

JUDGMENT SUMMARY

Neutral Citation	[2024] ADGMCFI 0015
Case Number	ADGMCFI-2022-111; ADGMCFI-2022-299 and ADGMCFI-2020-020
Name of Case	Abu Dhabi Commercial Bank PJSC v Prasanth Manghat NMC Healthcare Ltd (In Administration) (Subject to a Deed of Company Arrangement) and Others v Bavaguthu Raghuram Shetty and Others NMC Healthcare LTD and associated companies
Judge	[2024] ADGMCFI 0015
Date Issued	19 November 2024
Catchwords	Extended standard disclosure. Extension of time. Searches and preparation of documents for disclosure.
Cases Cited	-
Legislation and Authorities Cited	ADGM Insolvency Regulations 2022
Executive Summary	The judgment concerns the applications made Bank of Baroda and Dr Shetty, for the extension of the previously set deadline for extended standard disclosure. The Court granted the disclosure extensions sought by the applicants.
Overall Summary	<p>Background</p> <p>This Abu Dhabi Global Market (“ADGM”) Court of First Instance (Commercial & Civil Division) judgment concerns applications for an extension of the timetable for “<i>extended standard disclosure</i>” in two linked cases: ADGMCFI-2022-111 (Abu Dhabi Commercial Bank PJSC v Prasanth Manghat) and ADGMCFI-2022-299 (NMC Healthcare Ltd (in administration) & Others v Bavaguthu Raghuram Shetty & Others).</p> <p>These actions arise from an alleged large-scale fraud against the NMC Group of companies between 2012 and 2020, which led to the Group's insolvency and administration. The fraud is alleged to have involved substantial sums paid to Dr Shetty, Mr Manghat, and others, significantly reducing the companies' net worth and requiring around USD 4 billion in</p>

	<p>undisclosed borrowing, often concealed via sham supply contracts and false accounts.</p> <p>Claims against Dr Shetty and Mr. Manghat are brought in tort under UAE civil law for damages, with the Joint Administrators also seeking relief for fraudulent and wrongful trading under the ADGM Insolvency Regulations 2022. A separate tort claim against Mr Manghat was brought by Abu Dhabi Commercial Bank PJSC (“ADCB”). Bank of Baroda is also a defendant in one case, alleged to have facilitated payments, assisted concealment of debt, and failed to follow standard banking procedures. The specific matter before the Court in this judgment concerned applications by Bank of Baroda and Dr Shetty to extend the timetable for providing extended standard disclosure of documents in the proceedings.</p> <p>Analysis</p> <p>This specific judgment addressed applications by Bank of Baroda (the “Bank”) and Dr. Shetty to extend the deadline for providing “<i>extended standard disclosure</i>,” initially set for 25 October 2024 (later extended to 15 November 2024) by Justice Sir Andrew Smith’s order of 14 February 2024. “<i>Extended standard disclosure</i>” encompasses documents likely to support or adversely affect parties’ claims or defences.</p> <p>The Bank’s reasons for delay included the unprecedented scale of litigation (claims over US\$6 billion), the eight-year disclosure period involving over 500 accounts, complex and decommissioned IT systems, data spread across different countries (including issues with local banking secrecy laws in Oman and India), and difficulties in identifying document sources and custodians. Despite substantial efforts, including a dedicated e-discovery team and forensic firm, the Bank sought an extension to 20 December 2024 for its second tranche of documents, with more uncertain timelines for other uncollected data sources.</p> <p>Dr. Shetty’s reasons for delay centred on the immense volume of electronic data (terabytes, possibly 270 million documents) from four “<i>NAS Devices</i>” and 350 boxes of hard copies. Challenges included a lack of employees from his former business interests (BRS group) to assist with data navigation and logistical difficulties due to data size, power outages, and software issues, relying on a single IT consultant. He also sought an extension to 20 December 2024 for additional documents, acknowledging that further time might be needed for fully processing all electronic data.</p> <p>The Claimants (NMC and Joint Administrators) resisted extensions beyond 20 December 2024, arguing that the defendants should have been better prepared, deployed more resources earlier, and showed a lack of urgency. They were concerned about preserving the trial timetable, which is set to commence on 23 March 2026. The Claimants proposed requiring disclosure statements by 20 December 2024 and disallowing costs for subsequent disclosure to incentivize compliance and also sought “<i>train of inquiry</i>” disclosure from the Bank.</p> <p>Conclusion</p> <p>The Court acknowledged the complexity and the parties’ difficulties, emphasizing the need to achieve complete disclosure as speedily as possible without derailing the March 2026 trial date. The Court granted</p>
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	<p>both the Bank and Dr. Shetty an extension of time for the production of extended standard disclosure until 7:00 pm on 20 December 2024.</p> <p>However, the Court refused to order disclosure statements from the defendants by 20 December 2024, stating it was unlikely to be possible and served no useful purpose at this stage. It also declined to disallow the costs of disclosure by the Bank and Dr. Shetty after the 20 December 2024 deadline, indicating this would be reviewed at a later stage.</p> <p>Regarding "<i>train of inquiry</i>" disclosure, the Court left the existing order by Justice Sir Andrew Smith in place for the Bank, not imposing additional requirements at this stage. However, it ordered the Bank to conduct its review of remaining data in a way that includes and identifies material that would be covered by train of inquiry disclosure related to previously identified issues, to potentially reduce future delays.</p> <p>All questions regarding costs were reserved for a further Case Management Conference scheduled for 11 December 2024. The judgment noted that the parties would have the usual liberty to apply for further directions.</p>
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This statement is not intended to be a substitute for the reasons of the Court or to be used in any later consideration of the Court's reasons.