

# Press release: Extended bankruptcy for insolvency practitioner

An investigation found that after being appointed liquidator of a limited company, negligence by Ms Sharma, 55, resulted in a significant liability to creditors of the company.

The bankruptcy restrictions undertaking Ms Sharma has given to the Secretary of State for Business, Energy and Industrial Strategy means she will be bound by the restrictions set out in insolvency law until July 2025. These restrictions include acting in the management of a limited company and acting as an insolvency practitioner.

A bankruptcy order was made against Ms Sharma on 30 June 2016. Ms Sharma's restriction follows an investigation by the Insolvency Service, which found that following her appointment as liquidator of a limited company on 21 September 2011, she acted negligently and that this negligence resulted in a liability to creditors of that company of £625,236 and that this materially contributed to Ms Sharma's bankruptcy.

The bankruptcy order was made on 30 June 2016 on the petition of the liquidator of a failed limited company, presented on 11 May 2016.

Commenting on the case Gerard O'Hare, the Official Receiver for Nottingham said:

The Insolvency Service will take firm action when we find that qualified professionals, who subsequently become bankrupt, have acted negligently in carrying out their duties.

In this case, Ms Sharma's negligence in carrying out her duties as an Insolvency Practitioner has caused a loss to the creditors of a liquidated company amounting to in excess of £625,000.

These proceedings should serve to protect the public from any future misconduct by restricting Ms Sharma's ability to act as an insolvency practitioner in the future and should act as a deterrent to others.

## **Notes to editors**

Gagen Dulari Sharma is of Birmingham and her date of birth is 25 September 1961.

If the Official Receiver considers that the conduct of a bankrupt has been

dishonest or blameworthy in some way, he or she will report the facts to the court and ask for a Bankruptcy Restrictions Order (BRO) to be made. The court will consider this report and 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.

The bankrupt may instead agree to a Bankruptcy restrictions Undertaking (BRU) which has the same effect as an order, but will mean that the matter does not go to court.

There 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 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
- may not be a Member of parliament in England or Wales

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

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.

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on:

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## [News story: 33 employers awarded gold for supporting the Armed Forces](#)

The Employer Recognition Scheme (ERS) Gold Awards is the highest badge of honour for organisations which have signed the Armed Forces Covenant and demonstrated outstanding support for those who serve and have served.

The ERS Gold Awards recognise employers who actively support the Armed Forces community in their workplace and also encourage others to follow their lead. The award scheme, which attracts entries from companies in every part of the country and in the private and public sectors, has seen a rapid increase in participation since it launched in 2014.

Defence Secretary Sir Michael Fallon said:

These companies have shown the gold standard of commitment to supporting members of the Armed Forces, veterans, and their families. They have taken meaningful steps to ensure the Defence community are not disadvantaged by the sacrifice they make in helping keep this country safe. The actions of these employers make it crystal clear that regardless of size, location, or sector, employing people with military skills is good for business.

Commenting on their Gold status, Mark Carne, Chief Executive of Network Rail said:

Network Rail has a long tradition of supporting our armed forces and in employing ex-service personnel and Reserve staff. There are plenty of similarities between Network Rail and the Armed forces – the challenges and pressures, where every day is different, requiring a professional can-do attitude and strong teamwork ethos.

A large number of our workforce come from an Armed Forces background and have thrived in our organisation providing the skills that are critical to our Railway Upgrade Plan and helping us to build a bigger, better railway for Britain.

We are extremely proud to have received this recognition of our work and continued commitment to support the Armed Forces community.

Royal Marines veteran Chris Girdwood, Technician at Gold Award winner Combat Pest Control, added:

It has been great working with Combat Pest Control, not only because they have trained and supported me in my career but also because they do so much supporting the wider military community

The Ministry of Defence also announced today that following a stringent assessment, seven recipients of the 2014 ERS Gold Awards have retained their Gold status:

BAE Systems Hewlett-Packard Enterprise (HPE)  
Barclays NHS Nottingham University Hospitals Trust  
BT NHS Scotland  
Carillion

The 2017 Employer Recognition Scheme Gold award winners are:

Airbus	Hull City Council	Rhondda Cynon Taf County Borough Council
Balfour Beatty	Inverclyde Council	Shropshire Council
City Hospitals Sunderland NHS Foundation Trust	Kuehne + Nagel	Skanska UK Plc
Combat Pest Control	Laing O'Rourke	Sodexo UK & Ireland
DHL	Liverpool City Council	Mabway Ltd
DXC Technology	ManpowerGroup UK	South Central Ambulance Service NHS Foundation Trust
ER Systems Global	Metropolitan Police Service	Transport for London
FDM	Morson Group	West Midlands Fire Service
Forth Valley Chamber of Commerce	Network Rail	Wiltshire Council
General Dynamics UK	NHS Golden Jubilee Foundation	Wolferstans Solicitors
Hampshire Hospitals NHS Foundation Trust	North West Ambulance Service	X-Forces

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## [News story: UK Government bids to unlock new markets for scotch whisky](#)

Scottish Secretary David Mundell met with representatives of the Scotch Whisky Association and Diageo at the iconic Caol Ila distillery on Islay, to discuss how the UK Government is laying the groundwork to reduce export tariffs on Scottish produce.

Whisky is worth around £5 billion to the UK economy, and accounts for three quarters of Scotland's total food and drink exports. The UK Government is ensuring that, as we leave the EU, the industry is able to tackle tariffs and boost overseas sales.

The Department for International Trade has already established 11 working groups to strengthen trade and commercial ties with key trading partners around the world, including the United States, Australia, China, India, Mexico, South Korea and the Gulf Cooperation Council. Ministerial trade dialogues have also been established with Taiwan, Vietnam, India, Kazakhstan and Brazil.

Mr Mundell said:

Scotch whisky is a world-class product, globally recognised for its quality and heritage, and the industry employs thousands of people in Scotland and around the rest of the UK.

We are determined to open up new markets around the world for the very best whisky our distillers have to offer – and to drive down any tariffs they face.

By strengthening ties with key partners, identifying new markets and tackling tariffs, the UK Government is paving the way towards an even brighter future for Scotland's whisky industry.

David Mundell tours the Caol Ila Distillery

International Trade Secretary Dr Liam Fox said:

With the recent uplift in trade, we should raise a glass to our exporting success and further help UK businesses make the most of an ever-growing demand for top-selling British products such as scotch whisky as part of a Global Britain.

Reducing the costs for companies to sell overseas will become one way of further opening up free trade routes and boosting sales, and that's why I've tasked my international economic department to look at how we can support more businesses to build their brands abroad.

For scotch whisky, export tariffs currently range from zero to over 150 per cent. The UK Government is looking at how future trade agreements could reduce export tariffs for iconic Scottish goods such as scotch, smoked salmon and gin.

Mr Mundell also visited the building site of the Ardnahoe distillery, set to be the ninth distillery operating on Islay when it opens in 2018. Overlooking the Sound of Islay and Paps of Jura, it will bring even more jobs to Scotland's third biggest industry, which already employs more than 7000

people in Scotland's rural communities.

Touring the site of the Ardnahoe Distillery

Karen Betts, Scotch Whisky Association chief executive, said:

The scotch whisky industry is delighted that the Scottish Secretary, David Mundell, is visiting Islay. He'll see the fascinating Islay distilleries, famous for their smoky malts. He'll see too the importance of the scotch whisky industry to Islay's local communities, and how whisky production there contributes more broadly to the Scottish and UK economies.

Notes:

The Scotch Whisky Association published a report at the beginning of this year on its economic impact in the UK, estimating that:

- Scotch Whisky adds £3.2 billion of value to the UK economy and a further £1.7 billion through indirect and induced impacts
- 10,800 people are directly employed in the industry with a further 29,300 indirect and induced jobs
- Around 90-95 per cent of these impacts are in Scotland with 5-10 per cent in the rest of the UK.

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## [Press release: Takeaway director disqualified for 6 years after employing illegal workers](#)

India Gate was the trading name of Chi Spice Limited.

On 6 July, the Secretary of State accepted a disqualification undertaking from Mr Ahmed, effective from 27 July 2017, for six years.

The disqualification prevents Mr Ahmed from directly or indirectly becoming involved in the promotion, formation or management of a limited company until July 2023.

Mr Ahmed's disqualification follows an investigation by the Insolvency Service, which found he had failed to comply with statutory obligations under immigration law; specifically that he failed to ensure relevant immigration checks were completed and documents retained, resulting in the employment of an illegal worker and consequently in a penalty notice of £15,000 being issued by the Home Office.

Chi Spice Limited and was placed into Liquidation on 18 August 2016, with an estimated deficiency to creditors in excess of £55,000.

Robert Clarke, Senior Investigator, said:

The Insolvency Service rigorously pursues directors who fail to pay fines imposed by the government for breaking employment and immigration laws. We have worked closely in this case with our colleagues at the Home Office to achieve this disqualification.

The director sought an unfair advantage over his competitors by employing individuals who did not have the right to work in the UK in breach of his duties as a director.

The public has a right to expect that those who break the law will face the consequences. Running a limited company, means you have statutory protections as well as obligations. If you fail to comply with your obligations then the Insolvency Service will investigate you.

A Home Office spokesperson said:

Illegal working is not victimless. It undercuts honest employers, cheats legitimate job seekers out of employment opportunities and defrauds the taxpayer.

Businesses should be aware that they have a duty to check that their staff have permission to work in the UK.

We are happy to work with employers who play by the rules but those who do not, should know that they will not go under our radar.

### **Notes to editors**

Mr Ahmed's date of birth is 31 March 1973 and he resides in Portsmouth.

Chi Spice Limited (CRO No. 08220932) was incorporated on 19 September 2012 and latterly traded as a restaurant from 14 St Pancras, Chichester, West Sussex, P019 7SJ.

Mr Ahmed was a director from incorporation to liquidation. The company went into creditors voluntary liquidation on 18 August 2016 with an estimated deficiency of £55,720.

The matters of unfitness, which Mr Ahmed did not dispute in the Disqualification Undertaking, were that:

- Masum Ahmed failed to ensure that Chi Spice Limited complied with its statutory obligations under the Immigration, Asylum and Nationality Act 2006, by employing an adult Mr Ahmed knew or ought to have known was subject to an immigration control condition preventing him from accepting the employment in question.
- following a visit from Home Office Immigration Officers on 21 November 2015, during which this breach was discovered, Chi Spice Limited was issued with a penalty notice in the sum of £15,000. This amount remained outstanding at the date of liquidation.

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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## Press release: Civil service 'hub' to bring growth to Cardiff

The UK Government has today shown its commitment to delivering growth across the UK by signing a 25 year lease at the Central Square development, Cardiff.

This announcement comes weeks after a new lease was signed in Edinburgh, further demonstrating the UK Government's commitment to building a strong Civil Service outside London.

The deal is part of the Government Hubs Programme which will transform the way the Civil Service works by accommodating several government departments in one building, across the country. The programme will deliver over a billion pounds of savings to the taxpayer, free up land for housing and reduce government buildings from 800 to around 200 by 2022.

The UK Government has agreed to lease 265,000 sq ft in the brand new, Cardiff city-centre development, which will accommodate over 4,000 public servants from several different UK Government departments. HMRC will be the majority occupier and Central Square will become one of their regional centres. The office will be ready by 2020 for civil servants to occupy.

This major deal is the largest ever pre-let in Cardiff and represents a significant regeneration opportunity for the Welsh capital. In addition, by consolidating office space in Wales it will deliver millions of pounds of savings to the taxpayer.

By bringing several different departments to work alongside each other in one building, the Government Hubs Programme will encourage greater collaboration and productivity in the Civil Service. All hubs will allow Smart Working, which will enable civil servants to work more flexibly. This will help to attract and retain the best talent needed to deliver the best possible service to the public.

The Hub will also, importantly, enable the UK Government to have a strong and coherent presence in Wales.

Minister for Government Resilience and Efficiency, Caroline Nokes, said:

This Government is committed to delivering the best quality public services in every corner of the UK, and today's announcement is an important step towards that.

This new lease is great news for Cardiff, and will deliver a range of benefits to people in Cardiff, from improved public space and transport to better access to the Principality Stadium from the

station.

Welsh Secretary Alun Cairns, said:

The UK Government already has a significant footprint in Wales and I believe that basing several departments in a single office in the centre of Cardiff demonstrates the impact we can make through greater collaboration. This will not only lead to better integration between departments and create an obvious cost-saving for the taxpayer, but will also send a clear message that the UK Government is visible, accessible and helping to improve people's lives in Wales.