

# 13-year ban for Rotherham 'Bargain Basement' director

Muneef Ihsan, 26 from Rotherham, was director of three companies between 2019 and 2020. All three, Porthart Ltd, Bargain Basement 90 Ltd and Bargains Basement 90 Ltd, were registered at the same residential address in Rotherham, and were each placed into voluntary liquidation by Muneef Ihsan in September 2020.

The liquidations triggered an investigation by the Insolvency Service, which found that Muneef Ihsan opened a bank account for each company in June 2020, after the pandemic began, for the sole purpose of fraudulently obtaining three £50,000 Covid-19 Bounce Back Loans.

As there was no evidence that any of the companies had ever traded, none of them were eligible for the loans, which the government made available for genuine firms that were struggling keep going during lockdown.

Upon receiving the funds, Ihsan made cash withdrawals from each of the companies' bank accounts totalling £24,342. He then set about transferring the remainder of the Bounce Bank Loan funds to companies controlled by Mahir Towid Ul Haque, who he described as 'a close friend', as well as other third parties.

Mahir Towid Ul Haque (21), also from Rotherham, was appointed director of Hiitness Ltd in May 2020, which Ul Haque claimed was an online sports good retailer.

The company was placed into voluntary liquidation by Ul Haque in November 2020, which again resulted in an investigation by the Insolvency Service.

Investigators uncovered that similar to Muneef Ihsan, Ul Haque opened a bank account for the company in June 2020 and took out a £50,000 Covid-19 Bounce Back Loan.

Further enquiries established that Ul Haque used the loan funds by purchasing a Rolex watch, transferred £16,050 to his personal account, withdrew £8,410 in cash from the company bank account and transferred £12,500 to other third parties.

There was no evidence that the Bounce Back Loan had been used for the benefit of Hiitness Ltd or that it had ever traded during Ul Haque's time as a director of the business.

The Secretary of State accepted disqualification undertakings from both directors, with Muneef Ihsan banned for 13 years, and Mahir Towid Ul Haque banned for 6 years.

The pair cannot, directly or indirectly, be involved in the promotion, formation or management of a company without the permission of the court.

Robert Clarke, Chief Investigator for the Insolvency Service, said:

Abuse of Covid-19 support schemes, which have provided essential financial assistance to millions by helping businesses trade during the pandemic and protecting jobs, cannot be tolerated.

The Insolvency Service has sent out a clear message that where a company is being used to facilitate fraudulent activity, action will be taken to remove the directors from the corporate arena for a lengthy period of time

## **Notes to editors**

Muneeb Ihsan is from Rotherham and his date of birth is November 1996.

Porthart Limited (Company Registration number 11437142).

Bargain Basement 90 Limited (Company Registration number 12371641).

Bargains Basement 90 Limited (Company Registration number 12385533).

Mahir Towid Ul Haque is from Rotherham, and his date of birth is January 2000.

Hiitness Limited (Company Registration number 11229420).

All directors have a duty to ensure their companies maintain proper accounting records. The use of a Bounce Back Loan must be for the benefit the business and never for personal use. Failure to account for how a Bounce Back Loan was used, or using it for personal payments, can result in being disqualified as a director or the extension of bankruptcy restrictions.

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a [range of restrictions](#).

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