

My Debtors Are Not Returning My Money

BODY:

Q OVER the last few years, when my business was doing well, I lent money to some friends and relatives who needed financial help.

The loans ranged from \$5,000 to \$11,000, totalling about \$80,000. Some of them were in the form of cheques and others, cash.

I'm going through a rough time now and have asked for my money back. All the borrowers have given me some reason or other for not being able to return the money.

Is there any possibility of recovering it? I don't have IOU notes but I have the dates and serial numbers of the cheques issued to them. I also have the printouts for the Internet transfers of cash for some of the loans and, lastly, the dates when I gave out the cash.

A THE issue in such cases is always one of proof. IOUs and written notes are useful evidence by which you establish your claim. Since you have the cheque numbers for some, you can write to your bank for copies of the encashed cheques to identify your intended beneficiaries.

You can also obtain the relevant information regarding the Internet transfers. The beneficiary will then be hard put to deny that he had received the monies from you.

You would, however, have a problem with the loans which you gave in cash. If you had withdrawn the monies immediately before handing it over, then your current account statement or savings passbook would help to corroborate your story.

Even if the dates of the withdrawal do not tally with the dates that you handed the money to your friend or relative, it does not mean that you are prevented from recovering your money.

I suggest that you issue a letter of demand through your lawyer to each of the people you gave a loan. Some may come back to you and offer to pay by instalments.

Regarding the others, you can then discuss with your lawyer the prospects of recovering the debts and decide whether it is worthwhile to proceed.

At the end of the day, it will boil down to whether the court believes you.

Vijai Parwani
Managing Partner
Parwani & Company