

Statement on Coca-Cola India Calling Kala Dera Closure “Rumours”

San Francisco (February 10, 2016): Coca-Cola India has posted a statement “on rumours of shutting down of our manufacturing Plant at Kaladera, Rajasthan, India”, ostensibly to address the [claims](#) made by the India Resource Center on February 10, 2016 that the company had ceased production at its Kala Dera plant and had no plans to resume. We have also claimed that one of the primary reasons for closure was the increased difficulty in accessing groundwater from a depleted aquifer, in addition to the plant incurring financial losses.

The public relations department of Coca-Cola India ought to have checked with the workers at the Kala Dera bottling plant before calling our claims “rumours” because the statement contradicts the testimony of the Team Leader of Human Resources at the Kala Dera plant.

The India Resource Center was alerted to the January 25, 2016 closing of the bottling plant well over a week ago. The coordinator of India Resource Center also visited Kala Dera and met with Coca-Cola workers and community members on Thursday, February 4, 2016 to verify the developments.

The (permanent) workers told us of verbally being informed of the permanent closure, and being offered voluntary retirement schemes and transfers to other plants as a result of the closure.

However, the India Resource Center did not go public with the news because we wanted documentary proof – which we require for everything we claim.

On February 6, our local allies in Kala Dera were able to obtain a copy of the [legal petition](#) made on [February 5, 2016](#) by the “Team Leader Human Resources” of the Coca-Cola plant in Kala Dera, [Pradeep Panghal](#), before the local court in Chomu.

The petition, filed on behalf of Hindustan Coca-Cola Beverages Private Limited (a wholly-owned subsidiary of the Atlanta-based The Coca-Cola Company), was asking the court to curtail the planned (protest) activities of the trade unions (particularly the contract workers union).

In the legal petition, which is in Hindi, Pradeep Panghal makes very clear that:

- The production was shut down on January 25, 2016
- There is no possibility of resuming production in the future
- The plant has been incurring financial losses
- The availability of groundwater and raw materials has become difficult
- The plant will now serve as a storage and distribution center

End of production at Kala Dera are not “rumours” and the India Resource Center stands behind its claims that Coca-Cola has shut down production in Kala Dera and has no plans to resume operations, and the depleted groundwater in the area was a primary reason for the closure of the plant.

We also feel compelled to remind Coca-Cola India that making a false affidavit in the court of law is a grave criminal offence in India, and that Coca-Cola India should take immediate action if the “Team Leader Human Resources” of the Coca-Cola plant in Kala Dera has made statements in the legal petition on behalf of the company that the company finds to be false.

We also encourage the media to query the company about the conflicting versions of the closure.

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