

7-year ban for Manchester takeaway boss who abused Covid-19 support schemes

Ifraz Nabi, 41 from Manchester, has been disqualified as a director for 7 years after wrongly claiming £30,000 through the Eat Out to Help Out scheme and over £20,000 through the Coronavirus Job Retention Scheme.

Ifraz Nabi was sole director of New York Krispy Fried Chicken, a chicken takeaway shop on Stockport Road, in Greater Manchester.

The company behind the takeaway, New York Krispy Fried Chicken Limited, went into liquidation in November 2020, triggering an investigation by the Insolvency Service.

Investigators discovered that Nabi failed in his obligations as director to maintain adequate accounts and financial records.

As a result, the claims he made through the government support schemes could not be supported, as there was insufficient information relating to sales and no explanation of how such sales could have been achieved while staff were on furlough.

Even had there been records permitting his claim under the Coronavirus Job Retention Scheme, which allowed companies to pay staff furloughed while businesses were closed, the shop was not eligible to claim funding through the Eat Out to Help Out scheme as it was only for restaurants with indoor seating.

Takeaway outlets with no seating were excluded, and although New York Krispy Fried Chicken had some seating, it received the majority of its orders through apps, which were also excluded under the scheme.

In addition, Nabi had failed to register the company for tax and when the business subsequently went into liquidation due to the effects of the pandemic and lockdown, the liquidators were unable to assess how much the company owed in unpaid tax.

The Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from Ifraz Nabi, after he admitted failing to maintain, preserve or deliver up adequate accounting records, as well as failing to register and account for VAT as required.

His disqualification is effective from 31 May 2022 and lasts for seven years.

The disqualification undertaking prevents Nabi from directly, or indirectly, becoming involved in the promotion, formation or management of a company, without the permission of the court.

Nina Cassar, Deputy Head of Investigations at the Insolvency Service said:

One of the main purposes of the Company Director's Disqualification Act is to ensure that company directors adhere to minimum standards. Ifraz Nabi failed not only to maintain the accounting records of his company, he failed to register and pay his business taxes, and furthermore abused Covid-19 support schemes designed to support businesses in genuine need.

This disqualification should serve as a reminder that the Insolvency Service will take action against those who abuse their position and do not take their obligations seriously.

Notes to editors

Ifraz Nabi is of Manchester and his date of birth is December 1980.

New York Krispy Fried Chicken Limited (Company number 09696217).

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

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 other restrictions](#).

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