

# 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](#).

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.

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