

Press release: Extended bankruptcy for financial controller who diverted funds from her employer to herself

The 13-year Bankruptcy Restriction Order made on 15 February 2018 against Chasjit Verma (39) of Romford, Essex, followed an investigation by the Insolvency Service.

Chasjit Verma was made bankrupt on 4 March 2016, having presented her own petition. On the day of her petition, Chasjit Verma showed she owed £243,903, with £164,507 going to her former employer.

But in making the bankruptcy restrictions order, the court accepted evidence presented by the Insolvency Service, which showed that the significant sum owed to her former employer was as result of Chasjit Verma abusing her position of trust as a financial controller by misappropriating funds.

The court heard evidence that Chasjit Verma was employed as a financial controller by the Jubilee Hall Trust Limited in July 2003 and her duties were extended to a related company, Jubilee Hall 2000 Limited.

As financial control, Chasjit Verma held a position of trust with her former employer and provided book-keeping services, including paying suppliers and providing information to the Management and Trustees of Jubilee Hall Trust Limited's external accountants.

But between 2 April 2015 and 3 November 2015, Mrs Verma initiated unauthorised payment transfers totalling £164,507 from her employer's bank accounts to bank accounts which were not legitimate consultants engaged by the Jubilee Hall Trust Limited or Jubilee Hall 2000 Limited.

The funds were transferred to Chasjit Verma's accounts or accounts controlled by her and this breached the duty of trust she owed to companies whose funds she has access to, by virtue of her position.

Laura Nicholls, the Official Receiver, said:

Mrs Verma held a position of trust with her former employer, which she subsequently breached by carrying out actions of dishonesty.

The Insolvency Service looks closely at individuals and takes action where wrongdoing is uncovered. These proceedings should serve to protect the public from future misconduct by restricting Mrs Verma from obtaining credit and acting in the management of a company.

The period of restrictions is in the top bracket, the maximum being 15 years, to reflect the seriousness of the case.

The order means Mrs Verma is therefore bound by the restrictions set out in insolvency law that a bankrupt is subject to until they are discharged from bankruptcy – normally 12 months – until 2030. In addition, she cannot manage or control a company during this period without leave of court.

Chasjit Verma is from Romford and her date of birth is March 1979.

The Bankruptcy Order was made against Mrs Chasjit Verma on 4 March 2016 following a petition presented by Mrs Chasjit Verma herself on 4 March 2016.

The County Court at Romford granted a 13 year Bankruptcy Restriction Order on 15 February 2018. Mrs Chasjit Verma did not defend the proceedings against her.

Laura Nicholls, the Official Receiver, acted for the Insolvency Service and the order was pronounced at the County Court at Romford on 15 February 2018, by Deputy District Judge Slaney.

If the Official Receiver considers that the conduct of a bankrupt has been dishonest or blameworthy in some other way, he (or she) will report the facts to court and ask for a Bankruptcy Restrictions Order (BRO) to be made. The court will consider this report and any other evidence put before it, and will decide whether it should make a BRO. If it does, the bankrupt will be subject to certain restrictions for the period stated in the order. This can be from 2 to 15 years.

These are restrictions set out in insolvency law that the bankrupt is subject to until they are discharged from bankruptcy – normally 12 months and include that bankrupts:

- must disclose their status to a credit provider if they wish to get credit of more than £500
- who carry on business in a different name from the name in which they were made bankrupt, they must disclose to those they wish to do business with the name (or trading style) under which they were made bankrupt
- may not act as the director of a company nor take part in its promotion, formation or management unless they have a court's permission to do so
- may not act as an insolvency practitioner, or as the receiver or manager of the property of a company on behalf of debenture holders

Additionally, a person subject to a Bankruptcy Restrictions Order, may not be a Member of Parliament in England or Wales.

All public enquiries concerning the affairs of the company should be made to: The Official Receiver, Public Interest Unit, 2nd Floor, 3 Piccadilly Place, London Road, Manchester, M1 3BN. Tel: 0161 234 8531 Email: piu.north@insolvency.gsi.gov.uk.

The Insolvency Service, an executive agency sponsored by the Department for

Business, Energy and Industrial Strategy (BEIS), administers the insolvency regime, and aims to deliver and promote a range of investigation and enforcement activities both civil and criminal in nature, to support fair and open markets. We do this by effectively enforcing the statutory company and insolvency regimes, maintaining public confidence in those regimes and reducing the harm caused to victims of fraudulent activity and to the business community, including dealing with the disqualification of directors in corporate failures.

BEIS' mission is to build a dynamic and competitive UK economy that works for all, in particular by creating the conditions for business success and promoting an open global economy. The Criminal Investigations and Prosecutions team contributes to this aim by taking action to deter fraud and to regulate the market. They investigate and prosecute a range of offences, primarily relating to personal or company insolvencies. The agency also authorises and regulates the insolvency profession, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

Media enquiries for this press release – 020 7596 6187 or 020 7637 6498

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