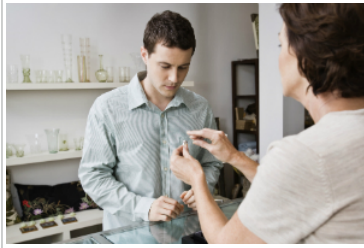


Jeweler hit with \$379k verdict, faces additional legal trouble

By: Peter Vieth October 10, 2016



Two men who claimed that a Norfolk jeweler sold them engagement rings with low-grade diamonds won verdicts totaling \$379,475 against both the business and the principal owner.

The jury last month ruled that the evidence justified piercing the corporate veil to impose judgment on the man who ran the store and controlled a limited liability corporation that owned the store. The verdict included enhanced penalties under the Virginia Consumer Protection Act.

And the trouble is not over for store manager Shasank Kamdar. He and his company have been sued in federal court by a jewelry designer claiming Kamdar sold inferior goods under its name.

The allegations in the federal lawsuit mirror the claims brought by the two plaintiffs in Norfolk Circuit Court.

The target is the store owned by Intercarats LLC, a one-member LLC "owned and controlled exclusively" by Kamdar, according to Shawn A. Voyles of Virginia Beach.

The victims were two "sophisticated businessmen" defrauded by a local Norfolk jeweler, Voyles said. Both were planning to propose to their intended brides.

"This is a case where my clients, more than anything, were seeking justice for being defrauded in the most important purchases in their lives," Voyles said.

Separate buys

In 2013, Ming Fang of Philadelphia was referred to Kamdar by a friend. He bought a two-carat engagement diamond for \$16,950.

Fang then recommended Kamdar to a friend in Boston, Bosun Hau. Hau also planned to propose and sought an engagement ring. In 2104, he bought a three-carat diamond and an engagement ring he believed was made by Tacori Enterprises.

Voyles described Tacori as a high-end California jewelry manufacturer.

Kamdar allegedly told Hau he could discount the retail price of the ring because he did a lot of business with Tacori. He sold Hau the stone and the ring for \$30,775.

Hau and Fang presented evidence that Kamdar emailed to each of them a Diamond Grading Report from the Gemological Institute of America purporting to describe the carat, cut, color and clarity of the type of diamond requested. Kamdar allegedly said he had the diamonds in question, ready for sale.

Voyles said Kamdar actually sold diamonds of the same carat size, but of much lesser quality and worth one-third to one-half of the value of the GIA diamonds described.

Hau was first to suspect a problem. He never got the original of the GIA report.

He claimed that, when he asked Kamdar for the original, Kamdar staged a ruse where he mailed some items to a local address so he could establish a tracking number for shipping and later claim the document had been lost.

Suspicious, Hau went to a gemologist in Boston, a Tacori dealer, who told him the ring was a fake and the diamond was not the one described in the GIA report.

Alerted by Hau, Fang discovered his diamond also was not that described in his report. He later found the actual diamond in question, with the original documentation, at a New York City jewelry store.

Buyers' testimony

Hau and Fang traveled from Hong Kong and San Francisco, respectively, to testify against Kamdar at the Norfolk trial last month. Evidence included depositions of expert gemologists and appraisers, Voyles said.

Kamdar was hamstrung at trial. Judge John R. Doyle III had struck his defenses for failing to cooperate with discovery before trial.

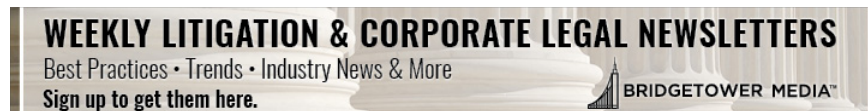
Judge Mary Jane Hall presided at trial, where the jury awarded \$30,775 in actual fraud damages for Hau with an additional \$30,775 under the VCPA. \$61,550 was awarded for breach of contract. The jurors tacked on \$90,000 in punitive damages and \$30,000 for attorneys' fees.


Fang was awarded \$16,950 in actual damages, doubled to \$33,900, with \$33,900 for breach of contract, \$50,850 in punitive damages and \$30,000 in attorneys' fees.

The jury also determined that it was appropriate to pierce the corporate veil. The jury found that Kamdar used his LLC for improper purposes and should face the same judgment as the company.

After accounting for duplication in the fraud and VCPA awards, Hall entered judgment against both Intercarats and Kamdar personally in the amounts of \$212,325 for Hau and \$131,700 for Fang.

Kamdar was represented by Jason L. Hamlin of Chesapeake, who did not immediately respond to a request for comment.



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