The Clothing Manufacturers Association of India

CMAI launched its ARBITRATION CELL

One of India's oldest and largest Association representing the interests of the Domestic Garment Industry, CMAI (Clothing Manufacturers Association of India) has launched one of its most important and significant new initiatives – the CMAI ARBITRATION CELL.

Whilst CMAI has been providing Conciliation and Mediation support to its Members for several years now, the institution of an Arbitration Award will give a far greater Legal strength to the recipient.

The Domestic Garment industry in India has been traditionally plagued by extended credit terms, often accompanied by unfair and arbitrary return of goods, deductions whilst making payments, and arm-twisting of micro and small Manufacturers.

CMAI's Research on the Indian Domestic Market estimate the total Market size to be close to 6.5 lakh crores. Even if one were to estimate a miniscule percentage of 1% as the amount under disputed or delayed or denied payments, the amount would come to a staggering 6,500 crores. This clearly underlines the need for a quick, efficient, and economical mechanism for resolving such disputes and complaints.

Unfortunately, existing Legal Systems makes access to a legal recourse expensive, time consuming, and very often entirely ineffective. This is precisely why world over, Arbitration is being resorted to settle commercial disputes in an inexpensive and timely manner, and at the same time providing the appropriate objectivity, professionalism, and domain knowledge in the settlement process.

Following the footsteps of this increasing trend, whilst it will continue its informal Conciliation process, CMAI launched its ARBITRATION CELL on 23rd November – which promises to provide immense support to the Industry members, consisting largely of MSME manufacturers. CMAI has designed its Arbitration Rules and Regulations keeping in mind the Industry practices and at the same time ensuring fairness and equity to all stakeholders.

Speaking at the function, Sh. Shaunak Thakker, Lawyer and Fellow of the UK Arbitrators, underlined the usefulness of the Arbitration process, and complimented CMAI for introducing this concept in their activities.

Rajesh Masand, President, CMAI, whilst briefing the members, informed that the Panel of Arbitrators of CMAI will include leading members of the industry with impeccable credentials, legal luminaries, as well as individuals of high repute. The Panel will also include members from other Trade Associations from all over the country.

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A book on CMAI Arbitration Rules and Regulations was also released by Past President Ashok Rajani and other dignitaries.

On this occasion, CMAI also launched their CMAI MEMBERSHIP CARD which entitles the CMAI Member to a variety of benefits and discounts from close to 25 top Brands and Retailers of the country.
