



**PRESS RELEASE**  
**19.02.2025**

Directorate of Enforcement (ED), Mumbai Zonal Office has filed a Prosecution Complaint (PC) before the Hon'ble Special Court (PMLA), Mumbai in the case of M/s. Max Flex & Imaging Systems Limited & others in a bank fraud case against 15 accused i.e M/s. Max Flex & Imaging Systems Limited, Nimesh Shah, Pankaj Jobalia & others on 10.02.2025. The Hon'ble Special Court has taken cognizance of the PC on 14.02.2025.

ED initiated investigation on the basis of FIR registered by CBI, BS&FB, Mumbai, against M/s. Max Flex & Imaging Systems Limited (MFISL) and others following a complaint from the State Bank of India regarding bank fraud by MFISL alleging criminal conspiracy and cheating, with accusations of fudging of books and inflation of stock resulting in a wrongful loss of Rs. 464.41 Crore to the banks.

ED investigation revealed that MFISL, its Directors and related/associated entities misused the credit facilities from banks by forging and producing fabricated financials. MFISL was involved in circular transactions with its related/associate entities without any actual transfer of goods creating a facade of legitimate trade transactions in its books of accounts thereby manipulating the stock registers. The bank funds were subsequently siphoned off under the guise of loans and advances to related parties. During investigation it was found that the key person involved in this bank fraud Hitesh Jobalia (MD & Promoter of MFISL) has passed away.

Earlier ED has conducted multiple search operations in this case during Sept/Oct 2023 and on 04.04.2024 resulting into seizure/freezing of Proceeds of Crime amounting to Rs. 10.50 Crore (approx.).

Further investigation is under progress.