repay his credit. As of 2010, the number of nonperforming loans cases in Yogyakarta had reached a loss of 12 billion Rupiah.¹⁵

One of the BPRs in Yogyakarta, for instance, is BPR Shinta Daya, which is one of the largest BPR in Yogyakarta. PT. BPR Shita Daya was established 40 years ago, precisely established officially in 1970, in Kalasan, Sleman, Yogyakarta. For 40 years it had been part

¹⁵*National Kredit Macet* <https://nasional.tempo.co/read/246925/kredit-macet-di-bank-jogja-sebesar-rp-12-miliar/full&view=ok> , accessed on Monday October 14th 2019, at 11.21 am.

of the dynamics of the economy in the Special Region of Yogyakarta, through a variety of competitive easy, and innovative service products and supported by infrastructure adequate, which is now growing and developing in banking services, and encouraging economic growth in the community, one of the which also provides credit services.¹⁶ Therefore as an initial description of BPR Shinta Daya, Yogyakarta through its credit report showed the development of credit distribution at BPR Shinta Daya, Yogyakarta.

Table 1.1 Data on Development of Credit Distribution at BPR Shinta Daya, Yogyakarta in 2015 – 2018.

	2015	2016	2017	2018
KOL LANCAR	94,71%	95,41%	95,98%	94,31%
NPL GROSS	5,29%	4,59%	4,02%	5,67%
	100,00%	100,00%	100,00%	100,00%

Source: BPR Shinta Daya, Yogyakarta, 2019.

Based on the data table 1.1, it is known that landing at BPR Shinta Daya increased and decreased. Increasing from 2015 to 2017, but in 2018 it went through decreased. From the total amount of data, there is several reasons why Non-Performing Loan BPR Shinta Daya had increased, among some customers had problems in returning credit. Reducing the risk of Non Performing Loans can be sought by examining the factors that cause Non-Performing Loans. The increase in Non-Performing Loans is the basis for factors affecting Non-Performing Loans at BPR Shinta Daya, Yogyakarta.

¹⁶ <http://www.bpr-shintadaya.co.id/sejarah/>, accessed on Thursday, October 31th 2019, at 08.53pm.

In reality, the practice of banking business activities has attempted to conduct lending activities strictly and carefully with the community various criteria for debtors (borrowers) and principles that becomes guidelines and provisions also internal policies of banking which is quite comprehensive and strict but not small found and Non-Performing Loan occurred. Principle 5C, namely Character, Capital, Capacity, Collateral, and the economic condition have become a benchmark in providing credit facilities channeled by banks but cannot prevent even one bank from the problem of Non Performance.¹⁷

It would be an interesting thing to discuss further related to nonperforming loans in this study, because of the increasing numbers of nonperforming loans cases in Yogyakarta and whether it is following the provisions on granting and resolving Non Performing Loans and how to apply the prudential principle. The writer feels the need to discuss further related to nonperforming loans. Therefore, the writer purposes the title of research entitle “Prudential Principle And The Legal Steps Were Taken By Bank Perkreditan Rakyat Shinta Daya Yogyakarta In Settling Non-Performing Loans

.”

¹⁷<http://202.4.186.66/kanun/article/view/6600> , **Penyelesaian Kredit Macet Bank Melalui Parate Eksekusi**, *Chadijah Rizki Lestari*, accessed on Monday, December 31th 2019bat 12.37 pm.

B. PROBLEM FORMULATION

1. How is the prudential principle applied to the credit process at BPR Shinta Daya, Yogyakarta?
2. What are the legal steps were taken by BPR Shinta Daya, Yogyakarta in settling non-performing loans?

C. PURPOSE OF STUDY

The purposes of the study are:

- a. To understand how to apply the principle of prudential is applied to the Non Performance Loans process at BPR Shinta Daya, Yogyakarta.
- b. To find out more about the legal steps were taken by BPR Shinta Daya, Yogyakarta in the case of nonperforming loans.

D. TERMS AND DEFINITION

The terms which specifically become the notion of this research are:

1. Credit: The provision of money or bills which can be equaled, based on the agreement or loan agreement from the bank with another party that requires the borrower to pay off after a certain period with the interested provider.¹⁸
2. Bank: A business entity that collects funds from the public in the form of deposits and distributes them to the community in the form of credit and or other forms to improve the living cost of many people.¹⁹

¹⁸ Article 1 (11) of Law number 10 of 1998 of Banking Law.

¹⁹ Law number 10 of 1998 of Banking Law.

3. NPL (Non-Performing Loan): A condition of financing where there is a deviation of the agreed terms of lending in the financing, therefore that is a delay, a juridical action is needed, or a potential loss is suspected. In the financing portfolio, problematic financing is still the principle management, because the risk and loss factor to the risk asset will affect health.²⁰ Non Performing Loans can also be interpreted as loans classified as substandard loans doubtful credit, and nonperforming loans.²¹
4. Prudential Principle: One principle that confirms that banks in carrying out business activities in the collection especially in the distribution of funds to the public must be careful. The purpose of this prudential principle is that the bank is always in a state of healthy conduct of its business properly and complies with the provisions and legal norms that apply in the banking world.²²

E. RESEARCH ORIGINALITY

NO	TITLE AND AUTHOR	DIFFERENTIATION	
		AUTHOR	RESEARCHER
1.	Case Study of Problem Credit Analysis at Cinderaras Tumangkar Credit Union TP 02 Lorejo,	This study used a problematic nonperforming loans report with a cut off	The researcher used NPL reports at BPR Shinta Daya, Yogyakarta.

²⁰ Veithzal Riai and friends, *Islamic Financial Management*, PT. RajaGrafindo Persada, Jakarta, 2008, page 146.

²¹ Iswi Hariyani, *Restrukturisasi & Penghapusan Kredit Macet*, PT. Elex Media Komputindo, Jakarta, 2010, page 35.

²²http://www.ercolaw.com/index.php?option=com_content&view=article&id=57:mengenal-perjanjian-kredit&catid=25:the-project&Itemid=50, accessed on Wednesday, October 23th 2019, at 06.36 pm.

	by Cecilia Dian (article in a thesis). ²³	regarding installment arrears at Loreto.	
2.	<i>Analysis Non-Performing Loans (PT. BANK SULUT, TBK AT MANADO)</i> , by Fransisca Claudia Mewoh, Harry J Sumampow, Lucky F Tamengkel (article in the journal). ²⁴	This article only focused on factors that cause a Non-Performing Loan at PT Bank Sulut.	This research focused on “what are legal steps taken at BPR Shinta Daya, Yogyakarta in the case of nonperforming loans.”
3.	Non-Performing Loans Analysis at Bank Riau Pekanbaru, by Riki Hamdani (article in Thesis). ²⁵	In this research to what factors were causing nonperforming loans to Bank Riau and to find out the strategy taken by Bank Riau in overcoming nonperforming loans.	The researcher focused on to understand how to apply the principle of Prudential to the nonperforming loans process and to find out more about the legal steps were taken by

²³<https://www.neliti.com/publications/132377/analisis-faktor-faktor-yang-mempengaruhi-kredit-macet-dana-bergulir-di-pnpm-mand>, Analisis Faktor – Faktor Yang Mempengaruhi Kredit Macet Dana Bergulir Di PNP Mandiri Perdesaan Kecamatan Guntur Kabupaten Demak, Diah Yuliana , accessed on Wednesday, October 23th 2019, at 07.12 pm.

²⁴<https://media.neliti.com/media/publications/71800-ID-none.pdf>, ANALISIS KREDIT MACET (PT. BANK SULUT, TBK DI MANADO) Fransisca Claudya Mewoh Harry J Sumampouw Lucky F Tamengkel accessed on Wednesday, October 23th 2019, at 07.41 pm.

²⁵<http://www.jurnal.manuncen.ac.id/index.php/jmb/article/view/16> , , Kredit Macet, NPL dan Pengaruhnya terhadap Kinerja Perusahaan pada Perusahaan Pembiayaan ,Achmad Fauzi, accessed on Wednesday, October 23th 2019, at 08.16 pm.

			BPR Shinta Daya, Yogyakarta.
4.	Jurnal settlement of problem credits in Jakarta Bank branch Solo through nonlitigation by Yohanes Benny Apriyanto. ²⁶	The author explained the factors that cause the Jakarta Bank branch Solo to choose the nonlitigation in resolving the problem.	Researcher explained whether the factors that cause Non-Performing Loans and whether they would following applicable legal measures either through litigation or nonlitigation.
5.	Application of the Prudential Principle in granting people's business loans (case study: Provision of people's business loans through credit agreements between PT A dan Bank Z, by Amanah Rahmatika	The author researched the application of the prudential principle in the granting of PT. A and PT.Z.	The researcher studied the application of the prudential principle in the provision of Non-Performing Loan BPR Shinya Daya, Yogyakarta.

²⁶<http://e-journal.uajy.ac.id/7981/1/JURNAL.pdf8>, PENYELESAIAN KREDIT BERMASALAH PADA BANK DKI JAKARTA CABANG SOLO MELALUI JALUR NON LITIGASI. Apriyanto, Yohanes Benny, accessed on Monday, December 31th 2019 at 12.43 pm.

	(article in Thesis Indonesia University). ²⁷		
--	---	--	--

The differences between researcher compare with the other are the first on the Case Study of Problem Credit Analysis at Cinderalas Tumangkar Credit Union TP 02 Lorejo, by Cecilia Dian. In this study author used a problem about the Non-Performance Loan report with a cut off regarding installment area at Lorejo, meanwhile, the researcher used Non-Performance Loan reports at BPR Shinta Daya, Yogyakarta. The second was Analysis Non Performance Loans (PT. BANK SULUT, TBK AT MANADO), by Fransisca Claudia Mewoh, Harry J Sumampow, Lucky F Tamengkel. This study only focused on factors that cause a Non-Performing Loan at PT. Bank Sulut, meanwhile, the researcher in this study focused on “What are legal steps taken at BPR Shinta Daya, Yogyakarta. The third was Non-Performing Loan analysis at Bank Riau Pekanbaru, by Riki Hamdani. The author in this research desired to find out the strategy taken by Bank Riau in overcoming Non-Performing Loan. Meanwhile researcher in this study focused to understand how to apply the prudential principle to the Non-Performing Loan process and to find out more about the legal steps by BPR Shinta Daya, Yogyakarta.

The author in this study explained the factors that cause the Jakarta Bank branch Solo to choose the nonlitigation in resolving the problem. Meanwhile, the researcher explained whether the factors that caused Non Performing Loans and whether they were following applicable legal measures either through litigation or nonlitigation.

²⁷<http://journal.iain-manado.ac.id/index.php/JIS/article/view/234> , **UPAYA PENYELESAIAN KREDIT MACET**, *Nenden Herawati Suleman*, accessed on Monday 30th 2019 at 1.23.

The Application of the Prudential Principle in granting people's business loans (case study: Provision of people's business loans through credit agreement between PT A and PT Z, by Amanah Rahmatika (article in Thesis Indonesia University). The author researched on the application of the prudential principle in the granting of PT A and PT Z. Meanwhile the researcher studied the application of the prudential principle in the provision of a Non-Performing Loan at BPR Shinta Daya, Yogyakarta.

F. LITERATURE REVIEW

1. Banking Law Review

Banking law is a set of legal regulations that regulates the activities of bank financial institutions that covers all aspects, in terms of essence, and their existence, also their relationship with other aspects of life.²⁸ Development in the economic aspect is almost done, but not all the aspects for instance in the legal aspect. The elements of banking law included²⁹ :

- a. The basics of banking, which is related to the principles of banking activities such as the norm of efficiency, effectiveness, bank health, the professionalism of banking players, the intent and purpose of banking institutions, and the relationship of rights and obligations.
- b. The legal position of actors in the banking sector such as the board of commissioners, directors, employees, affiliates parties, and bank ownership forms.

²⁸<https://ejournal.unsrat.ac.id/index.php/emba/article/view/2297>, **TINGKAT SUKU BUNGA PINJAMAN DAN KREDIT MACET PENGARUHNYA TERHADAP PERMINTAAN KREDIT UMKM DI INDONESIA**, *Gently Kaunang*, accessed on Monday October 14th 2019, at 08.01 am.

²⁹Hasanuddin Rahman, *Aspek Hukum Pemberian Kredit Perbankan Indonesia*, PT. Citra Aditya Bakti, Bandung, 1998, page. 2-3.

- c. Banking rules that specifically show on public interest such as preventing unnatural competition, distrust customer protection, and others.
- d. Rules relating to organizational structure, which support the government's economic and monetary policies, such as the central bank.
- e. The rules lead to economic life in the form of a legal basis to realize the goals to be achieved through the establishment of sanctions, incentives, and so on.
- f. The legal regulation are related to each other, not independent, bound in a single unit.

The source of banking law was where legal and statutory provisions governing the banking sector were found therefore the legal provisions that was still valid. The legal source consisted of formal and material legal sources. Legal sources in the formal sense were events concerning the emergence of applicable law or regulation that could bind judges and residents of the community, while the understanding of material legal sources from legal science, in general, laws, customs, jurisprudence, treaties, and doctrine.³⁰

In implementing partnerships between banks and customers for the creation of a good banking system, banking activities was based on several legal principles, namely³¹ :

³⁰Christine S.T Kansil, *Pengantar Ilmu Hukum dan Tata Hukum Indonesia*, Balai Pustaka, Jakarta, 1989, page. 46

³¹<https://www.kompasiana.com/rizkykarokaro/56307b13c823bd5811780040/4-empat-prinsip-dalam-mengelola-perbankan?page=all> , accessed on Monday October 14th 2019, at 12.33 am.

- a. Principle of economic democracy that Indonesian banking in carrying out its business was based on economic democracy based on Pancasila and The 1945 Constitution.
- b. Trust Principle (fiduciary principle) that banks in running a business were based on trust relationships between banks and customers.
- c. The principle of confidentiality, according to the norms of the banking world, must be kept confidential.
- d. The precautionary principle that meant bank carry out their functions and business activities must apply the prudential principle to protect the public funds entrusted to them.

Through the Banking Law Number 10 of 1998, banking institutions was organized in a simpler structure into two types of bank, namely³² :

- a. Commercial Banks was Banks that carried out conventional business activities and/or based on Sharia Principles which in their activities provide services in payment traffic.
- b. Rural Banks was Banks that carried out business activities conventionally or baes on Sharia Principles which in their activities do not provide services in payment traffic.

2. Definition and Elements Credit

³² Banking Law Number 10 of 1998

Credit originally came from the Latin language “Credere / Credo” which meant trust. Trust is seen as an element that must be held as a common thread across the philosophy of credit in the true sense, how its shape, type, and variety and whatever its origin and to anyone is given.³³ In granting credit, there was related parties, namely the lender and the recipient of credit, where credit were given when someone gave money, goods, or services to others and remuneration was held in the future. This meant that credit is the ability to obtain goods or services by giving a promise to pay for it in cash or good when payment is requested on a certain day in the future. Sinunggan interpreted credits as follows “Credit is trust in that it leads if there is an approach between the lender and the recipient of the credit to generate trust then the lender (the bank) needs to first examine what, how and who is the prospective recipient of credit?”.

A more appropriate definition of credit for banking activities was formulated. In the Banking Act Number 7 of 1992, namely credit was the provision of money or bills that could be equated based on the agreement or contract between a bank and other parties that require the borrower to repay the debt after a certain period with the amount of interest, compensation or profit-sharing.³⁴ In the principle of credit, it meant that credit is money, where the money is lent by banks to customers and would be developed at a certain time in the future accompanied by interest expenses that must be met.

³³ <https://www.finansialku.com/definisi-kredit/>, accessed on Monday October 14th 2019, at 12.08 am

³⁴ Banking Act. No.7 of 1992

The elements that had to be considered by banks in granting credit consist of the following:³⁵

- a. Trust is the most important element in the credit process. Lending is based on trust between the lender and the recipient of the credit.
- b. Time Associated with a period that separates the achievement and contra achievement in future
- c. Degrees of Risk that would be faced as a result of a period that separated the performance of the contra, performance that would be received in the future
- d. Performance was an object of credit not only given, but Sinunggan said that “Besides the mentioned above credit is needed in every economic activity of the community”. Sometimes some experts say that “no one of the world’s business ventures is free of credit”. Therefore, Credit is a very dominant factor in helping the smooth operation of trade, finance, and so on.

3. Non Performing Loans

- a. Non-Performing Loans was one of the financings that there were the deviation of the loan terms agreed in repayments that must be delayed, required juridical action, or what is needed is the potential for loss. In the financing portfolio, the non-performing loans was still the principal collateral, because the risk and the factors for the risk assets would affect bank health.³⁶ Non

³⁵ <https://www.akuntansilengkap.com/keuangan/5-unsur-unsur-kredit-perbankan/>, accessed on Monday October 14th 2019, at 09.09 am

³⁶ Veithzal Rivai, dkk, *Islamic Financial Management*, page 146.

Performing Loans could also be interpreted as loans classified as substandard loans, doubtful loans, and nonperforming loans.³⁷

b. Factors causing non performing loans was, the first from the banking side, meant that in conducting analysis was less thorough, so what should have happened, was not predicted in advance or might be wrong in doing calculations, also could occur due to collusion from the credit analysis with the debtor so that the analysis was done subjectively. The second factor from the bank customer, there was an element of intent. In this case, the customer was intentionally not paying his obligations to the bank, therefore the credit provided was bad. It could be considered an element of willingness to pay, also there is an accidental element meant that the debtor was willing to pay but is unable to pay the credit. For instance, loans financed suffered disasters such as fire, pests, flooding, and so on. Therefore, there was no ability to pay creditors.

In the case of nonperforming loans, the bank needed to conduct bank rescue, therefore it would not cause losses. The rescue was carried out whether by providing relief in the form of a period or installments, especially for loans affected by disaster or confiscation of loans that was intentionally negligent to pay. The Rescuing of credit should be saved, therefore the bank does not experience losses.³⁸

G. RESEARCH METHODOLOGY

³⁷ Iswi Hariyani, *Restrukturisasi & Penghapusan Kredit Macet*, (Jakarta : PT Elex Media Komputindo, 2010), page 35.

³⁸ Kasmir, *Bank & Lembaga Keuangan Lainnya*, (Jakarta : PT Raja Grafindo Persada, 2007), page 109.

The research methodology conducted with juridical sociological research and a statue approach. The sociological approach was taken on the field by looking directly at the application of legislation or other legal rules that was related to apply the prudential principle to the nonperforming loans and the legal steps taken by BPR Shinta Daya, Yogyakarta

a. Type of Research

The type of Research Problem that had been chosen above would be answered or solved using empirical juridical methods. According to judicial (the law which is seen as the norm or *das sollen*), because in the discussion of this study using legal materials (both written law and unwritten law) or both primary legal materials and secondary legal materials).³⁹ Associated was empirically (law as social, cultural, or basic), because in this study primary data were obtained from the field. Therefore, discussing empirical juridical in this research with the intention was in the analysis conducted by combining legal materials (which are secondary data) with primary data obtained in the field namely about nonperforming loans at BPR Shinta Daya, Yogyakarta.

b. Research Focus

The method was an important aspect of research. The method was a reference or guideline in conducting research. The description of the research methods in the research that carried out were :

a. Research Subject

³⁹ Soerjono Soekanto, *Pengantar Penelitian Hukum*, UI Pres, Jakarta, 1986, page 51.

The research subject was a source where obtain research information or something about it could be obtained information. The research subjects in this study were :

- a. The main data in this study was data concerning the provisions of non-performing credit obtained from BPR Shinta Daya, Yogyakarta, which had to do with this research, including providing credit from authorized employees, financial statements, and literature.
- b. Supporting data in this study was articles and other regardings relating to nonperforming loans.

b. Research Object

The object of research was a social problem that used as a research or a problem that must be solved or limited through research. The object of this research was “How is the prudential principle applied to credit process at BPR Shinta Daya, Yogyakarta?” and “What are legal steps were taken by BPR Shinta Daya, Yogyakarta?” in the case of nonperforming loans.

c. Source of Data

The material used in this study was secondary material consisting of primary material, secondary material, and tertiary material. The materials referred to are as follow:

- a. Primary Data is obtained directly from research subjects, the object of this research is the prudential principle applied to the credit process at BPR Shinta Daya,

Yogyakarta, and the legal steps were taken by BPR Shinta Daya, Yogyakarta, in the case of nonperforming loans.⁴⁰

- b. Secondary material was data obtained from primary, secondary, and tertiary materials, namely material that explains primary material, which includes books, literature, papers, articles, and other written materials related to research problems, besides, materials are also used. Legal material obtained through electronic research, namely through the internet by copying (downloading) materials as needed.
- c. Tertiary material, namely material that provided instruction and explanation of primary material and secondary material, for instance from a dictionary.

d. Method of Collecting Data

The method of collecting data in this study used :

a. Interview

Interviews are roles that involve personal face-to-face, a compilation of people, as well as where all questions are arranged in a systematic, clear, and purposeful manner following the legal issue, which is raised in the research.⁴¹ This direct interview supported to obtain true and accurate information from predetermined sources. Interview with all the answers obtained about what needed to be recorded

⁴⁰Tim Buku Pedoman Penulisan Tugas Akhir Program Studi S-1 Ilmu Hukum, Pedoman Penulisan Tugas Akhir Program Studi S-1 Ilmu Hukum, Universitas Islam Indonesia, 2016, page 10.

⁴¹ Soerjono Soekanto, *Op. Cit*, page 10.

or obtained well.⁴² The interview was conducted to obtain oral responses to achieve the goal of getting accurate information from competent speakers.⁴³

b. Collecting Data

Collecting data was written or unwritten data sources in the form of official documents, books, magazines, archives, personal documents, and data related to the research problem.⁴⁴

e. Research Approach

The research conducted with juridical sociological research and a statute approach. The sociological approach was taken on the field by looking directly at the application of legislation or other legal rules that was related to apply the prudential principle to the nonperforming loans and the legal steps taken by BPR Shinta Daya, Yogyakarta in the case of nonperforming loans. Besides that, interviews with several respondents who were considered also needed to be able to provide data and information related to this research to obtain accurate and reliable data and information.⁴⁵ While The statute approach is carried out by examining all laws and regulations relating to the legal issues being addressed, the result of the study is an argument to solve the issue, which concluded whether or not there was a philosophical conflict between the law and the issue.⁴⁶

f. Processing Data Analysis

⁴²Amiruddin dan Zainal Asikin, *Pengantar Metode Penelitian Hukum*, PT. RajaGrafindo Persada, Jakarta, 2016, page 82.

⁴³ Bahder Johan Nasution, *Metode Penelitian Ilmu Hukum*, CV Mandar Maju, Bandung, 2008, Page 167-168.

⁴⁴ Sudarto, *Metodelogi Penelitian Filsafat*, Raja Grafindo Persada, Jakarta, 2002, page 7.

⁴⁵ <https://www.maxmanroe.com/vid/karir/pengertian-wawancara.html> , accessed on Thursday, October 31th 2019 at 07.16pm.

⁴⁶ <https://belapendidikan.com/macam-macam-pendekatan-dalam-penelitian-hukum/> , accessed on Thursday, October 31th 2019 at 07.06pm.

Data analysis is the process of organizing and sorting data into patterns, categories, and basic units of description, therefore that it can be found themes and work hypotheses can be formulated. In the data analysis that aimed to organize the data collection methods described above, the writer managed and analyzed the data using a qualitative descriptive analysis. Qualitative data is an effort made by working with data, organizing data, and sorting it into manageable units, licensing it, searching and finding patterns discovering what is important and what is learned, and finding what can be told to other people.⁴⁷ Qualitative data analysis was a technique that described and interpreted collected data, therefore that general and overall data of the actual situation is obtained.

CHAPTER II

GENERAL OVERVIEW OF LEGAL ANALYSIS REGARDING OF NON PERFORMING LOANS SETTLEMENT AT BPR SHINTA DAYA YOGYAKARTA

A. Definition of Bank

The origin of the word bank was from Italian, which is Banca, which meant a place to exchange money.⁴⁸ Banks could be interpreted simply as Financial Institutions whose main activity was to collect funds from the public and channel these funds back to the community and provide other bank services.⁴⁹ According to Kuncoro, banks was financial institutions whose main business was to collect funds and distribute returning these funds to the public

⁴⁷ Lexy J. Moleong, *Metodelogi Penelitian Kuantitatif*, Revised Edition, Remaja Rosdakarya, Jakarta, 2010, Page 248.

⁴⁸ Rachmadi Usman, *Aspek-Aspek Hukum Perbankan di Indonesia*, PT Gramedia Pustaka Utama, Jakarta, 2001, hlm. 236.

⁴⁹ *Ibid*

in the form of credit and providing services in the payment traffic and money supply.⁵⁰ Therefore, in carrying out their daily business activities the bank must have funds to be able to provide credit to the public. The funds can be obtained from bank owners (shareholders), the government, Indonesian banks, overseas parties, and the domestic community. Funds from the bank owner in the form of a capital deposit made at the time of the bank's establishment.⁵¹

B. Definition of Credit

According to Veithzal Riva's, Credit was the delivery of goods, services, or money from one creditor based on trust to another party.⁵² According to Thamrin, the word credit came from the Greek "Credere" which meant trust, in the sense that a person or entity that gave credit (creditors) believed that the recipient of the credit (the debtor) in the future can fulfill everything that had been promised if someone obtained credit it meant that they obtain trust and therefore the basis of credit was trust.⁵³ According to Kasmir, the definition of Credit according to Banking Law Number 10 of 1998 was the Provision of Money or bills which could be likened to it, based on an agreement or loan agreement between the bank and another party that requires the borrower to repay the debt after a certain period with interest.⁵⁴ From some of the notions of credit that have been put forward by the experts above, the writer can

⁵⁰Kuncoro. 2002. Manajemen Perbankan, Teori dan Aplikasi. Jakarta: PT. Indeks Kelompok Gramedia.

⁵¹ Arbi, Syarif. 2013. Lembaga: Perbankan, Keuangan dan Pembiayaan, cetakan 1.. Yogyakarta: BPFE Universitas Gajah Mada.

⁵² Veithzal Rivai. (2007). Bank and Financial Institute Management. Jakarta: PT. Raja GrafindoPersada

⁵³ Abdullah, Thamrin., and Francis Tantri. 2012. Manajemen Pemasaran. PT Raja Grafindo Persada : Jakarta.

⁵⁴ Banking Law Number 10 of 1998.

conclude that credit is the provision of money or bills, based on an agreement or agreement that the payment is made by the agreed time and the amount of interest specified.⁵⁵

C. Purpose and Benefits of Credit

Banks provided credit facilities certainly not with a specific purpose. According to Kasmir, the objectives of granting credit were :⁵⁶

1. Looking for a profit Bank was a business that offers financial products or services. Profits derived from banks, namely from the interest and administrative costs charged to customers, this charge was based on the matter of compensation because the bank has provided loans or loans to customers.
2. Assist business Customers who was just starting a business or want to develop their business needs funds to realize all their desires, and the bank provides working capital to develop existing businesses with the conditions set by the bank.
3. Helping the government The more credit that was distributed, the better it would be for the government. Because there would be fund to increase development in various sectors, especially the real sector.

In addition to the purpose of banks to provide credit to customers, according to Mulyono in his book "Bank Budgeting" credit facilities also have benefits including:⁵⁷

⁵⁵ Irham Fahmi (2012), Analisis Laporan Keuangan. Bandung : Alfabeta

⁵⁶ Kasmir. 2012. Bank dan Lembaga Keuangan Lainnya. Jakarta: PT. Raja Grafindo Persada.

⁵⁷ Mulyono, Teguh Pudjo. 1996 . Bank Budgeting : Profit Planning and Control .Edisi Pertama. Yogyakarta : BPFE.

1. As the biggest source of income. By giving interest to every customer who repays a loan will be a very promising income for the bank, and it was hoped that credit always runs smoothly.
2. To maintain solvency, because credit was one of the largest forms of bank channeling. Thus what expected from the smooth credit could be used as a means for repayment of funds and interest lent from the community.
3. By channeling funds would be able to develop its staff to get to know other business worlds.
4. Credit could be used as a good tool to market other bank products and services.
5. Types of Credit

The category of credit caused the credit to have several positions on the individual needs of its customers. Therefore several credit classifications appear, namely:⁵⁸

1. Credit-based on type :
 - a. Consumptive credit (consumptive credit) was a credit submitted by a debtor to the debtor to meet his personal needs.
 - b. Productive credit

In general, this credit was submitted by those who are engaged in the business world or those who have a business and need funds to develop their business to improve their income graphs. In general, this credit could be divided into two, namely:⁵⁹

⁵⁸ <https://www.alona.co.id/bisnis/jenis-jenis-kredit-yang-ditawarkan-bank-yang-bisa-anda-gunakan-sebagai-modal-usaha/>, accessed on Monday, March 9th 2020, at 06.18 pm.

⁵⁹ <https://sahabatpegadaian.com/keuangan/jenis-jenis-kredit-berdasarkan-pengelompokannya/>, accessed on Monday, March 9th 2020, at 07.08 pm.

- a. Investment credit was an investment credit when the submission was intended for the purchase of capital goods.
- b. Working capital credit was a credit when the submission was aimed at buying raw materials or spare parts
- c. Trade credit The funds from this credit are used for trade purposes. This credit is proposed to make goods that have been produced more useful and could be used by many people, not just those in one area.

2. Credit according to the period

- a. Short-term credit (short-term credit) Namely credit that has a maximum term of 1 year. Usually used by those who want to grow crops.
- b. Medium-term credit (medium-term loan) Namely loans that have a period of between 1 year-3 years. Usually used for working capital purposes such as raw materials.
- c. Long-term credit (long-term loan)

Namely, loans that have a period of more than 3 years. Usually, it used for investment purposes, additional production, or because business products that have begun in the field have entered international markets.

3. Credit-based on collateral

Guaranteed credit Guaranteed loans was loans whose ownership comes from banks and the debtor must guarantee the risk, while Insecure Loans These loans was often called blank loans. This credit was given to debtors without any collateral, trust was the basis of this credit. In this case, credit was divided into:

- a. Guaranteed material that was tangible was a guarantee consisting of moving objects.
- b. Personal collateral, Namely credit where the guarantee was borne by the person or entity responsible for guaranteeing credit and being able to pay it off.
- c. Collateral in the form of commercial paper (securities) Guarantees shares, bonds listed on a stock exchange.

4. Credit-based on quality

- a. Performing credit In this credit, seeing from 2 credit qualities, namely credit with current quality and credit with quality, should receive special attention.

5. Credit from the Business Sector Aspect

- a. Agricultural Credit
- b. Farm Credit Credit
- c. Industrial Credit
- d. Mining Credit
- e. Professional Credit
- f. Housing Credit

D. Credit Application Procedures

Before banks gave credit to customers or prospective borrowers, the bank must first ensure that the credit given would later be returned to the bank. The bank could find out about the creditworthiness proposed by the debtor by conducting a feasibility study of the project of a prospective debtor company applying for credit at the bank, this application letter or proposal must be signed and affixed with a company seal (if it has been in the form of a business entity)

or a photocopy of other required data (if in the form of an individual). The steps in granting credit that could be done by banks include:⁶⁰

1. Data investigation

The first thing a bank must do was check the application proposal or the completeness and truth of the data submitted by the applicant. In a request, it contains at least :⁶¹

- a. Background, which includes a brief curriculum vitae of the company, type of company, company identity, names of management and knowledge and education as well as company development and relations with government and private parties.
- b. Intent and Purpose, in this case, tell will be used for what credit is borrowed. To increase turnover, increase production capacity, or set up factories.
- c. The amount of credit and the period, in this case, the applicant determined the amount of credit to be disbursed and how long the credit will be returned. This can be seen from the cash flow and financial statements of the last 3 years. If the results of the analysis match, the bank will still be guided by the results of the analysis conducted by the bank.
- d. How the applicant returned the credit, explained how the customer returned the credit.

⁶⁰ <https://randysetyoaji.wordpress.com/2018/05/27/prosedur-permohonan-kredit-bank/>, accessed on Tuesday, March 10th 2020, at 09.50 pm.

⁶¹ Kasmir. 2012. Bank dan Lembaga Keuangan Lainnya. Jakarta: PT. Raja Grafindo Persada.

e. A credit guarantee was guarantee to cover all the risks that may occur and the possibility of a bad loan both intentionally or unintentionally. In this credit proposal, the prospective debtor must attach any supporting documents such as notary deed, Company Registration Certificate, Taxpayer Identification Number, Balance Sheet and income statement for the last three years, Photocopy of guarantee certificate. After the data is complete and appropriate, the applicant will be asked to come to be interviewed regarding the truth of the documents submitted. And this stage can also be done by direct research (on the spot) of prospective debtors.

E. Credit Analysis

In this case, an assessment of the actual business situation of the prospective debtor will be conducted. Several aspects will be assessed in this right, namely:⁶²

a. Juridical Aspect

What we value in this aspect is the problem of the legality of the business entity and the licenses it holds. As well as the suitability of the loan application letter with the articles of association of the company (if it is in the form of a company)

b. Marketing Aspect

This related to products that are produced now and in the future.

c. Financial Aspect

In this case, what was assessed is the sources of funds owned to finance the business owned and how the use of these funds.

⁶²<https://media.neliti.com/media/publications/71800-ID-none.pdf> ,ANALISIS KREDIT MACET (PT. BANK SULUT, TBK DI MANADO) Fransisca Claudya Mewoh Harry J Sumampouw Lucky F Tamengkel, accessed on Wednesday, March 11th 2020, at 07.08 pm.

d. Technical Aspects

The company's technical capability in realizing its work plan which includes experts, technical facilities, company experience, the supply of goods, and tools used.

e. Aspect Guarantee

Conduct a review of the completeness and correctness of documents, local reviews (on the spot), and making minutes.

f. Socio-Economic Aspect

This aspect included the hope that the business being financed can provide job opportunities for unemployed parties and utilize their waste so as not to damage the environment so that it harms other parties. For impacts on the environment can be reviewed in terms of analysis of the impact on the environment (AMDAL)

g. Legal Entity Legal Entity

In this case, concerning the juridical requirements of the company including the company certificate, it has been registered in the district court, the certificate which was approved by the minister of justice.

h. Blacklist

Lists issued by Indonesian banks and other institutions regarding companies that violate applicable regulations. If the applicant's name is already listed in the black book list, the credit application will not be granted.

Besides there was some general analyzes that must be carried out by the bank when analyzing the feasibility of a loan application, namely with 5C, 7P, and with the principle of 3R.

1) Principle 5C are :⁶³

a.Character

Character was the nature or character of a person. The nature or character of the people to be given credit really must be trusted. To read the character or nature of the prospective debtor can be seen from the background of the customer, whether personal, such as the way of life or lifestyle adopted, family circumstances, hobbies, and social life, compliance with promises, and willingness to return credit.

b.Capacity

It was an assessment to see the ability of customers in their ability to do business that is associated with adherence to government regulations and education so that the bank can assess the customer's ability to pay off obligations from the business he founded.

c.Capital

This was the number of funds owned by the debtor to maintain and carry out its business. The purpose of this assessment is to determine the state of the capital and the source of funds and their use.

d.Collateral

Collateral was a guarantee given by prospective customers both physical and nonphysical. Guarantees should exceed the amount of credit given. Guarantees

⁶³ <https://www.cermati.com/artikel/prinsip-5c-bank-dan-cara-kredit-anda-diterima>, accessed on Thursday, March 12th 2020, at 07.08 pm.

must also be examined for their validity and perfection so that if a problem occurs, the guarantee that was entrusted would be used as soon as possible.

e. Condition

Credit should be assessed from the economic and political conditions, as well as the prospects of the business being run whether it had good prospects so that it did not cause problem loans.

2) 7P Principle :⁶⁴

a. Personality

Personality was a thing that used to assess customers in terms of personality or daily behavior and past behavior.

b. Party

Party was used to classify or classify customers based on capital, loyalty, and character.

c. Purpose

The purpose was used to determine the purpose of the customer for what to make a loan application, whether it had positive and broad social aspects or not.

d. Prospect

Prospect was used to assess whether the business prospects were profitable or not in the present and the future.

e. Payment

⁶⁴ <https://kreditgogo.com/artikel/Kredit-Tanpa-Agunan/7P-Bank-Berikan-Kredit-ke-Anda.html>, accessed on Friday, March 13th 2020, at 09.18 pm.

Payment was a measure of how customers return credit that had been taken or from which funds would be used to pay off the credit that has been received.

f. Profitability

Profitability was used to analyze the ability of customers to make a profit. This was measured from one period to the next.

g. Protection

Protection was used to maintain the business and collateral that had been guaranteed to continue to get protection so that when things happen that were not desired the bank did not need to protect the credit that had been given.

3) Principle 3R :⁶⁵

a. Return

Return was an assessment of the results to be achieved by the company, whether or not when it had been financed by credit.

b. Repayment

Repayment was an assessment of the time needed by the debtor to return the loan.

c. Risk Bearing Ability

The bank must be able to analyze the extent to which customers who apply for credit can bear the risk of failure such as something unexpected happens.

F. Application of Prudential Principle in Financing

a. Definition of Prudential Principle

⁶⁵ http://sitilaurajupinof.blogspot.com/2017/10/pentingnya-prinsip-5c-5p-3r-dalam_8.html , accessed on Saturday, March 14th 2020, at 08.15 pm.

The precautionary principle or also called the Prudential Principle was taken from the English word "Prudent" which meant "Wise". The term Prudence was often associated with the functions of bank supervision and bank management.⁶⁶ In the world of banking, this is used for the "prudential principle", therefore in Indonesia, the term bank supervisor arises based on the prudential principle, which was further used as a prudent principle widely used in different contexts.⁶⁷ According to Vaithzal Rivai in the book "Islamic Financial Management" explained that the prudential principle was a principle to protect financing from various problems by getting to know the customer both through the identity of prospective customers, supporting documents of information from prospective customers, and others.⁶⁸ The prudential principle could also be defined as a principle that states that banks in carrying out their functions and business activities are required to be careful to protect and the public entrusted with it and Islamic banking are required to maintain their health.⁶⁹ Banking Law number 10 of 1998 stated, that banks in Indonesia in conducting their business based on economic democracy by using the precautionary principle of this provision, showed that the precautionary principle was an important principle that must be implemented and carried out by banks in carrying out their business activities.⁷⁰ From some of the above understanding, the researcher could conclude that the prudential principle was a principle that is used by banks or other financial

⁶⁶ Gatot Supramono, *Perbankan dan Masalah Kredit; Suatu Tinjauan Yuridis*, Djambatan, Jakarta, 1995, hlm. 33-34.

⁶⁷ Sentosa Sembiring, *Hukum Perbankan*, edisi revisi, Mandar Maju, Bandung, 2012, hlm. 316.

⁶⁸ Veithzal Rivai dan Andria Permata Veithzal, *Bank and Financial Institution Management*, Jakarta: PT Raja Grafindo Persada, 2007.

⁶⁹ *ibid*

⁷⁰ Banking Law number 10 of 1998

institutions to be careful in operating their businesses and funds from the public so that the banks and financial institutions were in good condition with good performance too.⁷¹

b. Legal Principles of Prudential Principle

Regulations of Law and Bank Indonesia Prudential principles were regulated in the Sharia Banking Law, Number 21 of 2008, namely Article 35 of the Sharia Banking Law that Sharia Banks and Sharia Business Units in carrying out their business activities must apply the precautionary principle.⁷² To guarantee the implementation of bank decisions and management by the prudential principle, banks had implement them with an internal supervision system. As for the decree of the directors of Bank Indonesia, Number 27/162 / KEP / DIR.⁷³ Bank Indonesia Circular Letter Number 27/7 / UPPB dated 31 March 1995 concerning the obligation to prepare and implement commercial banks in writing written credit guidelines that could be used as guidelines for daily lending, including guidelines for lending the application of prudential principles in the lending process.⁷⁴ To support or guarantee the return of decisions in bank management by the prudential principle, banks were required to choose and implement an internal control system in the form of self-regulation and in the Banking Law No. 10 of 1998 amendments to the Law No.7 of 1997 concerning banking in Article 29 paragraphs 2, 3, and 4, namely:⁷⁵

1. Article 2 Banks were required to maintain the soundness of banks by the provisions of capital coverage, asset quality, management quality, liquidity, profitability,

⁷¹ Hasibuan, Melayu S.P. 2011. Dasar-Dasar Perbankan. Jakarta: PT. Bumi Aksara.

⁷² Sharia Banking Law, Number 21 of 2008.

⁷³ decree of the directors of Bank Indonesia, Number 27/162 / KEP / DIR.

⁷⁴ Bank Indonesia Circular Letter Number 27/7 / UPPB dated 31 March 1995.

⁷⁵ Banking Law No. 10 of 1998.

solvency, aspects related to the business of banks, and are required to carry out their business activities by prudential principle.

2. Article 3 in providing credit or financing based on sharia principles and conducting other business activities, banks were required to use methods that did not harm the bank and the interests of customers who entrust their funds to the bank.
3. Article 4 for the benefit of customers, banks were required to provide information about possible risks of loss in connection with customer transactions conducted by banks. The precautionary principle was a principle which states that bringing banks or other financial institutions in carrying out their functions and activities must implement the precautionary principle by recognizing prospective debtors to protect the public trust entrusted to the bank. This implies that all actions and policies that were made must be based on applicable laws and regulations so that if fraud occurs, it could be legally accounted for.

Regulations for the Implementation of the Prudential Principle in Lending to Banking Banks The regulation of prudential principles is promulgated in Law No.7 of 1992 concerning Banking which has been amended to Act No.10 of 1998, in this Law in Article 29 it explains explicitly that In conducting its business, a bank must be based on the precautionary principle. However, the definition and scope of the precautionary principle is not clearly regulated, which in turn leads to a very loose understanding.

Bank Indonesia, as the central national bank, has the authority to regulate and supervise banks based on the provisions of the Act stipulating a Bank Indonesia Regulation. Bank Indonesia Regulation as a concrete manifestation of the application of prudential principles. One example is Bank Indonesia Regulation Number 11/25 / PBI / 2009 concerning amendments to Bank

Indonesia Regulation number 5/8 / PBI / 2003 concerning Application of Risk Management for Commercial Banks, this risk management is expected to assist banks in maintaining bank health through supervision. internal. Its application is also adjusted to the objectives, business policies, size and complexity of the business and the capabilities of the bank.

Bank Indonesia has also established a Bank Indonesia Regulation concerning Know Your Customer Principles embodied in Bank Indonesia Regulation Number 5/21 / PBI / 2003 concerning the second amendment to Bank Indonesia Regulation Number 3/10 / PBI / 2001 concerning Application of Know Your Customer Principles, the core of which is Banks are required to know their customers, this is done by identifying the identity of the customer and monitoring the flow of customer transactions, with the aim of avoiding the risk of bank misconduct.

Personal responsibility of bank officials (relationship manager) for the Implementation of the Prudential Principle in Lending in this case, his position as a relationship manager may be subject to criminal and administrative sanctions as stipulated in: a. Article 49 paragraphs 1 and 2 of Law Number 7 of 1992 concerning Banking which has been amended into Act Number 10 of 1998 which regulates criminal sanctions. b. Article 52 of Act Number 7 of 1992 concerning Banking which has been amended to Act Number 10 of 1998 which regulates administrative sanctions. c. Article 3 of Law Number 31 of 1999 concerning Eradication of Corruption Crimes which regulates the abuse of authority and position which is detrimental to state finances.

G. Credit Decisions

This decision of the credit was a team decision, based on the results of an analysis conducted by the bank, the bank must decide whether the applicant will be given credit or will be rejected. If gave or received, the administration would be prepared. Usually, the credit decision would include several things, namely the amount of money received, the credit period, and the costs that must be paid.⁷⁶

The signing of a credit agreement or credit agreement stage This was a continuation after the granting of credit is decided. Before the credit is disbursed, the customer must sign an agreement that was deemed necessary. Before signing an agreement the customer must submit the required documents such as the original proof of guarantee, KTP, NPWP, business license, and so on. After that, only the existing agreement is signed.⁷⁷

In general, credit agreements consist of :⁷⁸

- a. Lenders
- b. Credit recipient parties
- c. Purpose of granting credit
- d. The amount of credit given
- e. credit interest rate
- f. Credit repayment period
- g. General credit requirements

⁷⁶ <http://administrasibisnis.studentjournal.ub.ac.id/index.php/jab/article/view/1358>, accessed on Thursday, May 6th 2020, at 09.56 pm.

⁷⁷ <https://sukesmina.wordpress.com/2011/05/30/prosedur-pemberian-kredit/> , accessed on Thursday, May 6th 2020, at 11.34 pm

⁷⁸ <https://bh4kt1.wordpress.com/2012/08/24/14/> , accessed on Thursday, May 6th 2020, at 11.46 pm.

h. Guarantee

The stage of credit disbursement, after signing a credit agreement, the customer was required to open a checking or savings account with the bank concerned, this was used to transfer the requested fund disbursement so that the customer could take the money as needed, the credit funds submitted by the debtor was disbursed, it means the Bank has approved the borrower's loan proposal, after that the thing that must be done by the bank was Monitoring until it reaches the repayment stage.⁷⁹ Credit monitoring was conducted to identify and assist debtors in solving problems encountered when in the business or source of funds used by the debtor to pay off credit, this activity is carried out by the Account Officer because Account Officer who had debtor history data and had the ability as a consultant so that it was expected to help the debtor find a solution in solving problems if the problem in question was related to repayment of credit. If the debtor did not experience problems, then the repayment of the credit would be by the agreement and not experience obstacles.⁸⁰ However, if the debtor experiences problems, the bank must solve it. This settlement could use 3R analysis namely Rescheduling, Reconditioning, and Restructuring. If the analysis could not assist the debtor in making repayment, the bank would be terminated application.⁸¹

H. Credit Risk and Credit Analysis

⁷⁹ <https://suksesmina.wordpress.com/2011/05/30/prosedur-pemberian-kredit/>, accessed on Friday, May 7th 2020, at 08.24 pm.

⁸⁰ <http://jurnal.untan.ac.id/index.php/ejafe/article/view/11553>, **ANALISIS SISTEM DAN PROSEDUR PEMBERIAN KREDIT MODAL KERJA PADA PD BPR BANK PASAR KOTA PONTIANAK**

Wulandary, accessed on Friday, 8th 2020, at 06.06 pm.

⁸¹ <https://www.hukumonline.com/klinik/detail/ulasan/lt4c0d92933c6c6/pemberian-kredit-kepada-debitur-yang-pernah-macet-tindak-pidanakah-/>, accessed on Friday, May 9th 2020, at 11.12 pm.

The credit agreement and withdraw or confiscate the guarantee the debtor gave the bank at the time of proposing the credit. There was a risk involved in all activities, especially in banking. Risk was familiar in the banking world because this risk was inherent in all banking activities. The main function of the bank was to channel funds in the form of credit. In this credit facility, the risk was very high and usually called credit risk. Credit risk was something that could not be avoided from banking activities.⁸² According to Kasmir, credit risk was the risk that arises because of the grace period of credit repayment or even uncollectible credit.⁸³ Meanwhile, according to Sugiarto credit risk was a loss related to the borrower (the counterparty) unable and unwilling to fulfill the obligation to repay the borrowed funds in full at maturity or after.⁸⁴ From some of the definitions above it can be concluded that credit risk was a risk where the customer or debtor is unable to meet the obligations that had been agreed upon, resulting in decreased credit quality and could cause credit problems and even bad. To prevent or minimize problem loans, banks must conduct credit analysis before giving credit to customers. This credit analysis could be done quantitatively and qualitatively. Qualitative Analysis is an analysis to determine the ability of customers to meet their obligations after the credit was given. While the quantitative analysis was the analysis used to measure the level of risk.⁸⁵

⁸² <https://www.cermati.com/artikel/kredit-macet-pengertian-ilustrasi-dan-efek-negatifnya> , accessed on Saturday, May 9th 2020, at 07.14 pm.

⁸³ Kasmir.(2012), Analisis Laporan Keuangan. Jakarta : PT. Raja GrafindoPersada.

⁸⁴ Durianto, D., Sugiarto, & Sitinjak, T. 2004. Strategi Menaklukkan Pasar Melalui Riset Ekuitas dan Perilaku Merek. Jakarta: PT. Gramedia Pustaka Utama.

⁸⁵ <https://finansial.bisnis.com/read/20200715/90/1266207/manajemen-risiko-kredit-berkelanjutan-agar-bank-tahan-banting>, accessed on Tuesday, June 9th 2020, at 7.32 pm.

In conducting a qualitative analysis one could use an assessment of several aspects, including:⁸⁶

1. Credit analysis based on the 5C principle
2. Credit analysis based on the 7P principle
3. Credit-based analysis
4. Analysis of financial aspects
5. Juridical aspects of analysis
6. Analysis of social-economic aspects

Whereas Quantitative assessment could use several methods, namely:⁸⁷

1. Balance Sheet Report This report was used to determine the number of assets, debts, and capital of a company that wanted to apply for credit.
2. Profit / Loss Report This was used to find out how much revenue and expenses the company incurred each period.
3. Reports on the Source and Control of Funds was a report on where the company obtained funds to finance existing business activities, and why to apply for credit again.

Analysis of the Source and Control of Funds was very important because with this the bank can find out several things, including:⁸⁸

- a. Regulations on expenditures made by the company in the periods concerned.

⁸⁶<https://www.kreditpedia.net/analisis-kualitatif-dan-analisis-kuantitatif/>, accessed on June Saturday, 10th 2020, at 09.50 pm.

⁸⁷<https://news.detik.com/berita/d-4850130/metode-pengumpulan-data-kuantitatif-dan-kualitatif>, accessed on Monday, June 11th 2020, at 05.44 pm.

⁸⁸<https://www.jurnal.id/id/blog/5-langkah-melakukan-analisis-rasio-keuangan/>, accessed on Friday, 26th June 2020, at 08.48 pm.

b. Changes in assets, debt, and capital items on the balance sheet would indicate changes in working capital (increase or decrease). Besides, quantitative analysis will also be conducted on financial ratios. This was easy for banks to do because the bank already has financial statements from companies that apply for credit, these ratios include:

1. Liquidity ratio, to see the business prospects of customers, whether they could meet obligations in the short term.
2. Activity ratio, to see the efficiency of the company is using its assets to obtain revenue.
3. Profitability ratios, to display the company's performance in generating profits.
4. Solvency ratio, to find out the extent of company activities financed with debt.

I. Non Performing Loans

According to Sutojo, loans could be categorized as non-performing loans if there was a late payment of interest and/or credit more than 90 days since the due date, was not repaid at all, or renegotiation of the loan repayment and interest conditions stated in the credit agreement.⁸⁹

Meanwhile, according to Anas (Hasanuddin Rahman), credit with credit is: "Loans that repayment of principal debts and interest obligations were not by the requirements or conditions set by the lender and have risks in receiving revenue and may even have potential to bring a loss to the bank as a creditor."⁹⁰ "Non-performing loans are loans in which customers

⁸⁹ Siswanto Sutojo. Menangani Kredit Bermasalah. Jakarta : Pustaka Binaman pressindo, 1997.

⁹⁰ AR, Zahrudin dan Hasanuddin Sinaga, Pengantar Studi Akhlak, Jakarta: PT. Raja Grafindo Persada, 2004.

who bear obligations cannot fulfill the terms agreed upon at the beginning of the agreement, resulting in arrears of payments resulting in potential losses to the bank. Problem loans experienced by banks could occur due to several factors, including Sutojo:⁹¹

1. Bank Internal Factors

- a. Low ability or sharpness of the bank in analyzing the feasibility of credit requests submitted by prospective debtors.
- b. Weak credit information systems and their credit supervision and administration systems.
- c. Excessive interference from bank shareholders in the credit granting process.
- d. Binding of imperfect credit guarantees.

2. Extern Bank Factor

- a. Failure of the debtor's business,
- b. Decreasing economic activity and rising lending rates,
- c. Utilization of unhealthy competition in the banking world by debtors who do not have responsibilities,
- d. Disasters affecting the debtor,
- e. Changes in the legislation regarding individual businesses that have an impact on the debtor's business,
- f. Debtor expansion is too high, so it requires very high funds.

3. Problematic Debtor Factors In this case bank debtors can be divided into two namely individuals or corporations. Because there were two debtor models, there would be

⁹¹ Sutojo, Siswanto. (2013), Menangani Kredit Bermasalah, Jakarta : Pt.Damar Mulia Pustaka.

separated reasons why there were problem loans in these two categories of debtors. Individual debtors could be the cause of problem loans when there is an element of intent from the debtor not to pay, their regular income was disrupted, or the debtor had an accident, illness, death, and divorce. While corporations could be the cause of problem loans due to several things such as mentioned Roberth H. Behrens in his Commercial Loan Officer's Handbook, three main factors cause corporations to cause non-performing loans, namely, mismanagement, lack of knowledge and experience of company owners in the field of business that they live, and fraud (fraud).⁹²

J. Impact of Non-performing Loans

According to (Ismail, 2010). Here were some of the impacts if loans was disbursed by problem banks, including:⁹³

- 1) Decreased bank profit/loss The decline in profit was due to a decrease in loan interest income.
- 2) Bad Debt Ratio becomes bigger The ratio of earning assets was lower.
- 3) The cost of allowance for write-off credit increases The bank needed to establish a reserve for larger non-performing loans. The cost of provisioning for write off credit would affect the decline in bank profits.
- 4) Return On Assets (ROA) and Return On Equity (ROE) decreased Decrease in profit would have an impact on the decrease in Return On Assets, because Returns fall, then ROA and ROE will decrease.

⁹² Masassya, Elvyn. 1994. Kredit Bermasalah, Penyebab, dan Upaya Mengatasinya. Bank dan Menejemen, Bandung.

⁹³ Ismail. (2010). Manajemen Perbankan : Dari Teori Menuju Aplikasi. Jakarta:Kencana.

K. Non Performance Loans Settlement Efforts

According to Ismail, the bank carried out an in-depth analysis before deciding to approve or reject credit applications from prospective borrowers. This was intended to prevent problems with the credit channeled. However, even though the bank has done a careful analysis, the risk of non-performing loans was also possible. There was no single bank in the world that did not have non-performing loans, because all loans could not be disbursed, all to run smoothly⁹⁴. Efforts by banks to rescue non-performing loans based on Bank Indonesia Circular Letter (SEBI) No. 23/12 / BPPP dated February 28, 1991, found several policies in saving Non Performance Loans, namely⁹⁵:

1. Rescheduling (rescheduling)

Attempt to make changes to several credit agreement terms relating to the repayment schedule/credit period including the grace period, including changes in the number of installments. If necessary with additional credit.

2. Reconditioning (return requirements)

Changed to some or all of the terms of the agreement, not limited to changes in installments and credit terms or without converting all or part of the credit into company equity.

3. Restructuring (restructuring)

⁹⁴ <https://media.neliti.com/media/publications/26565-ID-upaya-upaya-penyelesaian-kredit-macet-oleh-lembaga-perbankan-terhadap-debitur-wa.pdf>, accessed on Wednesday, July 1th 2020, at 09.55 pm.

⁹⁵ Bank Indonesia Circular Letter (SEBI) No. 23/12 / BPPP

The effort in the form of changing the terms of the loan agreement in the form of granting additional credit or making a convention of all or part of the credit to the company's equity, which is carried out with or without care and or conditional conditions

Law Number 7 of 1992 in conjunction with Law Number. 10 of 1998 was known for the system of saving Non Performance Loans as regulated in article 7 paragraph c which reads: ". Commercial banks could also carry out temporary equity participation activities to overcome the consequences of credit default by having to withdraw their participation, by fulfilling the provisions stipulated by Bank Indonesia⁹⁶. Based on this provision, the bank would import capital or enter for temporary bad loans as a sign of capital participation of a company. If the company was healthy again, the bank would be immediately withdraw the Non Performance Loans (and at the same time terminate its participation in the company). Temporary capital participation of a bank in a company is referred to as equity participation⁹⁷.

The settlement of Non Performance Loans is generally done through:⁹⁸

1. State Receivable and Auction Business Entity (BUPLN) Non-performing loans involving State-Owned Banks. The default credit had been attempted to collect/settle in a family-friendly manner but is unsuccessful, then the bank would submit the settlement through the BUPLN, to continue conducting auction/sale of collateral objects unless the family resolved them but was unsuccessful, then the

⁹⁶ Law Number 7 of 1992 in conjunction with Law Number. 10 of 1998.

⁹⁷ Hasibuan, Malayu. 2006. Dasar-dasar Perbankan. PT. Bumi Aksara, Jakarta.

⁹⁸ <https://media.neliti.com/media/publications/26565-ID-upaya-upaya-penyelesaian-kredit-macet-oleh-lembaga-perbankan-terhadap-debitur-wa.pdf>, accessed on Thursday, 9th July 2020, at 06.06 pm.

bank would submit the settlement through the BUPLN, to continue to conduct auction/sale of collateral objects unless the family collects/settles them but was unsuccessful. the bank has obtained a "power of attorney to sell" then the bank could immediately sell the property under the hand. Getting a credit return from the auction results was not easy and fast. All experience has shown that selling collateral through prolonged procedures were very difficult to obtain a buyer and an adequate price so that often the bank gets a fairly large loan repayment. To not be too detrimental to the banks' law, namely Law Number 7 of 1992 in conjunction with Law Number. 10 of 1998 provides an opportunity for banks to according to and in the auction (as auction buyers) if the bank could control the collateral from the auction, the bank can sell the collateral slowly according to the prevailing market price.⁹⁹

2. The process of detention in court.¹⁰⁰

Bad loan from a private bank then the settlement was done through a court of law. The process of eruption was a rare forced by banks that if the debtor shows good faith to deliberately hide the low treasure that was still quite a lot to pay off credit. While on the other hand the hostage institution which was once considered very helpful as a debtor coercive tool to repay its debts has been checked for the enactment of the Supreme Court Circular Number. 2 of 1964 jo. UU no. 4 in 1975.¹⁰¹ The settlement of Bad Debt through the process of letting was a forced-choice for banks.

⁹⁹ Law Number. 10 of 1998.

¹⁰⁰ Law Number. 10 of 1998.

¹⁰¹ Supreme Court Circular Number. 2 of 1964 jo. UU no. 4 in 1975

3. Arbitration or Inheritance Among banks and legal experts trying to offer the use of "arbitration" institutions for the settlement of bad loans. In a Banking Credit agreement, banks and debtor customers could set up an arbitration clause stating that if a dispute occurs between the bank and the customer (for example Crash Loss) then it would be resolved through an arbitration institution. by the Chamber of Commerce and Industry in 1977. In this case, the ad hoc committee was also appointed incidentally by the choice of special parties to settle the dispute. The existence of an arbitration institution in Indonesia was recognized in the trial of justice as outlined in the decisions of the Supreme Court including :¹⁰²

a. Supreme Court Number. 225 K / Sip / 1976 dated 30 September 1983 which recognized the arbitration clause as valid as the law.¹⁰³

The Supreme Court Decision Number. 3992 K / Pdt / 1984 dated 4 May 1988 affirming that the authority to examine a dispute arising from an agreement that contained an "absolute" arbitration clause became the authority of the arbitration institution.¹⁰⁴ This was reinforced by the Supreme Court's decision No. 3179L / Pdt / 1984 dated 4 May 1988 that the District Court was not authorized to examine the arbitration lawsuit in the convention or reconvention.¹⁰⁵

L. The perspective of Islamic Law towards Non-Performance Loans

Humans were social creatures, that was, creatures who were committed to living in society. As social beings, humans needed other human beings who live together in their lives.

¹⁰² <https://media.neliti.com/media/publications/135358-ID-none.pdf>, ARBITRASE DALAM SISTEM HUKUM DI INDONESIAAnik Entriani, accessed on Wednesday, 19th Augst, 2020, at 10.32 pm.

¹⁰³ Supreme Court Number. 225 K / Sip / 1976 dated 30 September 1983.

¹⁰⁴ The Supreme Court Decision Number. 3992 K / Pdt / 1984 dated 4 May 1988.

¹⁰⁵ Supreme Court's decision No. 3179L / Pdt / 1984 dated 4 May 1988.

In social life, humans were always related to one another, whether they realize it or not, to make ends meet.¹⁰⁶ One that was found by humans to meet these needs is cooperation. Humans were aware that without cooperation, they could not possibly fulfill their own needs properly,

وَأَنْ تَصَدَّقُوا خَيْرٌ لَكُمْ إِنْ كُنْتُمْ تَعْلَمُونَ
وَإِنْ كَانَ ذُو عُسْرَةٍ فَنَظِرَةٌ إِلَىٰ مَيْسَرَةٍ

where some people had capital but did not have special expertise to apply their business capital productively, so here they needed for cooperation between people who had capital and people who did not have capital but have productive expertise, to meet it is needs, both consumptive and productive needed so that both parties could meet each other's needs.¹⁰⁷ Cooperation indicates two or more people to achieve a common goal in an activity that benefits all ten parties with the principle of mutual trust, respect, and obey the norms. Concerning Non Performance Loans, Islam also has generally been explained about Non Performance Loans, as in the Qur'an, Allah has said:¹⁰⁸

From the above paragraph, it can be understood that if the debtor was in trouble then the creditor gives the time until the debtor can return his loan, on the other hand, if the debtor was in a field condition, he must immediately return it. Everyone was obliged to fulfill what had been signed, both in the form of words and deeds. In the contract, it was emphasized that

¹⁰⁶ <https://www.slideshare.net/AnNisbah/penyelesaian-kredit-macet-perbankan-dalam-pandangan-islam>, accessed on Wednesday, 19th August, 2020, at 11.12 pm.

¹⁰⁷ Ghofur, Anshori, Abdul, Hukum Perjanjian Islam di Indonesia, Yogyakarta : Gadjah mada University Press, 2010.

¹⁰⁸ Suhendi, Hendi, Fiqh Muamalah, cet Ke-6, Jakarta : Raja Grafindo Persada, 2010.

to obtain those related to halal matters, they must hold moral values and administrative values.¹⁰⁹

Keeping promises is mandatory, and everyone is responsible for their promises. Allah says in the Qur'an:¹¹⁰

وَلَا تَقْرَبُوا مَالَ الْيَتِيمِ إِلَّا بِالَّتِي هِيَ أَحْسَنُ حَتَّىٰ يَبْلُغَ أَشُدَّهُ
وَأَوْفُوا الْكَيْلَ وَالْمِيزَانَ بِالْقِسْطِ لَا نُكَلِّفُ نَفْسًا إِلَّا وُسْعَهَا وَإِذَا قُلْتُمْ
فَاعْدِلُوا وَلَوْ كَانَ ذَا قُرْبَىٰ وَبِعَهْدِ اللَّهِ أَوْفُوا ذَٰلِكُمْ وَصَّيَّكُم بِهِ لَعَلَّكُمْ
تَذَكَّرُونَ

In Islamic law, every person who borrowed something from someone else meant that the borrower had a loan to the lender. Every debt was obligatory to be paid, so that sinful person who did not want to pay debts, even defaulting on debt payments are also acts of persecution. unable to pay and if the collateral was insufficient, the debtor must still fulfill his obligation.¹¹¹

¹⁰⁹ *ibid.*

¹¹⁰ Khallaf, Abdul Wahab, Ilmu Ushul Fiqh, alih bahasa Masdar Helmy, Bandung: Gema Risalah Press, 1996.

¹¹¹ Basyir, Ahmad Azhar, Asas-Asas Muamalah, edisi revisi, Yogyakarta: UII Press, 2000.

CHAPTER III

PRUDENTIAL PRINCIPLE AND THE LEGAL STEPS WERE TAKEN BY BANK PERKREDITAN RAKYAT SHINTA DAYA YOGYAKARTA IN SETTLING NON PERFORMING LOANS

A. IMPLEMENTATION OF PRUDENTIAL PRINCIPLE IN CREDIT PROCESS AT BPR SHINTA DAYA YOGYAKARTA.

The prudential principle is a principle which stated that in carrying out its functions and business activities, a bank is obliged to be prudent to protect public funds entrusted to it. Based on Article 2 of Law Number 10 of 1998 concerning Amendments to Law Number 7 of 1992 concerning Banking, it stated that Indonesian banking in conducting its business based on economic democracy using the prudential principle. From various literature came the word prudence from the word prudent (prudent) which was close to the supervision with the function of bank supervision and bank management. Prudent could also mean wise. Therefore, the prudent banking principle is a principle which stated that a bank or institution, in carrying out

its business functions and activities, applied the prudent principle by recognizing customers to protect public funds entrusted to them with the hope. The level of public trust in financial institutions remained high so that people are willing and not hesitant their funds in the bank. Apart from being regulated in Article 2 of the Banking Law, the precautionary principle is also regulated in Article 29 paragraph (2) of the Banking Law which stated:

Banks are required to maintain the soundness level of the bank following the provisions of capital adequacy, asset quality, management quality, liquidity, profitability, solvency, and other aspects related to the bank's business, and must conduct business activities following the prudential principle. The application of the precautionary principle was also regulated in Article 35 of Law Number 21 of 2008 concerning Islamic Banking, namely:

1. Sharia Banks and Sharia Units in conducting their business activities was required to apply the prudential principle.
2. Sharia Banks and Sharia Units were required to submit to Bank Indonesia financial reports in the form of annual balance sheets and annual profit and loss statements as well as explanations thereof which was prepared based on generally accepted sharia accounting principles, as well as other periodic reports, in the time and form stipulated by the Bank Regulation Indonesia.
3. The annual balance sheet and profit and loss statement as referred to in paragraph (2) must first be audited by a public accounting firm.
4. Bank Indonesia may determine exemptions from the obligations referred to in paragraph (3) for Sharia Rural Banks

From the above explanation, it can be concluded that every Bank is obliged to apply the prudential principle in carrying out its business activities and is obliged to uphold this

principle. All bank actions must be based on the prevailing laws and regulations so that they could be accounted for legally.

Application of Prudential Principles in Providing Financing to BPR Shinta Daya must go through a process of analysis of financing before disbursing the financing. This was done to prevent did not happen suddenly but was a process of Non Performance Loans in the financing channeled by BPR Shinta Daya to customer, which was caused by two factors, namely internal and external factors.

The application of the precautionary principle applied in financing by BPR Shinta Daya greatly affected the quality of existing financing. According to Mr. Frans, the part responsible for implementing the precautionary principle in overcoming non-performing financing / Non Performance Loans was the Board of Directors, The Head of Finance and Funds which included the Legal Officer and Account Officer as the authorized party in making decisions to approve and validate financing requests.¹¹² From the results of interviews conducted by researchers with the Director and some of the employee staff at BPR Shinta Daya, regarding the application of the prudential principle in providing financing at BPR Shinta Daya, the researchers received answers from the Director and Account Officer, the application of the prudential principle in preventing and overcoming Non Performance Loans had two procedures, namely: an assessment procedure in the provision of financing and an operational procedure for financing also data on the amount of credit provided by BPR Shinta Daya Yogyakarta based on collectability in 2015 to 2018 was as followed :

¹¹²Interview with Mr. Frans, The Head of Finance and Funds which includes the Legal Officer and Account Officer at BPR Shinta Daya Yogyakarta, Interviewed on Saturday, 20th June 2020, at 1.49 pm

According to data on development of credit distribution, there were the amount of credit provided by BPR Shinta Daya Yogyakarta for the period 2015 and 2018 (in million Rupiah) :

Table 2.1

	2015		2016		2017		2018	
Quality	OSC	NOA	OSC	NOA	OSC	NOA	OSC	NOA
L	185.483.460.631	6.162	205.822.190.206	6.097	223.567.741.764	6.244	233.726.693.203	6.161
KL	2.059.654.756	83	571.135.301	42	1.483.292.914	62	1.015.722.692	24
D	2.236.166.520	70	1.785.802.403	55	998.558.971	53	2.736.069.885	59
M	6.054.906.388	271	7.552.736.186	250	6.883.791.014	282	10.290.501.188	272
	195.834.188.295	6.586	215.731.864.096	6.444	232.933.384.663	6.641	247.769.036.968	6.516

Source: BPR Shinta Daya, Yogyakarta, 2019.

Based on the table above, it was be explained that the amount of credit is *L (Lancar)*, *KL (Kurang Lancar)*, *D (Dalam Pengawasan)*, *M (Macet)*. The table showed that the collectability of credit in the current category L (Lancar). It Showed that the collectability of credit from 2015 to 2018, which from 3 years had increased and decreased, as evidenced by the data obtained from 2012 with the existence of OSC (Out Standing Check).) IDR 185,483,460,631 and NOA (Number of Accounts) 6,162. This number increased in 2016 and 2017 which showed that OSC in 2016 reached IDR 205,822,190,206 and NOA obtained was 6,097. OSC in 2017 reached 223,567,741,764 and NOA in 2017, namely 6,244, but in 2018 the total credit collectibility in the current category decreased to OSC 233,726,693,203 and NOA decreased to 6.161. Therefore, it can be concluded that current credit for 3 years 2015 -

2019 Bank Shinta Daya was included in one of the banks that was categorized as good in terms of problems with non-performing loans because the percentage of bad debts did not experience a significant decrease and also concluded that the application of the precautionary principle had been well implemented. On the credit side, the collectibility of KL, the percentage of types of credit from 2015 to 2018 had also decreased and increased, as evidenced by the data for 2015, OSC showed IDR 2,059,654,756 and NOA is shown at 83. In 2016 it experienced a decrease of approximately 50% which was good for OSC IDR 571,135,301 and NOA showed the number 42 and in 2017 it rised again with IDR 1,483,292,914 OSC and NOA is shown at 62 but in 2018 OSP data had decreased to IDR 233,726 .693,203 and NOA to 24. It can be concluded that the KL credit category had also experienced an increase in quality. The collectability for the D category in 2015 showed OSC IDR 2.236.166.520 and for NOA was 70, whereas in 2016 the OSP obtained was IDR 1,785,802,403, the NOA figure obtained was 55, this figure showed a decline from the previous year and in 2017 OSP showed IDR 998,558,971 and NOA which was 53. In that year it had decreased again for category D. Therefore, in 2018 it had increased with the number of OSPs showing IDR 2,736,069,885 and NOA, which is 59. It can be explained that category D also experienced improvements in 2015 to 2017, unfortunately in 2018 it again showed an increase in numbers. In the last category, it is described with the M category, starting from 2015 to 2018 it had increased and decreased, but the ratio of turnover had more than the increase. Starting from 2015 OSC reached IDR 6,054,906,388 and NOA reached 271. The following year 2016 experienced an increase in OSC to IDR 7,552,736,186 but for NOA itself it decreased to 250. The following year 2017 OSC experienced a decrease indicated by IDR 6,883 .791,014 and in the last year 2018 OSC had increased, reaching IDR 10,290,501,188 and NOP had also increased to 272, it can be

concluded that the number of OSCs had increased every year, but on the other hand, there had also been a decrease in NOA. It can be combined from all data starting from 2015 to 2018, therefore it has increased continuously. It was shown that in 2015 the OSC reached IDR 195,834,188,295 and for NOA it reached 6,586. Therefore, an increased in the following year 2016 with the total OSC IDR 215,731,864,096, and NOA had also decreased by 6,444,. The following year in 2017 OSC had increased again with a figure of IDR 232,933,384,663 for NOA itself had decreased again at 6,641. Therefore, in the last year 2018 OSC has increased with a figure of IDR 247,769,036,968 and NOA had decreased at 6,516. It can be concluded that of all the existing categories, BPR Shinta Daya from category L, KL, D to M is good enough in maintaining the quality of Credit Distribution itself. Based on the analysis of the credit disbursed by BPR Shinta Daya Yogyakarta according to the collectability type above, the description of the analysis can be described in the table as below:

Table 2.2

	2015	2016	2017	2018
KOL LANCAR	94,71%	95,41%	95,98%	94,31%
NPL GROSS	5,29%	4,59%	4,02%	5,67%
	100,00%	100,00%	100,00%	100,00%

Source: BPR Shinta Daya, Yogyakarta, 2019.

Based on the data table, it is known that landing at BPR Shinta Daya had increased and decreased. According to data, *KOL LANCAR* had increased from 2015 to 2017, but in 2018 it had decreased.. From the total amount of data, there was many reasons why Non-Performing Loan BPR Shinta Daya had increased, among some customers had problems in returning credit.

Reducing the risk of Non Performing Loans could be sought by examining the factors that cause Non-Performing Loans. The increase in Non-Performing Loans was the basis for factors affecting Non-Performing Loans at BPR Shinta Daya, Yogyakarta.

The last table showed about NPL GROSS from data BPR Shinta Daya Yogyakarta

Table 2.3

YEAR	NPL GROSS
2015	5, 29 %
2016	4, 59%
2017	4, 02 %
2018	5, 67 %

Source: BPR Shinta Daya, Yogyakarta, 2019

Based on the data table, therefore it showed that the Gross NPL from 2015 to 2018 had decreased and increased, the data obtained was that in 2015 the Gross NPL reached 5.29%, and the following year 2016 experienced a decline, reaching 4.59%, in the following year 2017 it fell back with a percentage 4, 02%, but in the next year it had increased by 5, 67%. From these data, it can be concluded that the Gross NPL of BPR Shinta Daya was good enough to maintain the percentage of bank's health as indicated by Gross NPL. According to Bank Indonesia Regulation No. 6/10 / PBI / 2004 concerning the rating system for commercial banks, stipulated that the ratio of problem loans (NPL) was 5% / the higher the NPL (above 5%). The bank could be said to be unhealthy because as we alluded to, the NPL would cause a decrease in profits to be received by the bank.¹¹³The application of the precautionary principle in preventing and

¹¹³ <https://www.simulasikredit.com/apa-itu-npl-non-performing-loan/>, accessed on Wednesday, December 27th 2020, at 8.36pm.

overcoming Non Performance Loans had two procedures, namely: an assessment procedure in the provision of financing and an operational procedure for financing, therefore :

Appraisal Procedure in Provision of Financing According to Mr. Frans, the Assessment Procedure for Financing a prospective customer is very important as part of the application of the prudential principle in preventing and overcoming Non Performance Loans at BPR Shinta Daya. The proposed process of financing analysis was based on the 5Cs, namely: Character, Capacity, Capital, Collateral, and Condition.¹¹⁴

1. Character aspects (character assessment/personality)

Character was the character or behavior of a prospective customer. The goal was to find out the goodwill of a prospective customer in fulfilling his morals, behavior, and personal characteristics.

2. Capital aspect (assessment of capital)

Capital that customers needed to include in the object of financing/credit who needs to be analyzed more deeply

3. Capacity aspects (ability assessment)

Capacity was the ability a prospective customer had in running his business to obtain the expected profit.

4. Condition analysis

Analyzing Condition is a potential customer's business condition that was influenced by social and economic. The financing to be provided also needed to consider the economic conditions associated with the prospect of the customer or prospective customer

¹¹⁴ Agri-SosioEkonomi Unsrat, ISSN 1907– 4298 , Volume 12 Nomor 2A, Juli 2016 : 303- 314

5. Collateral Aspects (warranty assessment)

The collateral aspect or sufficient guarantee would guarantee the withdrawal of funds borrowed by the prospective customer. Therefore, guarantees were the most important factor in providing financing.

The purpose of applying the analysis of the application of the prudential principle in financing was to overcome the possibility of non-performance loans.¹¹⁵ After the prudential principle was carried out, the customer had a sense of responsibility in paying his obligations according to the set maturity and BPR Shinta Daya had more confidence in prospective customers who apply for financing.

The results of the interview with Mr. Frans also said that there was an example of violation of the principle of prudence in the application of the principle of prudence at BPR Shinta Daya Yogyakarta, namely the AO Team from BPR Shinta Daya, which was deemed to have violated the Policy Regarding Professionalism and Integrity of Credit Officials because the AO Team of BPR Shinta Daya Yogyakarta has neglected its duties as a relationship manager by not checking clearly collateral documents that are used as collateral by customers and not being careful in approaching debtors. Whereas the relationship manager's duties are listed in the Wholesale and Middle Market Credit Policy and Procedure Guidelines regarding the Responsibilities and Authorities of Business Marketing Managers in the Business Marketing Business Unit (Wholesale Market Segment) as follows:

¹¹⁵<https://ejournal.unsrat.ac.id/index.php/lexcrimen/article/view/11680>, **KREDIT MACET DAN PENERAPAN PRINSIP KEHATI-HATIAN DALAM PERBANKAN**, *Detisa Monica Podung*, accessed on Wednesday, July 29th 2020, at 09.46 pm.

1. Collecting and verifying data / information on the condition of debtors/prospective debtors / third parties in connection with the initial steps in the process of extending credit through Bank Indonesia, other banks / other financing institutions, suppliers, buyers/subscriptions etc;
2. Conducting visits / on the spot / meeting with senior management of debtor companies / prospective debtors;
3. Assess the fairness of the feasibility study made by the consultant regarding the fairness of the assumptions used, the completeness and validity of the data and the fairness of the financial statements (Audited Report & Home Statement), Appraisal and conducting a guarantee assessment;
4. Filling in the checklist form and checking deviation of certificates of ownership of collateral;
5. Review the estimated value of collateral by the appraisal company.

The BPR Shinta Daya Yogyakarta AO team has violated the principle of prudence because it did not implement one of the 5 principles, namely character, seeing the character and background of the prospective borrower or customer applying for credit. This character criterion will be seen from the interviews conducted by the bank, usually the customer service department. From this character, it will also be seen how the reputation of the prospective borrower, have they ever had a criminal record or bad financial habits such as not repaying the loan and should approach the debtor " X " and verify whether the document is really on behalf of The debtor as the applicant for credit, one of which is by way of clarification and confirmation at the local Land Office as the institution that records the transfer of land rights, as well as the authorized institution to declare that the document is a valid document or not. The actions of the AO BPR Shinta Daya Yogyakarta Team have violated the Standard Operating Procedures (SOP) that should have been carried out as a relationship manager which

indirectly violated the principle of prudence in providing credit to its customers. SOP is a tangible form of the application of prudential principles by banks in order to avoid risks, in this case of course the risk of bad credit which can harm the bank. The BPR Shinta Daya Yogyakarta AO team can be categorized as a bank official, which is a bank official in Bank Indonesia Regulation No. 11/19 / PBI / 2009 of 2009 concerning Risk Management Certification for Managers and Officers of Commercial Banks (as amended by Bank Indonesia Regulation No.12 / 7 / PBI / 2010 of 2010) in article 1 point 5 defines that a bank official is an employee banks who hold positions under directors according to the size and complexity of the business, including bank employees who have influence over bank policies and / or operations. It is also explained in the explanation of Article 49 paragraph 2 letter b of Law Number 10 of 1998 concerning Banking, that what is meant by a bank employee is a bank official who has the authority and responsibility regarding matters relating to the business of the bank concerned.

Based on the explanation above, the actions of the BPR Shinta Daya Yogyakarta AO Team can be held accountable for their actions because their position as a bank employee has influence in making decisions on a policy or more specifically in this case influences credit decision making. In accordance with the explanation above, the accountability of bank officials for a violation is regulated in Article 49 paragraphs 1 and 2 which explains:

1. A member of the Board of Commissioners, Board of Directors, or a bank employee who deliberately:

a. Creating or causing false records in the books or reports, as well as in documents or reports on business activities, transaction reports or bank accounts;

b. Omitting or not including or causing non-recording in books or reports, as well as documents or business activity reports, transaction reports or bank accounts;

c. Changing, obscuring, hiding, deleting, or eliminating a record in the books or in reports, as well as in documents or business activity reports, transaction reports or bank accounts, or deliberately changing, obscuring, eliminating, hiding or destroying these bookkeeping records, threatened with imprisonment of at least 5 (five) years and a maximum of 15 (fifteen) years and a fine of at least Rp.10,000,000,000.00 (ten billion rupiah) and a maximum of Rp.200,000,000,000.00 (two hundred billion rupiah).

2. Members of the Board of Commissioners, Board of Directors or bank employees who deliberately:

a. Request or receive, permit or agree to receive a reward, commission, additional money, services, money or valuables, for their personal gain or for the benefit of their output, in the framework of obtain or attempt to obtain for others in obtaining advances, bank guarantees, or credit facilities from banks, or in the context of buying or discounting by banks on drafts, promissory notes, checks, and commercial papers or other evidence of obligation, or in order to provide approval for other people to carry out withdrawals of funds that exceed their credit limit at the bank; identification of suspicious customers and transactions, monitoring the process of updating customer profile data, as well as coordinating and monitoring the Know Your Customer Principles policy by other related units. Furthermore, article 4 regulates the information that banks must request from their prospective customers before entering into a business relationship, namely:

a. the identity of the prospective customer;

b. the purpose and objectives of the business relationship the prospective customer will have with the Bank;

c. other information that enables the Bank to find out the profile of a potential Customer; and

d. the identity of the other party,

In the event that a potential Customer acts for and on behalf of another party as stipulated in Article 6. In relation to providing credit, the provisions stipulated in the Know Your Customer Principle can assist the bank in determining credit extension, because in the principle of knowing this customer the bank can obtain the customer's identity, customer business activities, and customer transaction traffic which can then be used as the initial basis for banks in considering extending credit to their customers. Then it can be continued with other, more specific processes governing the procedures for granting credit based on the SOP of each bank. The precautionary principle is promulgated in Law No.7 of 1992 concerning Banking which has been amended to Law No.10 of 1998, in this Law in Article 29 it explicitly states that in carrying out its business, a bank is obliged to be based on the prudential principle, although it is not clearly regulated what is meant by the precautionary principle itself.

Bank Indonesia, as the central national bank, has the authority to regulate and supervise banks based on the provisions of the Law on stipulating Bank Indonesia Regulations, this regulation is a concrete manifestation of the application of the precautionary principle. One example is the PBI on Risk Management, which is expected to help banks maintain bank health through internal supervision. Its application is also adjusted to the objectives, business policies, size and complexity of the business and the capabilities of the bank. In the context of the task of regulating and supervising banking, Bank Indonesia has the authority to stipulate banking

regulations by upholding the prudential principle. These provisions aim to avoid any misuse of bank functions that are detrimental to the banking world, both customers and the bank itself. The rise of crimes and violations committed in banking can affect public confidence in the banking sector, therefore if not regulated explicitly it can have fatal consequences for public trust. With the existence of these rules and regulations, it is hoped that violations and crimes in the banking world can be reduced. However, it does not rule out that there are still violations that have occurred either from the bank or the customer. Therefore, it is strictly regulated how to be responsible for these violations. If it is related to the case of extending credit to debtor "X", it can be used as an example of violation of prudential principles in banking. BPR Shinta Daya Yogyakarta AO Team has been deemed to have violated the Guidelines for Wholesale and Middle Market Credit Policies and Procedures - a book on the Responsibilities and Authorities of Business Marketing Managers in the Business Marketing Business Unit (Wholesale Market Segment) because the BPR Shinta Daya Yogyakarta AO Team does not run either from principle 5, namely character, looking at the character and background of the prospective borrower or customer applying for credit. This character criterion will be seen from the interviews conducted by the bank, usually the customer service department. From this character, it will also be seen how the reputation of the prospective borrower, have they ever had a criminal record or bad financial habits such as not repaying the loan and should approach the debtor " X " and verify whether the document is true in his name. the debtor as the credit applicant.

Whereas the duties of a relationship manager are listed in the Guidelines for Wholesale and Middle Market Credit Policies and Procedures concerning the Responsibilities

and Authorities of Business Marketing Managers in the Business Marketing Business Unit (Wholesale Market Segment) as follows:

1. Collecting and verifying data / information on the condition of debtors / prospective debtors / third parties in connection with the initial steps in the process of extending credit through Bank Indonesia, other banks / other financing institutions, suppliers, buyers / subscriptions etc .;

2. Conducting visits / on the spot / meeting with senior management of debtor companies / prospective debtors;

3. Conduct an assessment of the reasonableness of the feasibility study made by the consultant regarding the fairness of the assumptions used, the completeness and validity of the data and the fairness of the financial statements (Audited Report & Home Statement), Appraisal and conducting assurance assessments;

4. Filling in the checklist form and checking deviation of certificates of ownership of collateral;

5. Review the estimated value of collateral by the appraisal company.

BPR Shinta Daya Yogyakarta AO team as a relationship manager can be categorized as a bank official, which is a bank official in Bank Indonesia Regulation No. 11/19 / PBI / 2009 of 2009 concerning Risk Management Certification for Managers and Officers of Commercial Banks (as amended by Bank Indonesia Regulation No.12 / 7 / PBI / 2010 of 2010) in article 1 point 5 defines that a bank official is an employee banks who hold positions under the board of directors according to the size and complexity of the business, including bank employees who have influence over bank policies and / or operations. It is also explained in the explanation of Article 49 paragraph 2 letter b of Law Number 10 of 1998 concerning Banking, that what is

meant by a bank employee is a bank official who has the authority and responsibility regarding matters relating to the business of the bank concerned.

Based on the explanation above, the actions of the BPR Shinta Daya Yogyakarta AO Team can be held accountable for their actions because their position as a bank employee has influence in making decisions on a policy or more specifically in this case influences credit decision making. In accordance with the explanation above, the accountability of bank officials for a violation is regulated in Article 49 paragraphs 1 and 2 which explains:

1. A member of the Board of Commissioners, Board of Directors, or a bank employee who deliberately:

a. Creating or causing false records in the books or reports, as well as in documents or reports on business activities, transaction reports or bank accounts;

b. Omitting or not including or causing non-recording in books or reports, as well as documents or business activity reports, transaction reports or bank accounts;

c. Changing, obscuring, hiding, deleting, or eliminating a record in the books or in reports, as well as in documents or business activity reports, transaction reports or bank accounts, or deliberately changing, obscuring, eliminating, hiding or destroying these bookkeeping records, threatened with imprisonment of at least 5 (five) years and a maximum of 15 (fifteen) years and a fine of at least Rp.10,000,000,000.00 ten billion rupiah) and a maximum of Rp.200,000,000,000.00 (two hundred billion rupiah).

2. Members of the Board of Commissioners, Board of Directors or bank employees who deliberately:

Request or receive, permit or agree to receive a reward, commission, additional money, services, money or valuables, for personal gain or for the benefit of its output, in order

to obtain or try to obtain for others in obtaining down payments, bank guarantees , or credit facilities from banks, or in the context of buying or discounting by banks on drafts, promissory notes, checks, and trading papers or other evidence of obligations, or in order to give approval for other people to withdraw funds that exceed their credit limit. at the bank; Failure to take the necessary steps to ensure bank compliance with the provisions of this Law and other statutory provisions applicable to banks, shall be punished by imprisonment of at least 3 (three) years and a maximum of 8 (eight) years. as well as a fine of at least Rp. 5,000,000,000.00 (five billion rupiah) and a maximum of Rp. 100,000,000,000.00 (one hundred billion rupiah). "Apart from articles 49 paragraphs 1 and 2, administrative sanctions are also regulated in Article 52 of the Law. -Law Number 10 concerning Banking, which contains:

1. Without prejudice to the criminal provisions as referred to in Article 47, Article 47A, Article 48, Article 49. and Article 50A, Bank Indonesia may impose administrative sanctions on banks that do not fulfill their obligations as stipulated in this Law, or the Management of Bank Indonesia. may revoke the business license of the bank concerned.

2. Administrative sanctions as referred to in paragraph (1), include:

- a. money fine;
- b. written warning,
- c. decrease in bank soundness level;
- d. prohibition from participating in clearing activities;
- e. freezing of certain business activities, either for certain branch offices or for banks as a whole;

- f. dismissal of bank management and subsequently appoint and appoint a temporary replacement until the General Meeting of Shareholders or Meeting of Cooperative Members appoints a permanent replacement with the approval of Bank Indonesia.
- g. inclusion of members of the management, bank employees, and shareholders in the list of disgraceful persons in the banking sector.

3. Further implementation of administrative sanctions is stipulated by Bank Indonesia.

In each of the Bank Indonesia Regulations, Bank Indonesia can only impose administrative sanctions, the application of administrative sanctions by Bank Indonesia to banks because Bank Indonesia, as a central bank institution, cannot impose criminal or civil sanctions. The authority to impose criminal or civil sanctions only belongs to the law. In addition to criminal sanctions and administrative sanctions, which are stipulated in the Banking Law and Bank Indonesia Regulations, in this case BPR Shinta Daya Yogyakarta took action against the AO Team by investigating from the beginning of the flow of giving and examining before giving. the credit is ongoing and the AO Team is asked to take responsibility for the credit that has been disbursed (compensation for a number of bad credit from debtor "X" as well as a demotion given by BPR Shinta Daya Yogyakarta, therefore this case can be resolved in accordance with regulations. that is at BPR Shinta Daya Yogyakarta and does not have to be reported to Bank Indonesia where when there is an error in giving credit and the credit becomes bad, the team that has made the mistake will be asked to be responsible for replacing the money that has been approved in the credit agreement and if they do not want to be responsible, BPR S hinta Daya will follow up by reporting it to the competent District Court.

B. LEGAL STEPS TAKEN TO SETTLING NON PERFORMING LOANS IN BPR SHINTA DAYA YOGYAKARTA

In the distribution of credit, the least encouraging was when the credit was given turns out to be non-performing loans. This was due to the failure of the debtor to fulfil its obligation to pay the loan principal instalments along with the interest agreed by both parties in the credit agreement. Before elaborating on the implications that arise as a result of non-performing loans, The first explained some of the definitions regarding the credit collectibility category, based on Bank Indonesia Regulation (PBI) No. 14/15 / PBI / 2012 Dated 24 October 2012 concerning Assessment of the Quality of Commercial Bank Assets and Bank Indonesia Circular Letter (SEBI) No. 15/28 / DPNP dated 31 July 2013 concerning Assessment of the Quality of Commercial Bank assets, had set the criteria for determining credit quality, as follows:

1. *Lancar.*

The criteria of credit could be said to be current credit if, payment of principal and/or interest on time, had an active account mutation, part of credit guaranteed by cash collateral (cash collateral)

2. *Dalam Perhatian Khusus.*

This meant that a credit was said to be under special attention if it met the following criteria. There was an area in principal and/or interest instalments that had not exceeded 90 days, sometimes an overdraft occurs, rarely the contract does agree upon violate, account movements was relatively active, supported by new loans.

3. *Kurang Lancar (substance).*

A credit was said to be substandard if it met the following criteria: a. There was arrears in principal and/or interest installments that had exceeded 90 days b. Overdrafts often occurred c. There was a breach of the contract that was promised for more than 90 days d. The relatively low frequency of account transfers e. There was indications of financial problems faced by debtors f. Weak loan documents

4. *Diragukan.*

It was said to be doubtful if it met the following criteria, among others: a. There was arrears in principal and/or interest installments that had exceeded 180 days b. There was an overdraft which was permanent c. Occured over 180 days of achievement d. Interest capitalization occured. Weak legal documents for both credit agreements and collateral commitments

5. *Macet (Loss).*

Credit quality was said to be bad if it met the following criteria, among others: a. There was arrears in principal and/or interest installments that had exceeded 270 days b. Operational losses was closed with a new loan c. From a legal standpoint and market conditions, collateral could not be cashed at fair value.

Overview of Non Performance Loans at BPR Shinta Daya in Yogyakarta the increasing number of people who need money to meet their daily needs, there was more and more banks that developed banking businesses in the micro sector and other financial institutions that offered loans with conditions. which was easy and fast to meet urgent needs, so that among them competed to reach as many customers as possible.

The provision of BPR Shinta Daya credit loans was mutually beneficial loans to advance and grow up with the people so that the registration process to disbursement of loan funds was very easy, fast, and light. This was done to provide service, convenience, and fast loan disbursement, and low interest so that it did not burden customers. In anotherhand. The credit agreement the wheels of the public economy in the real sector would run well and grow rapidly so that it could help the community's economy.

Non-performing loans was loans whose collectability levels fall into the substandard, doubtful, and non-performing categories. Banks must understand about suspected of becoming non-performing loans. The principles used to deal with problems at BPR Shinta Daya Yogyakarta was that all employees of BPR Shinta Daya Yogyakarta, especially those related to credit, must had the same understanding in non-performing loans, by making the following efforts :

1. Handled non-performing loans, among others, by providing more intensive guidance to debtors with non-performing loans and credit with potential problems.
2. Disclosed of Information regarding non-performing loans must be in the administration and credit documentation for internal follow-up handling of BPR Shinta Daya Yogyakarta and submitted to the Board of Commissioners to become material in the Supervision Report of BPR Shinta Daya Yogyakarta Business Plan by the Board of Commissioners to the Financial Services Authority regularly.
3. Informed as referred to in number 2, at least covers the main causes of non-performing loans, developments in non-performing loans, developments in the handling of non-performing loans, as well as follow-up actions for handling non-performing loans, especially those that had a significant impact on BPR Shinta Daya Yogyakarta.

4. Made BPR to handle of non-performing loans, especially for problematic credits to parties related to the BPR, group debtors, and/or large debtors.
5. Handled Loans in the substandard category and resolved by the credit department, and loans that had already in the doubtful and non-performing category would be handled by a special section, namely the Non-Performing Credit Management Unit (PKB).

The preparation of a problematic credit handling program must be drawn up as early as possible before it had an impact on the overall credit performance of BPR Shinta Daya Yogyakarta and must be approved by the Board of Directors. The program referred to include;

1. procedures for handling each non-performing loan with due observance to the provisions of the Financial Services Authority ,*OJK* as well as the policies and procedures of BPR Shinta Daya Yogyakarta;
2. The rescue and settlement of non-performing loans that applied to BPR Shinta Daya Yogyakarta;
3. The estimated time for settlement;
4. the estimated rescue results or problematic credit settlement;
5. both in terms of the provision of funds as well as from the quality side of the activity and prioritizing the handling of non-performing loans to those related to BPR Shinta Daya Yogyakarta, group debtors, and/or large debtors. The program for handling non-performing loans was one of the items that must be reported in the BPR Shinta Daya Yogyakarta Business Plan Implementation Report.

There was a non-performing loan handling procedure with collectibility as followed :

1. Substandard, namely providing guidance and collection to debtors, making bills, summons, and warning letters to debtors, settlement of other asset sales, carrying out rescue follow-ups (credit restructuring).
2. Doubtful and Loss, namely providing guidance and collection to debtors, making bills, summons and warning letters to debtors, settlement of other asset sales, carrying out follow-up actions to rescue credit restructuring, preparing credit settlement strategies, settlement through legal channels/auction, proposing write-offs loan book.

In handling non-performing loans, BPR Shinta Daya Yogyakarta could take the following measures:

- a. Credit Restructuring was an improvement effort made by BPR Shinta Daya Yogyakarta in lending activities for debtors who was experiencing difficulties in fulfilling their obligations. Credit criteria that was be restructured at least, namely the debtor was experiencing difficulties in paying loan principal and/or interest, the debtor had good business prospects and was expected to be able to meet obligations after the credit had been restructured and showed good faith and was willing to fulfill credit obligations after restructuring.

Improvement efforts made by BPR Shinta Daya Yogyakarta could be in the form of:

1. Rescheduling, namely changes in the payment schedule for debtors' obligations or periods.
2. Reconditioning, namely changes in part or all of the credit terms which was not limited to changes in payment schedules, periods, and/or other requirements as

long as they did not involve changes to the maximum credit plan and/or restructuring.

3. Restructuring, namely changes in credit terms concerning the addition of credit facilities and the conversion of all or part of arrears in interest installments into new loan principal, which may be accompanied by rescheduling and/or re-requirements.

Restructured credit quality was determined to be the highest substandard for credit which was classified as doubtful or bad or unchanged before restructuring, for credit classified as Current, Special Mention or Substandard before restructuring.

The restructured credit quality might become Current if there was periods, or the same as the credit quality before the restructuring of the credit if the debtor is unable to meet the conditions referred to in the existing regulations above. Policy in the context of credit restructuring included at least the following;

1. namely the handling of credit restructuring proposed by the credit department to the Director by attaching analysis and consideration of granting credit restructuring;
2. determining the restructured credit limit was the authority of the Director;
3. the rights and obligations of the debtor and other statements in the context of restructuring must be set forth in an amendment (addendum) to a written credit agreement;
4. for customers to be restructured due to administrative deductions;
5. provisions, or an increase in collateral, for customers to be restructured are subject to administrative fees;

6. the bank is required to charge losses arising from credit restructuring calculated with the excess of PPAP due to improvements in credit quality after credit restructuring, excess of PPAP due to improvements in restructured credit quality, after calculating the losses arising from the restructuring anization with losses arising from the credit restructuring as referred to earlier;

7. can only be recognized as income if there have been three principal installments received on the restructured loan.

2. Non-performing Loans Settlement, for non-performing loans that could be collected again after rescue efforts was made. The non-performing loans could be resolved through methods, namely,

a. First, takeover Collateral : The Board of Directors of BPR Shinta Daya Yogyakarta was obliged to formulate a collateral takeover policy as outlined in the credit procedure and Responsible for its implementation.

b. BPR Shinta Daya Yogyakarta must choose one of the treatments for the way to take over collateral, the treatments consists of :

-credit settlement (Foreclosed Collateral (AYDA) was an acquired asset. BPR Shinta Daya either through auction or outside of auction-based on voluntary submission by the collateral owner or based on the power of attorney to sell outside the auction from the collateral owner if the debtor did not fulfill his obligations to BPR Shinta Daya Yogyakarta.

-Second, the credit settlement process procedure, namely the procedure for taking over collateral based on the provisions of the Financial Services Authority governing asset quality and accounting guidelines for BPR Shinta Daya

Yogyakarta. The basis for the consideration of selecting one of the treatments of the method of expropriation of the collateral must be documented in writing.

3. To determine the treatment as previously regulated, BPR Shinta Daya Yogyakarta must consider the following matters, namely :

- a. the legality of the collateral,
- b. the type of collateral,
- c. the collateral had a good market value and was marketable,
- d. the comparison of the collateral value against the debtor's liabilities (coverage)
- e. Statement of submission of collateral and power of attorney to sell from the debtor.

4. Credit settlement procedure through AYDA, namely through BPR Shinta Daya Yogyakarta, could take over collateral;

1. to settle bad credit quality, efforts had been made to settle loans in a family way;
2. the section for handling problem loans collaborates with lawyers to carry out the execution/auction process;
3. at the time of recognition Initially;
4. the foreclosed assets are recorded at fair value after deducting costs to sell;
5. namely the maximum amount of the debtor's liabilities;
6. BPR Shinta Daya Yogyakarta was not allowed to recognize profits at the time of taking over assets, for AYDA with a value of up to Rp. 500,000,000.00 (five hundred million rupiahs) could be done by an internal appraiser of PT. BPR Shinta Daya, for AYDA with a value of more than Rp. 500,000,000,000.00 (five hundred

million rupiahs) must be carried out by an independent appraisal, If the value of the foreclosed assets is greater than the carrying value of the credit granted;

7. the maximum foreclosed assets was recognized at the carrying value loans;

8. If the value of the foreclosed assets was less than the carrying value of the loans;

9. BPR Shinta Daya recognizes losses in the current period;

10. the foreclosed assets will only be recorded in the balance sheet originating from credit settlement and are not depreciated, BPR Shinta Daya Yogyakarta was obliged to make efforts to settle collateral foreclosed (AYDA) within 1 (one) year from the time of the acquisition;

11. If within one year the BPR was unable to complete the AYDA, the value of the foreclosed assets recorded on the balance sheet of the BPR must be calculated as a reduction in core capital in the calculation of the Minimum Capital Fulfillment Obligation (KPMM).

Periodic reassessment of the foreclosed assets following the applicable provisions and procedures provided that if the foreclosed assets decreased, BPR Shinta Daya was obliged to acknowledge the impairment loss. Yogyakarta could recognize the recovery of the impairment loss at a maximum amount of the recognized impairment loss. Foreclosure and sale of collateral must be documented and administered.

5. Credit settlement procedure through was process as referred to in the previous point and it was necessary to pay attention to the following matters, namely the credit agreement between BPR Shinta Daya Yogyakarta and the debtor did not end when the collateral was controlled by BPR Shinta Daya Yogyakarta, and BPR

Shinta Daya Yogyakarta was obliged to return the excess yield. Sale of collateral if the proceeds from the collateral sale was higher than the number of liabilities that must be settled by the debtor and BPR Shinta Daya Yogyakarta was the right to collect additional payments from the debtor if the proceeds from the sale of collateral was lower than the number of liabilities that must be settled by the debtor.

Write-Off and/or Claim Write-Off, the provisions for write-off and/or claim write-off against loans with Bad quality was as follows :

1. Write-off and/or write-off could only be done for the provision of funds that was of Loss quality.
2. A significant amount of write-off and/or claim write-off plans for loans classified as Bad, must be recorded in the business plan and an annual budget of BPR Shinta Daya Yogyakarta.
3. Write-off of bad loans could be done if, the debtor had no prospect of being restructured or the restructuring effort was unsuccessful so that the loan portfolio of BPR Shinta Daya Yogyakarta remained stuck, collateral controlled by BPR Shinta Daya Yogyakarta was insufficient to pay off the credit and BPR Shinta Daya Yogyakarta had established a PPAP sufficient.
4. Write-offs could be done on part of the credit (partial write-off).
5. Claim write-off could be made on part or all of the credit.
6. Claim write-off for part of the provision of funds could only be done in the context of credit restructuring or for credit settlement.
7. Write-off and/or write-off could only be done after BPR Shinta Daya had made efforts to recover the credit given.

8. Write off books against bad credit was not allowed for related party credit.
9. BPR was obliged to administer documentation regarding the efforts that had been made and the basis for consideration of write-off and/or claim write-offs by BPR Shinta Daya Yogyakarta.
10. BPR Shinta Daya Yogyakarta was obliged to administer data and information regarding credit written off and/or claim written off.
11. Delete the book procedure.

The requirements for write off are:

- a. Efforts had been made or oral or written collections and credit quality was classified as bad and the time limit is 5 (five) after being classified as bad and/or for debtors with bad quality of fewer than 5 years but the collection was no longer possible (for example debtor dies world, its existence is unknown).
- b. The Credit and PKB Departments submitted a list of customers proposed to write off to the Board of Directors, completed with supporting evidence.
- c. The Board of Directors together with the Credit Division and the PKB Division evaluated the credit handling process as outlined in written evidence as a recommendation.

CHAPTER IV

CONCLUSION AND RECOMMENDATION

A. CONCLUSION

1. BPR Shinta Daya in applying the prudential principle in financing not selective and thorough in the news of bank officials (relationship managers), the AO team who are in the process of extending credit to customers. BPR Shinta Daya not thorough on provided financing by emphasizing the 5C principles which include Character, Capacity, Capital, Condition, and Collateral. However, it prioritized the analysis aspects of Character (character), Capacity (ability), and Collateral (guarantee). The most important thing in providing financing to customers or prospective customers was collateral (guarantee).

2. There was a non-performing loan handling procedure with collectability as follows:

- a. Substandard, namely providing guidance and collection to debtors, making bills, summons, and warning letters to debtors, settlement of other asset sales, carrying out rescue follow-ups (credit restructuring).
- b. Doubtful and Bad, namely providing guidance and collection to debtors, making bills, summons, and warning letters to debtors, settlement of other asset sales, carrying out follow-up actions to rescue credit restructuring, preparing credit settlement strategies, settlement through legal channels/auction, proposing write-offs.

B. RECOMMENDATION

Suggestion after discussing the application of the prudential principle in overcoming Non Performance Loans at BPR Shinta Daya, the author will provide suggestions to related parties, namely: Account Officer (AO) is expected to be more thorough when carrying out a series of procedures for customers related to the precautionary principle applied by Bank Indonesia Regulation (PBI) to overcome Non Performance Loans. Account Officer (AO) pays more attention to developments in the condition of financing customers, both from their personal and business environment by monitoring or fostering BPR Shinta Daya to be more assertive towards problematic customers. Therefore, BPR Legal Officer Shinta Daya is expected to be more careful in assessing and accepting customers so that there is no problematic financing. Non Performance Loans was besides providing financing to meet the financing requirements, based on financing analysis and regulations of the OJK (Financial Services Authority), namely 5C.

It is better if the debtor in implementing the credit agreement prepares all risks and prepares the ability to repay the credit loan so that there will be no failure in the credit agreement which can result in losses to creditors. In terminating a non-performing or Non Performance Loans agreement, the Bank should provide opportunities for customers to complete their obligations, and the Bank provides solutions or ways that customers can take to save their credit. Solving the problem is prioritized in a familial manner against Non-Performance Loans.

REFERENCE

Books

- Amiruddin dan Zainal Asikin. 2016. *Pengantar Metode Penelitian Hukum*. Jakarta: PT. RajaGrafindo Persada.
- Hariyani, Iswi. 2010. *Restrukturisasi & Penghapusan Kredit Macet*. Jakarta: PT. Elex Media Komputindo.
- Jusup, Al Haryono. 2001. *Dasar -Dasar Akuntansi, Jilid I*, Sixth Edition. Yogyakarta: STIE YKPN.
- Kansil, Christine S.T. 1989. *Pengantar Ilmu Hukum dan Tata Hukum Indonesia*. Jakarta: Balai Pustaka.
- Kansil, Christine S.T. 2002. *Pokok-pokok Pengetahuan Hukum Dagang Indonesia*. Jakarta: Sinar Grafika.
- Kasmir. 2008. *Bank dan Lembaga Keuangan Lainnya*, 2008 Revised Edition. Jakarta: Rajagrafindo Persada,
- Moleong, Lexy J. 2010. *Metodelogi Penelitian Kuantitatif*, Revised Edition. Jakarta: Remaja Rosdakarya.
- Nasution, Bahder Johan. 2008. *Metode Penelitian Ilmu Hukum*. Bandung: CV Mandar Maju.
- Rahman, Hasanuddin. 1998. *Aspek Hukum Pemberian Kredit Perbankan Indonesia*. Bandung: PT. Citra Aditya Bakti.
- Riai, Veithzal and friends. 2008. *Islamic Financial Management*. Jakarta: PT. RajaGrafindo Persada.
- Sudarto. 2002. *Metodelogi Penelitian Filsafat*. Jakarta: Raja Grafindo Persada.
- Suyatno, Thomas and friends. 1998. *Kelembagaan Perbankan*. Jakarta: Gramedia Pustaka Utama.
- Soekanto, Soerjono. 1986. *Pengantar Penelitian Hukum*. Jakarta: UI Pres.

- Tim Buku Pedoman Penulisan Tugas Akhir Program Studi S-1 Ilmu Hukum. 2016. *Pedoman Penulisan Tugas Akhir Pro Program Studi S-1 Ilmu Hukum*. Universitas Islam Indonesia.
- Veithzal Rivai, dkk, *Islamic Financial Management*, page 146.
- Iswi Hariyani, *Restrukturisasi & Penghapusan Kredit Macet*, (Jakarta : PT Elex Media Komputindo, 2010), page 35.
- Ascarya, (2012), Transmission Channel and Effectiveness of Dual Policy Indonesia. *Bulletin of Monetary Economics and Banking* 14(3): 269-298
- Enders, Walter (2004), *Applied Econometric Time Series*, John Wiley & sonc, Inc.
- Gujarati, Damodar N, (2004). *Basic Ecomometrics*. Fourth Edition. London : McGraw-Hill
- Rachmadi Usman, *Aspek-Aspek Hukum Perbankan di Indonesia*, PT Gramedia Pustaka Utama, Jakarta, 2001, hlm. 236.
- Kuncoro. 2002. *Manajemen Perbankan, Teori dan Aplikasi*. Jakarta: PT. Indeks Kelompok Gramedia.
- Arbi, Syarif. 2013. *Lembaga: Perbankan, Keuangan dan Pembiayaan*, cetakan 1.. Yogyakarta: BPFE Universitas Gajah Mada.
- Veithzal Rivai. (2007). *Bank and Financial Institute Management*. Jakarta: PT. Raja GrafindoPersada
- Abdullah, Thamrin., and Francis Tantri. 2012. *Manajemen Pemasaran*. PT Raja Grafindo Persada : Jakarta.
- Irham Fahmi (2012), *Analisis Laporan Keuangan*. Bandung : Alfabeta
- Kasmir. 2012. *Bank dan Lembaga Kuangan Lainnya*. Jakarta: PT. Raja Grafindo Persada.

- Mulyono, Teguh Pudjo.1996 . Bank Budgeting : Profit Planning and Control .Edisi Pertama.
Yogyakarta : BPFEE.
- Kasmir. 2012. Bank dan Lembaga Keuangan Lainnya.Jakarta: PT. Raja Grafindo Persada.
- Gatot Supramono, Perbankan dan Masalah Kredit; Suatu Tinjauan Yuridis, Djambatan,
Jakarta, 1995, hlm. 33-34.
- Sentosa Sembiring, Hukum Perbankan, edisi revisi, Mandar Maju, Bandung, 2012, hlm. 316.
- Veithzal Rivai dan Andria Permata Veithzal, Bank and Financial Institution Management,
Jakarta: PT Raja Grafindo Persada, 2007.
- Hasibuan, Melayu S.P. 2011. Dasar-Dasar Perbankan. Jakarta: PT. Bumi Aksara.
- Durianto, D., Sugiarto, & Sitinjak, T. 2004. Strategi Menaklukkan Pasar Melalui Riset Ekuitas
dan Perilaku Merek. Jakarta: PT. Gramedia Pustaka Utama.
- Siswanto Sutojo. Menangani Kredit Bermasalah.Jakarta : Pustaka Binaman pressindo, 1997.
- AR, Zahrudin dan Hasanuddin Sinaga, Pengantar Studi Akhlak, Jakarta: PT. Raja Grafindo
Persada, 2004
- Sutojo, Siswanto. (2013), Menangani Kredit Bermasalah, Jakarta : Pt.Damar Mulia Pustaka.
- Masassya, Elvyn. 1994. Kredit Bermasalah, Penyebab, dan Upaya Mengatasinya. Bank dan
Menejemen, Bandung.
- Ismail. (2010). Manajemen Perbankan : Dari Teori Menuju Aplikasi. Jakarta:Kencana.
- Hasibuan, Malayu. 2006. Dasar-dasar Perbankan. PT. Bumi Aksara, Jakarta.
- Ghofur, Anshori, Abdul, Hukum Perjanjian Islam di Indonesia, Yogyakarta : Gadjah mada
University Press, 2010.
- Suhendi, Hendi, Fiqh Muamalah, cet Ke-6, Jakarta : Raja Grafindo Persada, 2010.

Khallaf, Abdul Wahab, Ilmu Ushul Fiqh, alih bahasa Masdar Helmy, Bandung: Gema Risalah Press, 1996.

Basyir, Ahmad Azhar, Asas-Asas Muamalah, edisi revisi, Yogyakarta: UII Press, 2000.

Journal

Melinda, Yulistina. Sistem dan Prosedur Pemberian Kredit Konsumtif pada PT. BRI (Persero) Tbk Cabang Samarinda, Jilid 1, Edisi 6, Fakultas Ekonomi Universitas 17 Agustus 1945 Samarinda, 2017

Taswan, “Analisis Pengaruh Insider Ownership, Kebijakan Hutang Dan Dividen Terhadap Nilai Perusahaan Serta Faktor -Faktor Yang Mempengaruhinya”, *Jurnal Bisnis Dan Ekonomi*, No. 2 Vol. 10, 2003

Widodo, Arif. Determinants of Islamic Rural Bank Financing in Indonesia, *Jurnal Ekonomi dan Kebijakan* Vol 10, No 2 (2017)

Gambacorta, Leonardo and Marquez-Ibanez, David, (2010), The New Bank Lending Channel: a lesson from crisis. *Journal of Financial Stability*.

Agri-SosioEkonomi Unsrat, ISSN 1907– 4298 , Volume 12 Nomor 2A, Juli 2016 : 303 – 314
<http://administrasibisnis.studentjournal.ub.ac.id/index.php/jab/article/view/1358>, accessed on Thursday, May 6th, 2020, at 09.56 pm.

<http://jurnal.untan.ac.id/index.php/ejafe/article/view/11553>, accessed on Friday, 8th 2020, at 06.06 pm.

<https://ejournal.unsrat.ac.id/index.php/lexcrimen/article/view/11680> accessed on Wednesday, July 29th, 2020, at 09.46 pm.

Law and Regulations

Law Number 10 of 1998 of Banking Law.

Sharia Banking Law, Number 21 of 2008.

Decree of the directors of Bank Indonesia, Number 27/162 / KEP / DIR.

Bank Indonesia Circular Letter Number 27/7 / UPPB dated 31 March 1995.

Bank Indonesia Circular Letter (SEBI) No. 23/12 / BPPP.

Article 1338 of the KUHPer paragraph 1.

Article 1320 of the KHUHPer.

In article 11 of the General Terms of The Credit Agreement.

Website

Bayu, "7 Jenis Kredit Beserta Pengelompokannya", <https://dosenekonomi.com/ilmu-ekonomi/kredit/jenis-jenis-kredit>. October 14th, 2019. 11.25 am.

<http://digilib.unila.ac.id/532/8/BAB%20III.pdf> accessed on Thursday, October 17th, 2019 at 06.38 pm.

<http://e-journal.uajy.ac.id/549/3/2MM01547.pdf> accessed on Monday, October 14th, 2019, at 08.01 am.

<http://e-journal.uajy.ac.id/7981/1/JURNAL.pdf8>, accessed on Monday, December 31th 2019 at 12.43 pm.

<http://lib.ui.ac.id/file?file=digital/20290230-S1287-Amanah%20Rahmatika.pdf> accessed on Monday 30th, 2019 at 1.23.

http://repository.uin-suska.ac.id/11856/1/2010_2010391MEN.pdf accessed on Wednesday, October 23th 2019, at 08.16 pm.

http://repository.usd.ac.id/10152/2/112114142_full.pdf accessed on Wednesday, October 23th 2019, at 07.12 pm.

http://sitilaurajupinof.blogspot.com/2017/10/pentingnya-prinsip-5c-5p-3r-dalam_8.html, accessed on Saturday, March 14th, 2020, at 08.15 pm.

<http://www.bpr-shintadaya.co.id/kredit-umum/>, accessed on Wednesday, July 29th, 2020, at 10.22 pm

<http://www.bpr-shintadaya.co.id/sejarah/>, accessed on Thursday, October 31th 2019, at 08.53 pm.

http://www.ercolaw.com/index.php?option=com_content&view=article&id=57:mengenal-perjanjian-kredit&catid=25:the-project&Itemid=50. October 23th 2019. 06.36 pm.

<https://bh4kt1.wordpress.com/2012/08/24/14/>, accessed on Thursday, May 6th, 2020, at 11.46 pm.

<https://ejournal.unsrat.ac.id/index.php/emba/article/view/9535>, accessed on Monday, December 17th, 2019, at 05.55 pm.

<https://finansial.bisnis.com/read/20200715/90/1266207/manajemen-risiko-kredit-berkelanjutan-agar-bank-tahan-banting>, accessed on Tuesday, June 9th, 2020, at 7.32 pm.

<https://kreditgogo.com/artikel/Kredit-Tanpa-Agunan/7P-Bank-Berikan-Kredit-ke-Anda.html>, accessed on Friday, March 13th, 2020, at 09.18 pm.

<https://media.neliti.com/media/publications/135358-ID-none.pdf> accessed on Wednesday, 19th 2020, at 10.32 pm.

<https://media.neliti.com/media/publications/26565-ID-upaya-upaya-penyelesaian-kredit-macet-oleh-lembaga-perbankan-terhadap-debitur-wa.pdf> accessed on Wednesday, July 1th 2020, at 09.55 pm.

<https://media.neliti.com/media/publications/26565-ID-upaya-upaya-penyelesaian-kredit-macet-oleh-lembaga-perbankan-terhadap-debitur-wa.pdf>, accessed on Thursday, 9th July 2020, at 06.06 pm.

<https://media.neliti.com/media/publications/71800-ID-none.pdf> accessed on Wednesday, October 23th 2019, at 07.41 pm.

<https://media.neliti.com/media/publications/71800-ID-none.pdf>, accessed on Wednesday, March 11th, 2020, at 07.08 pm.

<https://media.neliti.com/media/publications/71800-ID-none.pdf>, accessed on Monday, December 17th, 2019, at 06.18 pm.

<https://news.detik.com/berita/d-4850130/metode-pengumpulan-data-kuantitatif-dan-kualitatif> accessed on Monday, June 11th, 2020, at 05.44 pm.

<https://randysetyoaji.wordpress.com/2018/05/27/prosedur-permohonan-kredit-bank/>, accessed on Tuesday, March 10th, 2020, at 09.50 pm.

<https://sahabatpegadaian.com/keuangan/jenis-jenis-kredit-berdasarkan-pengelompokannya/>, accessed on Monday, March 9th, 2020, at 07.08 pm.

<https://suksesmina.wordpress.com/2011/05/30/prosedur-pemberian-kredit/>, accessed on Thursday, May 6th, 2020, at 11.34 pm.

<https://suksesmina.wordpress.com/2011/05/30/prosedur-pemberian-kredit/>, accessed on Friday, May 7th, 2020, at 08.24 pm.

<https://www.akuntansilengkap.com/keuangan/5-unsur-unsur-kredit-perbankan/>, accessed on Monday, October 14th, 2019, at 09.09 am

<https://www.alona.co.id/bisnis/jenis-jenis-kredit-yang-ditawarkan-bank-yang-bisa-anda-gunakan-sebagai-modal-usaha/>, accessed on Monday, March 9th, 2020, at 06.18 pm.

<https://www.aturduit.com/articles/panduan-perbankan/perkenalan-tentang-bank/>. October 14th, 2019. 10.25 am.

<https://www.balailelang.co.id/index.php/home/syarat-kelengkapan-permohonan-lelang-untuk-barang-tetap>, accessed on Saturday, August 01th 2020, at 11.46 pm.

<https://www.cermati.com/artikel/kredit-macet-pengertian-ilustrasi-dan-efek-negatifnya>, accessed on Saturday, May 9th, 2020, at 07.14 pm.

<https://www.cermati.com/artikel/prinsip-5c-bank-dan-cara-kredit-anda-diterima>, accessed on Thursday, March 12th, 2020, at 07.08 pm.

<https://www.finansialku.com/definisi-kredit/>, accessed on Monday, October 14th, 2019, at 12.08 am

<https://www.hukumonline.com/klinik/detail/ulasan/lt4c0d92933c6c6/pemberian-kredit-kepada-debitur-yang-pernah-macet-tindak-pidanakah-/>, accessed on Friday, May 9th, 2020, at 11.12 pm.

<https://www.hukumonline.com/klinik/detail/ulasan/lt50294244defee/langkah-langkah-penyelesaian-kredit-macet/> accessed on Wednesday, 19th 2020, at 08.56 pm.

<https://www.hukumonline.com/klinik/detail/ulasan/lt50294244defee/langkah-langkah-penyelesaian-kredit-macet/> accessed on Wednesday, July 29th, 2020, at 09.46 pm.

<https://www.jurnal.id/id/blog/5-langkah-melakukan-analisis-rasio-keuangan/> accessed on Friday, 26th June 2020, at 08.48 pm.

<https://www.kompasiana.com/rizkykarokaro/56307b13c823bd5811780040/4-empat-prinsip-dalam-mengelola-perbankan?page=all> accessed on Monday, October 14th, 2019, at 12.33 am.

<https://www.kreditpedia.net/analisis-kualitatif-dan-analisis-kuantitatif/>, accessed on June Saturday, 10th 2020, at 09.50 pm.

<https://www.maxmanroe.com/vid/karir/pengertian-wawancara.html> accessed on Thursday, October 31th 2019 at 07.16 pm.

<https://www.moneysmart.id/kredit-macet-berlebih-bikin-npl-tinggi/>. October 14th, 2019. 10.09 am.

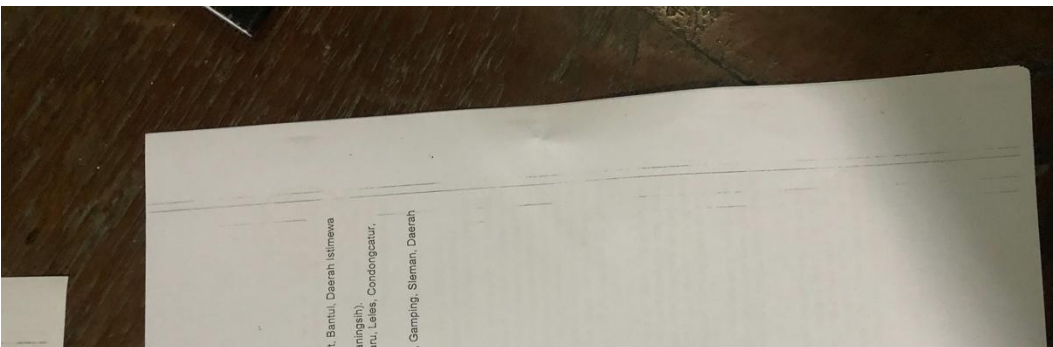
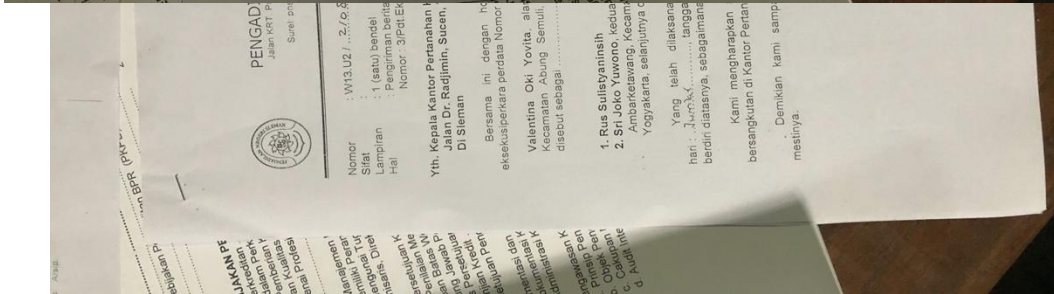
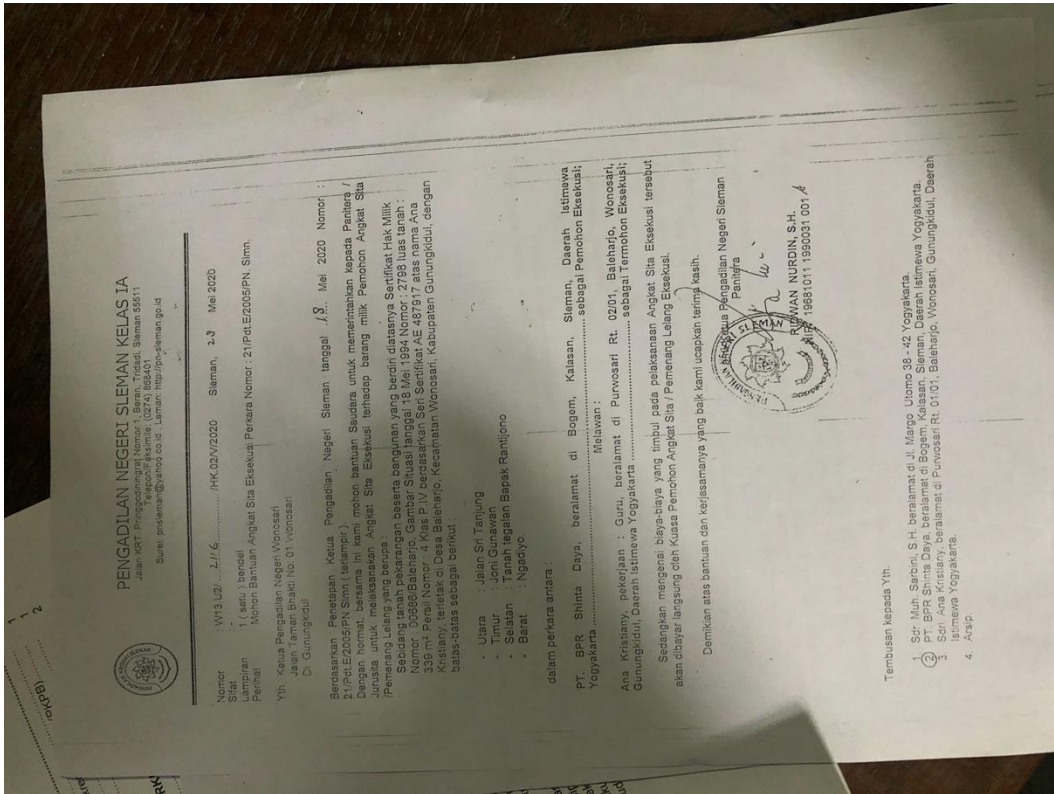
<https://www.simulasikredit.com/apa-itu-npl-non-performing-loan/>, accessed on Wednesday, December 27th, 2020, at 8.36 pm.

<https://www.slideshare.net/AnNisbah/penyelesaian-kredit-macet-perbankan-dalam-pandangan-islam> accessed on Wednesday, 19th 2020, at 11.12 pm.

Nasional Tempo. “Kredit Macet di Yogyakarta”,

<https://nasional.tempo.co/read/246925/kredit-macet-di-bank-jogja-sebesar-rp-12-miliar/full&view=ok>. October 14th, 2019. 11.21 am.

Attachment



PENGADILAN NEGERI SLEMAN KELAS IA

Jalan KRT Pringsopinggih Nomor 1, Bantul, Yogyakarta, Sleman 55611
Surel: psasman@yaho.co.id, Laman: http://pn-sleman.go.id

Nomor : W13.U2.../2/16, HK.02/V/2020 Sleman, 13 Mei 2020

Sifat : Perintah
Perihal : Mohon Bantuan Angkat Sita Eksekusi Perkara Nomor : 21/Pdt.E/2005/PN. Smm.

Yth. Ketua Pengadilan Negeri Wonosari
Jalan Pahlawan No. 01 Wonosari
DI Gunungkidul

Berdasarkan Penetapan Ketua Pengadilan Negeri Sleman tanggal 13 Mei 2020 Nomor : 21/Pdt.E/2005/PN.Smm (terlampir), mohon bantuan Saudara untuk memerintahkan kepada Panitia / Jurusan untuk melaksanakan Angkat Sita Eksekusi terhadap barang milik Pemohon Angkat Sita Perintah yang beres. Angkat Sita Eksekusi tersebut sebagai berikut:
Sebagaimana tertera dalam surat perintah yang beres. Sertifikat Hak Milik Nomor: 00886/Baleharjo, Gembur Sruas Janggal 12 Mei 1994 Luas Tanah: 2798 luas tanah: 339 m² Perai Nomor: 4 Kas PIV berdasarkan Surat Perintah No. AE 487917 atas nama Ana Kristiany, terletak di Desa Baleharjo, Kecamatan Wonosari, Kabupaten Gunungkidul, dengan batas-batas sebagai berikut:

- Utara : Jalan Sri Tanjung
- Timur : Jati Gunungwahan
- Selatan : Tanah tegalan Bapak Rantjono
- Barat : Ngalyo

dalam perkara antara :

PT. BPR Shinta Daya, beralamat di Bogem, Kalasan, Sleman, Daerah Istimewa Yogyakarta, sebagai Pemohon Eksekusi;

Melawan :
Ana Kristiany, pekerjaan : Guru, beralamat di Purwasari Rt. 02/01, Baleharjo, Wonosari, Gunungkidul, Daerah Istimewa Yogyakarta, sebagai Termohon Eksekusi;

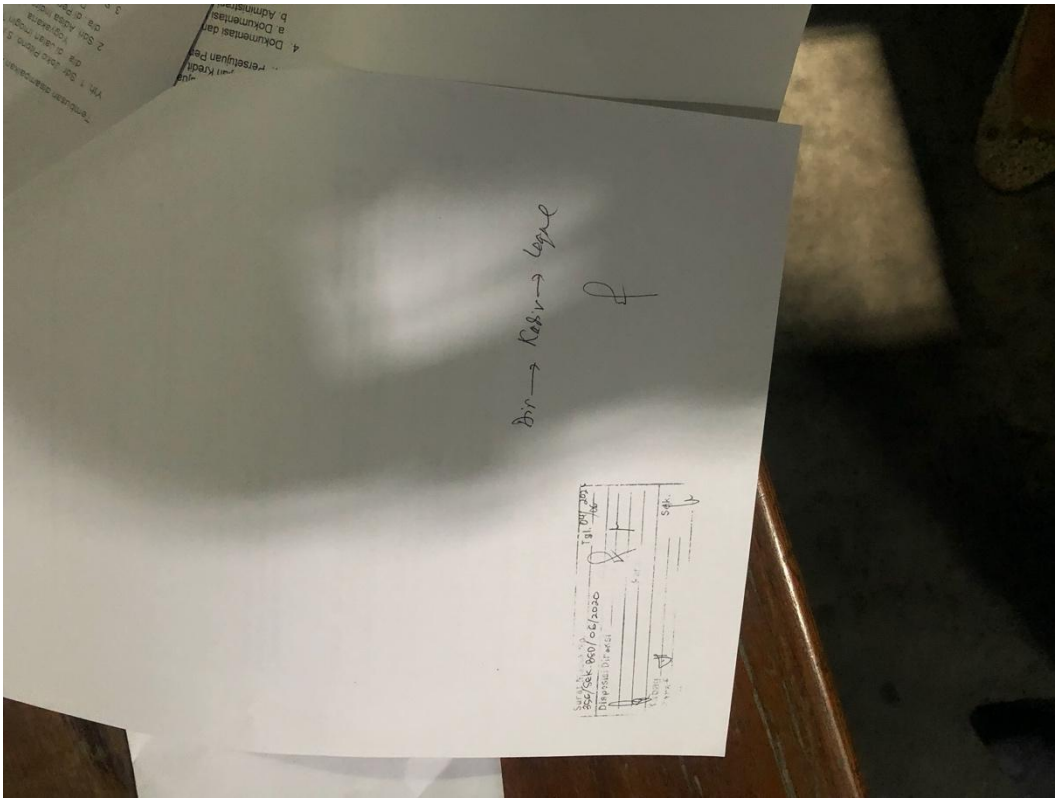
Sedangkan mengenai biaya-biaya yang timbul pada pelaksanaan Angkat Sita Eksekusi tersebut akan dibayar langsung oleh Kuasa Pemohon Angkat Sita / Pemegang Lelang Eksekusi.

Demikian atas bantuan dan kejasamanya yang baik kami ucapkan terima kasih.

RUMAHAN KURDIN, S.H.
1968101119500310014

Tembusan kepada Yh.

1. Sdr. Muji, Sachri, S.H beralamat di Jl. Margo Ulomo 36 - 42 Yogyakarta.
2. PT. BPR Shinta Daya, beralamat di Bogem, Kalasan, Sleman, Daerah Istimewa Yogyakarta.
3. Sdr. Ana Kristiany, beralamat di Purwasari Rt. 01/01, Baleharjo, Wonosari, Gunungkidul, Daerah Istimewa Yogyakarta.
4. Arsip.





Setelah Kepala Desa / Pemerintah Desa Ambarikawang tersebut memahami maksud kedatangan saya bersama keluarga saya, maka saya dan keluarga saya melaksanakan pula oleh Kepala Desa / Pemerintah Desa Ambarikawang tersebut di atas saya melaksanakan Sita Eksekusi Nomor : 3/Pdt/Ex/2020/PN.Smn. terdapat

Sebagai tanah pekarangan dan bangunan rumah serta segala sesuatu yang tumbuh dan berakar di atas tanah tersebut, berdasar sertifikat hak milik (SHM) Nomor : 06448/Ambarikawang/1999, luas tanah 315 m², Tipe ratus lima belas meter persegi (), tercatat atas nama Valentinia Oki Yovita yang terleak di Kecamatan Gamping Kidul, RI.001, Rv.019, Desa Ambarikawang, Kabupaten Sleman, Daerah Istimewa Yogyakarta, dengan data-data sebagai berikut:

- Sebelah Utara : Tanah milik Agus
- Sebelah Selatan : Tanah milik Agus
- Sebelah Barat : Tanah milik Agus

Kemudian setelah sebidang tanah dan segala sesuatu tersebut saya nyatakan di atas eksekusi, lalu kepada Kepala Desa / Pemerintah Desa Ambarikawang tersebut, saya beritahu supaya saya eksekusi tersebut ini diumumkan menurut tata cara yang berlaku di daerah setempat supaya diketahui oleh masyarakat umum / orang banyak.

Demikian Berita Acara Sita Eksekusi ini dibuat dan ditandatangani oleh saya Jurata Pengadilan Negeri Sleman, dan dihadangangi pula oleh kedua orang saksi tersebut di atas serta dihadangangi pula oleh Kepala Desa / Pemerintah Desa Ambarikawang, Kecamatan Gamping Kabupaten Sleman, Daerah Istimewa Yogyakarta.

Pengadilan Negeri Sleman
Jurata



Abi Dzarin

2. Janarta, S.H.

Saksi - saksi :

1. Putu Kusuma, S.H.



Berita Acara Sita Eksekusi
Nomor : 3/Pdt/Ex/2020/PN.Smn.

Pada hari ini :, tanggal :, Mei 2020, saya Abi Dzarin Pengadilan Negeri Sleman, atas perintah Ketua Pengadilan Negeri Sleman, melaksanakan eksekusi Nomor : 3/Pdt/Ex/2020/PN.Smn. dalam perkara antara :
Valentinia Oki Yovita, alamat : di Sumbingin, RT.005 Rv.003 KelDesa Sleman Kidul Kecamatan Abung Semuli, Kabupaten Lamongan Utara, Propinsi Lampung, selanjutnya disebut sebagai, Pemohon Eksekusi;

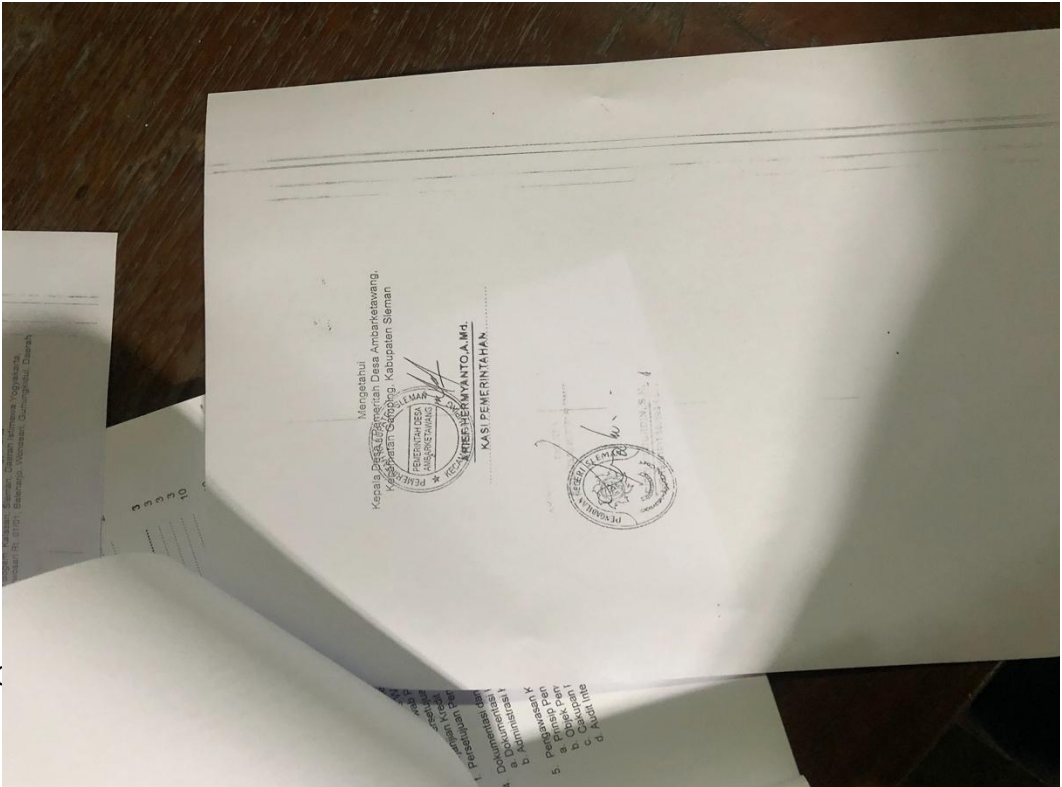
1. Rus Sulastaningih
2. Sri Joko Yuwono, keduanya suami isteri, beralamat : di Gamping Kidul, RI.001, Rv.019, Ambarikawang, Kecamatan Gamping, Kabupaten Sleman, Propinsi Daerah Istimewa Yogyakarta, selanjutnya disebut sebagai, Para Teromohon Eksekusi;

Untuk melaksanakan sita eksekusi terhadap sebidang tanah pekarangan dan bangunan rumah serta segala sesuatu yang tumbuh dan berakar di atas tanah tersebut, berdasar sertifikat hak milik (SHM) Nomor : 06448/Ambarikawang/1999, luas tanah 315 m², Tipe ratus lima belas meter persegi (), tercatat atas nama Valentinia Oki Yovita yang terleak di Kecamatan Gamping Kidul, RI.001, Rv.019, Desa Ambarikawang, Kecamatan Gamping, Kabupaten Sleman, Propinsi Daerah Istimewa Yogyakarta, berdasar sertifikat di atas eksekusi, lalu kepada Kepala Desa / Pemerintah Desa Ambarikawang tersebut, saya beritahu supaya saya eksekusi tersebut ini diumumkan menurut tata cara yang berlaku di daerah setempat supaya diketahui oleh masyarakat umum / orang banyak.

Bahwa saya telah datang di Kantor Kepala Desa / Pemerintah Desa Ambarikawang Kecamatan Gamping, Kabupaten Sleman, Propinsi Daerah Istimewa Yogyakarta, dan beritahu kepada Kepala Desa / Pemerintah Desa Ambarikawang tersebut, saya beritahu supaya saya eksekusi tersebut ini diumumkan menurut tata cara yang berlaku di daerah setempat supaya diketahui oleh masyarakat umum / orang banyak.

Kemudian kepada Kepala Desa / Pemerintah Desa Ambarikawang tersebut, saya beritahu maksud kedatangan saya bersama kedua orang saksi tersebut di atas, yaitu untuk melaksanakan Sita Eksekusi berdasarkan Peretapan Ketua Pengadilan Negeri Sleman tersebut di atas, yaitu terhadap barang yang berupa :

Sebidang tanah pekarangan dan bangunan rumah serta segala sesuatu yang tumbuh dan berakar di atas tanah tersebut, berdasar sertifikat hak milik (SHM) Nomor : 06448/Ambarikawang/1999, luas tanah 315 m², Tipe ratus lima belas meter persegi (), tercatat atas nama Valentinia Oki Yovita yang terleak di Kecamatan Gamping Kidul, RI.001, Rv.019, Desa Ambarikawang, Kecamatan Gamping, Kabupaten Sleman, Propinsi Daerah Istimewa Yogyakarta.



Mengetahui
 Kepala PUSKESMAS Desa Ambarketawang,
 Kecamatan Sropojo, Kabupaten Sleman



KASIPEREMANTO, M.H.

KASI PERINTAHAN



- 1. Komunikasi
- 2. Administrasi
- 3. Manajemen
- 4. Perencanaan
- 5. Pengawasan & Evaluasi
- 6. Hubungan Masyarakat
- 7. Organisasi
- 8. Sumber Daya Manusia
- 9. Sistem Informasi
- 10. Kebijakan
- 11. Hukum
- 12. Audit
- 13. Integritas
- 14. Akuntabilitas
- 15. Kepatuhan
- 16. Keberlanjutan
- 17. Inovasi
- 18. Kualitas
- 19. Efektivitas
- 20. Efisiensi
- 21. Transparansi
- 22. Partisipasi
- 23. Responsif
- 24. Berkeadilan
- 25. Berdaya Saing
- 26. Berkeadilan Sosial
- 27. Berkeadilan Gender
- 28. Berkeadilan Generasi
- 29. Berkeadilan Wilayah
- 30. Berkeadilan Budaya
- 31. Berkeadilan Lingkungan
- 32. Berkeadilan Ekonomi
- 33. Berkeadilan Politik
- 34. Berkeadilan Hukum
- 35. Berkeadilan Sosial
- 36. Berkeadilan Budaya
- 37. Berkeadilan Lingkungan
- 38. Berkeadilan Ekonomi
- 39. Berkeadilan Politik
- 40. Berkeadilan Hukum
- 41. Berkeadilan Sosial
- 42. Berkeadilan Budaya
- 43. Berkeadilan Lingkungan
- 44. Berkeadilan Ekonomi
- 45. Berkeadilan Politik
- 46. Berkeadilan Hukum
- 47. Berkeadilan Sosial
- 48. Berkeadilan Budaya
- 49. Berkeadilan Lingkungan
- 50. Berkeadilan Ekonomi
- 51. Berkeadilan Politik
- 52. Berkeadilan Hukum
- 53. Berkeadilan Sosial
- 54. Berkeadilan Budaya
- 55. Berkeadilan Lingkungan
- 56. Berkeadilan Ekonomi
- 57. Berkeadilan Politik
- 58. Berkeadilan Hukum
- 59. Berkeadilan Sosial
- 60. Berkeadilan Budaya
- 61. Berkeadilan Lingkungan
- 62. Berkeadilan Ekonomi
- 63. Berkeadilan Politik
- 64. Berkeadilan Hukum
- 65. Berkeadilan Sosial
- 66. Berkeadilan Budaya
- 67. Berkeadilan Lingkungan
- 68. Berkeadilan Ekonomi
- 69. Berkeadilan Politik
- 70. Berkeadilan Hukum
- 71. Berkeadilan Sosial
- 72. Berkeadilan Budaya
- 73. Berkeadilan Lingkungan
- 74. Berkeadilan Ekonomi
- 75. Berkeadilan Politik
- 76. Berkeadilan Hukum
- 77. Berkeadilan Sosial
- 78. Berkeadilan Budaya
- 79. Berkeadilan Lingkungan
- 80. Berkeadilan Ekonomi
- 81. Berkeadilan Politik
- 82. Berkeadilan Hukum
- 83. Berkeadilan Sosial
- 84. Berkeadilan Budaya
- 85. Berkeadilan Lingkungan
- 86. Berkeadilan Ekonomi
- 87. Berkeadilan Politik
- 88. Berkeadilan Hukum
- 89. Berkeadilan Sosial
- 90. Berkeadilan Budaya
- 91. Berkeadilan Lingkungan
- 92. Berkeadilan Ekonomi
- 93. Berkeadilan Politik
- 94. Berkeadilan Hukum
- 95. Berkeadilan Sosial
- 96. Berkeadilan Budaya
- 97. Berkeadilan Lingkungan
- 98. Berkeadilan Ekonomi
- 99. Berkeadilan Politik
- 100. Berkeadilan Hukum



FAKULTAS
HUKUM

Gedung Mr. Moh. Yamin
Universitas Islam Indonesia
Jl. Taman Siswa No. 158 Yogyakarta 55151
T. (0274) 379178
F. (0274) 377043
E. fh@uii.ac.id
W. fh.uii.ac.id

SURAT KETERANGAN BEBAS PLAGIASI

No. : 0010/Perpus/20/H/II/2021

Bismillaahirrahmaanirrahaim

Yang bertanda tangan di bawah ini:

Nama : **Ngatini, A.Md.**

NIK : **931002119**

Jabatan : **Kepala Divisi Perpustakaan Fakultas Hukum UII**

Dengan ini menerangkan bahwa :

Nama : Nadia Anindita

No Mahasiswa : 16410314

Fakultas/Prodi : Hukum

Judul karya ilmiah : LEGAL ANALYSIS REGARDING OF NON-
PERFORMING LOA

NS SETTLEMENT AT BPR SHINTA DAYA
YOGYAKARTA A BACHELOR DEGREE THESIS

Karya ilmiah yang bersangkutan di atas telah melalui proses uji deteksi plagiasi dengan hasil **19.%** Demikian surat keterangan ini dibuat agar dapat dipergunakan sebagaimana mestinya.

Yogyakarta, 5 Februari 2021

M 21 Jumadil-Tsaniyah 1442

H



a.n. Dekan
u.b. Ka. Divisi Perpustakaan

Ngatini
Ngatini, A.Md.

LEGAL ANALYSIS REGARDING
OF NON-PERFORMING LOANS
SETTLEMENT AT BPR SHINTA
DAYA YOGYAKARTA A
BACHELOR DEGREE THESIS

by 16410314 Nadia Anindita

Submission date: 03-Feb-2021 07:24AM (UTC+0700)

Submission ID: 1500302772

File name: SKRIPSI_NADIA_FIX_SIDANG.pdf (1.38M)

Word count: 19748

Character count: 108954

**LEGAL ANALYSIS REGARDING OF NON-PERFORMING LOANS
SETTLEMENT AT BPR SHINTA DAYA YOGYAKARTA
A BACHELOR DEGREE THESIS**

LECTURER :

112

LUCKY SURYO WICAKSONO, S.H., M.KN. M.H



NAME OF STUDENT :

NADIA ANINDITA

(STUDENT NUMBER: 16410314)

INTERNATIONAL PROGRAM

FACULTY OF LAW

UNIVERSITAS ISLAM INDONESIA

2020

LEGAL ANALYSIS REGARDING OF NON-PERFORMING
LOANS SETTLEMENT AT BPR SHINTA DAYA YOGYAKARTA
A BACHELOR DEGREE THESIS

ORIGINALITY REPORT

19%

17%

8%

8%

SIMILARITY INDEX

INTERNET SOURCES

PUBLICATIONS

STUDENT PAPERS

PRIMARY SOURCES

sunway.cc 1

Internet Source

2%

islamicmarkets.com 2

Internet Source

1%

Indiyani Nurchasanah. "The Completion of The 3	1 %
Financing Problems in Islamic Banks",	
International Conference of Moslem Society,	
2016	
Publication	
Submitted to Universitas Jenderal Soedirman 4	1 %
Student Paper	
Submitted to President University	
5	<1 %
Student Paper	
zakimu.com 6	<1 %
Internet Source	
www.scribd.com 7	<1 %
Internet Source	

8 Student Paper

<1%

journal.unnes.ac.id 9

<1%

Internet Source

e-journal.uajy.ac.id 10

<1%

Internet Source

bemfeb-unud.com 11

<1%

Internet Source

Aili Papang Hartono, S.H.. "CREDIT

<1%

12

AGREEMENT WITH FIDUCIARY

COLLATERAL IN THE FORM OF A PATENT IN
THE PERSPECTIVE OF INDONESIAN LAW",
Humanities & Social Sciences Reviews, 2019

Publication

www.hukumonline.com **13**

<1%

Internet Source

Submitted to School of Business and

<1%

14

Management ITB

Student Paper

Submitted to Sultan Agung Islamic University **15**

<1%

Student Paper

www.coursehero.com 16

Internet Source

<1%

media.neliti.com

17 Internet Source

<1%

text-id.123dok.com 18

Internet Source

<1%

www.bi.go.id 19

Internet Source

<1%

scholar.unand.ac.id 20

Internet Source

<1%

docplayer.info 21

Internet Source

<1%

Submitted to PSB Academy (ACP eSolutions) 22

<1 %

Student Paper

jurnalmanajemen.petra.ac.id 23

<1 %

Internet Source

repository.radenintan.ac.id 24

<1 %

Internet Source

jurnal.stielmii-medan.ac.id 25

<1 %

Internet Source

repository.fe.unj.ac.id 26

<1 %

Internet Source

pt.scribd.com 27

<1 %

Internet Source

www.alona.co.id 28

<1%

Internet Source

repository.unsri.ac.id 29

Internet Source

<1%

www.slideshare.net 30

<1%

Internet Source

Yumiati, S Haji. "Ability of students'

31 mathematical connection based on school level in junior

high school", Journal of Physics:

Conference Series, 2018

Publication

<1%

edoc.uui.ac.id 32

Internet Source

<1%

www.mufig.co.id 33

Internet Source

<1%

Submitted to Universitas Muria Kudus

34

Student Paper

<1%

jurnal.untan.ac.id 35

Internet Source

<1%

jurnal.fh.unpad.ac.id 36

Internet Source

<1%

Submitted to Binus University International

37

Student Paper

<1%

finansial.bisnis.com 38

Internet Source

<1%

www.cimbniaga.com

39

<1%

Internet Source

themagicofmakinguponce.info 40

<1%

Internet Source

bni.co.id 41

<1%

Internet Source

anzdoc.com 42

<1%

Internet Source

Submitted to UT, Dallas

43

<1%

Student Paper

H Pratiwi, M A Mukid, A Hoyyi, T Widiharih.

<1%

44

"Credit scoring analysis using pseudo nearest neighbor",

Journal of Physics: Conference

Series, 2019

Publication

paper.researchbib.com 45

<1%

Internet Source

Submitted to Universitas 17 Agustus 1945

<1%

46

Surabaya

Student Paper

<1%

Submitted to Universitas Jember

47

Student Paper

<1%

Submitted to Universitas Negeri Jakarta

48

Student Paper

<1%

news.detik.com

49 Internet Source

<1%

123dok.com

50

Internet Source

<1%

jurnal.uinsu.ac.id 51

<1%

Internet Source

www.jurnal.id 52

<1%

Internet Source

karyailmiah.unisba.ac.id 53

<1%

Internet Source

ejournal.untag-smd.ac.id 54

<1%

Internet Source

Submitted to Anglia Ruskin University

55

<1%

Student Paper

<1%

Robert N. Hornick. "Indonesian Arbitration in

<1%

56

Theory and Practice", The American Journal of
Comparative Law, 1991

Publication

repository.bsi.ac.id 57

<1%

Internet Source

journal.univpancasila.ac.id 58

<1%

Internet Source

id.123dok.com 59

<1%

Internet Source

Submitted to BPP College of Professional

60

Studies Limited

Student Paper

repository.uib.ac.id **61**

<1%

Internet Source

jurnal.iain-padangsidempuan.ac.id **62**

<1%

Internet Source

Yuli Anwar, Ety Murwaningsari. "THE EFFECT **63**
OF CREDIT RISK AND CAPITAL ADEQUACY
RATIO UPON RETURN ON ASSET (A Case
Study at Banking Listed in Indonesia Stock
Exchange)", The Accounting Journal of
Binaniaga, 2019

<1%

Publication

<1%

jurnalmahasiswa.unesa.ac.id 64

<1%

Internet Source

kreditgogo.com 65

<1%

Internet Source

repository.uph.edu 66

<1%

Internet Source

www.moneysmart.id 67

<1%

Internet Source

ejournal.undip.ac.id 68

<1%

Internet Source

www.neliti.com

<1%

69 Internet Source

www.maxmanroe.com 70

<1%

Internet Source

dosenekonomi.com 71

<1%

Internet Source

repository.ubaya.ac.id 72

<1%

Internet Source

www.kreditpedia.net 73

<1%

Internet Source

pdfcrop.biz 74

<1%

Internet Source

<1%

moam.info 75

<1%

Internet Source

pelangicelullarbatumarta.blogspot.com 76

<1%

Internet Source

Rifqi Muhammad, Ahsin Suluki, Peni Nugraheni. 77

<1%

"Internal factors and non-performing financing in
Indonesian Islamic rural banks", Cogent

Business & Management, 2020

Publication

Submitted to Universitas Diponegoro

78

<1%

Student Paper

repository.unikama.ac.id

79

Internet Source

Submitted to Lambung Mangkurat University

80

Student Paper

<1%

eprints.uniska-bjm.ac.id 81

Internet Source

<1%

Submitted to Coventry University

82

Student Paper

<1%

fh.unsoed.ac.id 83

Internet Source

<1%

repository.unisba.ac.id 84

Internet Source

<1%

<1%

ojs.unud.ac.id 85

<1%

Internet Source

Submitted to Midlands State University

86

<1%

Student Paper

Submitted to Tarumanagara University

87

<1%

Student Paper

eprints.undip.ac.id 88

<1%

Internet Source

repository.unika.ac.id 89

<1%

Internet Source

repository.unair.ac.id

90 Internet Source

<1%

Submitted to UIN Sunan Gunung DJati Bandung **91** <1 %

Student Paper

core.ac.uk **92** <1 %

Internet Source

e-journal.ikhac.ac.id **93** <1 %

Internet Source

Submitted to Universitas Airlangga

94

<1 %

Student Paper

repositori.usu.ac.id **95** <1 %

Internet Source

<1%

www.aturduit.com 96

<1%

Internet Source

Submitted to Universitas Pendidikan Indonesia 97

<1%

Student Paper

anikarifah01.wordpress.com 98

<1%

Internet Source

unramlawreview.unram.ac.id 99

<1%

Internet Source

<1%

Ayup Suran Ningsih, Hari Sutra Disemadi.

100

"Breach of contract: an Indonesian experience in akad credit of sharia banking", Ijtihad : Jurnal

Wacana Hukum Islam dan Kemanusiaan, 2019

Publication

www.akuntansilengkap.com

101 Internet Source

kb.gcsu.edu **102**

<1%

Internet Source

publikasiilmiah.ums.ac.id:8080 **103**

<1%

Internet Source

repository.upi.edu **104**

<1%

Internet Source

<1%

vuir.vu.edu.au 105

<1%

Internet Source

www.ojk.go.id 106

<1%

Internet Source

ijmmu.com 107

<1%

Internet Source

ejournal.iainpurwokerto.ac.id 108

<1%

Internet Source

S Leuwayan, D Rukmana, M H Jamil. "The

<1%

109 planning of median road park arrangement to support
the city's green space (RTHK) at Brawijaya
Highway City of Merauke", IOP

Conference Series: Earth and Environmental

Science, 2020

Publication

jurnal.unigal.ac.id

110 Internet Source

<1%

sahabatpegadaian.com **111**

<1%

Internet Source

fh.uji.ac.id

<1%

112

<1%

Internet Source

Tiara Fajrin, Ragil Saputra, Indra Waspada.

<1%

113

"Credit Collectibility Prediction of Debtor
Candidate Using Dynamic K-Nearest Neighbor
Algorithm and Distance and Attribute Weighted",
2018 2nd International Conference on
Informatics and Computational Sciences
(ICICoS), 2018

Publication

digilib.uinsby.ac.id 114

<1%

Internet Source

Fahrul Fauzi. "JURIDICAL NORMATIVE

<1%

115

REVIEW OF CONVERSION CONVENTIONAL

BANKS INTO ISLAMIC BANK AFTER THE

PROMULGATION OF QANUN ACEH

CONCERNING SHARIA FINANCIAL

INSTITUTIONS", Berumpun: International

Journal of Social, Politics, and Humanities, 2020

Publication

e-jurnalstielhokseumawe.com 116

<1%

Internet Source

idoc.pub

117 Internet Source

<1%

<1%

repository.usd.ac.id 118

Internet Source

<1%

dergipark.org.tr 119

Internet Source

<1%

T F S Tangkere, F W Langitan, S M D Maukar, 120

R F Roring. "Professionalism of Lecturers at Faculty of Education", IOP Conference Series: Materials Science and Engineering, 2018

Publication

<1%

ejournal.unsrat.ac.id 121

Internet Source

<1%

"Proceedings of the International Conference on **122**
Managing the Asian Century", Springer Nature,
2013

Publication

<1%

Yusup Hidayat, Fokky Fuad, Maslihati

123

Nurhidayati. "IMPLEMENTATION OF
ECONOMIC DEMOCRACY PRINCIPLE IN
ISLAMIC BANKING POLICIES THROUGH
FINANCIAL SERVICES AUTHORITY (FSA) IN
INDONESIA", At-Taradhi: Jurnal Studi Ekonomi,
2018

Publication

<1%

$<1\%$

Exclude quotes Off

Exclude matches Off

Exclude bibliography Off