



# **James Prusram Ramdhun**

## **Solicitor**

### **427834**

**[Agreement Date: 22 July 2024](#)**

## **Decision - Agreement**

Outcome: Regulatory settlement agreement

Outcome date: 22 July 2024

Published date: 8 April 2025

## **Firm details**

### **Firm or organisation at date of publication and at time of matters giving rise to outcome**

Name: Clapham Law LLP

Address(es): 9 Bedford Road, London SW4 7SH

Firm ID: 542042

## **Outcome details**

This outcome was reached by agreement.

## **Decision details**

### **Who does this disciplinary decision relate to?**

James Prusram Ramdhun is a solicitor. At the time of this matter he was an owner, manager and the compliance officer for legal practice (COLP) at Clapham Law LLP (the firm) located at 9 Bedford Road, London SW4 7SH.

## **Summary of decision**

We directed Mr Ramdhun to pay a financial penalty for causing or allowing payments from the proceeds of sale of a conveyancing transaction held in the firm's client account in breach of an undertaking.

In addition, for taking unfair advantage of his client and acting with an own interest conflict, or a significant risk of an own interest conflict, when he loaned his client £38,944.84 subject to an interest rate of eight per cent per annum via his private company.



### **Facts of the misconduct**

On or about 7 October 2019, the firm was instructed by a client in the sale of a property. Mr Ramdhun was the partner with responsibility for supervising the matter on behalf of the firm. A separate firm of solicitors was instructed to act for the firm's client's wife in the transaction.

On 22 January 2020, the firm provided an undertaking to the solicitors acting for its client's wife. It did so in return for an undertaking by its client's wife's solicitors to remove her matrimonial home rights restriction from the title of the property.

The undertaking provided by the firm stated that the firm would hold the net proceeds of sale in its client account until the parties agreed their respective shares in the proceeds failing which the matter would be referred to court or arbitration for settlement.

The sale of the property completed on 16 January 2020. In the absence of agreement between the parties, on 20 December 2020, the firm's client issued proceedings for a declaration as to the beneficial entitlement to the net proceeds of sale.

On 13 May 2022, during a case management conference, counsel acting for the firm's client informed the court that he was professionally embarrassed and could no longer act for the firm's client. He said this was because he had been informed that his fees had been paid from the net proceeds of sale held under the terms of the undertaking provided by the firm.

At the direction of the court evidence was provided by the firm about payments made from the proceeds of sale. This showed that between 27 January 2020 and 6 May 2022, the firm made 16 payments totalling £37,544.84 from the proceeds of sale held by the firm under the terms of the undertaking it provided.

14 of those payments were authorised and allowed by Mr Ramdhun after he received advice from the SRA's Professional Ethics department on 12 May 2020 that the firm needed the joint instruction of both parties before any payments could be made.

The money paid by the firm in breach of the undertaking included payments to the firm and counsel for their fees for acting in the proceedings to decide the distribution of the sale proceeds. It also included payments for costs orders made against the firm's client in those proceedings and payments to the firm's client.

The firm told its client that it was his responsibility to replace the money paid out from the proceeds of sale, not the firm who caused the breach of the undertaking. The client had no funds to replace the money.



On 16 May 2022, Mr Ramdhun loaned the client £38,944.84 subject to an interest rate of eight per cent per annum, via his private company. The client used the money loaned to him from Mr Ramdhun to replace the shortfall to the proceeds of sale caused by the firm's breach of the undertaking it provided. On 14 November 2022, the firm's client paid £1,558.78 in interest on the loan to Mr Ramdhun's company.

It was found that Mr Ramdhun:

#### **Allegation 1**

Between 27 January 2020 and 6 May 2022, authorised and allowed 16 payments totalling £35,544.54 out of the proceeds of sale of a property in which the firm acted for its client in breach of an undertaking dated 22 January 2020 given by the firm to the other party to the transaction.

In doing so he breached:

Principles 2 and 5 of the SRA Principles 2019 (2019 Principles);

Paragraph 1.3 of the SRA Code of Conduct for Solicitors, RELs and RFLs (Code of Conduct for Solicitors); and

Paragraphs 9.1(a) and (b) of the SRA Code of Conduct for Firms 2019 (Code of Conduct for Firms).

#### **Allegation 2**

On 16 May 2022, loaned a client of the firm a total of £38,944.84 subject to an interest rate of eight per cent per annum, via his private company, in circumstances which gave rise to an own interest conflict or where there was a significant risk of an own interest conflict.

In doing so he breached:

Principles 2 and 5 of the 2019 Principles; and

Paragraphs 1.2 and 6.1 of the Code of Conduct for Solicitors.

#### **Decision on sanction**

Mr Ramdhun was directed to pay a financial penalty of £7,946 and ordered to pay costs of £1,350.

It was decided that a financial penalty was an appropriate and proportionate sanction. This was because Mr Ramdhun's conduct was serious by reference to the following factors in the SRA Enforcement Strategy:



- It had the potential to cause significant harm to the firm's client and the other party who relied upon him and the firm to comply with the undertaking.
- He is an experienced solicitor, manager and COLP who had direct control and responsibility for his conduct which gave rise to a serious failure to comply with his regulatory obligations.
- He showed a reckless disregard for his regulatory obligations and for the risk of harm to the firm's client and the other party and to public trust and confidence in the solicitors' profession and legal services provided by authorised persons.
- He did not take any remedial action. The firm only stopped making payments out of the proceeds of sale when the firm's breach of the undertaking was notified to the court at a court hearing.
- He took unfair advantage of a vulnerable client to the financial benefit of his company.

In view of the above, Mr Ramdhun's conduct was placed in conduct Band D which has a financial penalty bracket of between 65% to 97% of annual gross income. His conduct was placed in penalty band D1 with a basic penalty of 65% of annual gross income in light of the following aggravating factors:

He acted without integrity by knowingly making payments from the net proceeds of sale in breach of the Undertaking which the firm had given.

His conduct was repeated and continued for a long time with the potential to cause serious harm. He acted with reckless disregard of his regulatory obligations.

He has shown no insight or remorse for his conduct.

His conduct undermined public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

There were no mitigating factors.

### **SRA Principles**

Principle 2: You act in a way that upholds public trust and

confidence in the solicitors' profession and in legal services provided by authorised persons.

Principle 5: You act with integrity.

### **Code of Conduct for Solicitors, RELs and RFLs**

Paragraph 1.2 You do not abuse your position by taking unfair advantage of clients or others.

Paragraph 1.3 You perform all undertakings given by you, and do so within an agreed timescale or if no timescale has been agreed then within a reasonable amount of time.

Paragraph 6.1 You do not act if there is an own interest conflict or a significant risk of such a conflict.

### **Code of Conduct for Firms**

Paragraphs 9.1(a) and (b)

If you are a COLP you must take reasonable steps to:

- a. Ensure compliance with the terms and conditions of your firm's authorisation;
- b. Ensure compliance by your firm and its managers, employees or interest holders with the SRA's regulatory arrangements which apply to them.

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