GHG INVENTORY ACCOUNTING

CARBON FOOTPRINT

YEAR 2025

Fancy Fashions
F28, UDHYOG MARG,
SECTOR 6, NOIDA,
UTTAR PRADESH - 110096

Objective of the report

Introduction

Clarify the report overall purpose and establish specific, measurable targets.

01

Measure and Track Emissions

Regularly calculating and monitoring greenhouse gas emissions from your operations.

02

Enhance Corporate Sustainability Strategy

Strengthening ESG practices to improve long-term business resilience and impact.

03

Improve Transparency and Stakeholder Communication

Openly sharing accurate sustainability data, goals, and progress with stakeholders.

04

Support Carbon Reduction and Offset Initiatives

Review the outcomes regularly to accurately measure progress and ensure alignment.

05

Fancy Fashions

Established in 1970, Fancy Fashions has been a pioneer in exporting ready-made garments to European markets. The company is renowned for its commitment to quality, punctuality, and reliability.

Under the leadership of Managing Partner Mr. Nishith Sadh and the recent involvement of his daughter, Ms. Rhea Sadh, Fancy Fashions continues to uphold its reputation for excellence.

The company emphasizes creating a comfortable work environment with a focus on health, safety, and sustainability.

"Sustainability is not just a choice; it is our responsibility."

Since our inception in 1970, we have strived to not only deliver high-quality fashion but also to create a positive impact on the environment and society. As the industry evolves, we remain dedicated to reducing our carbon footprint, embracing responsible sourcing, and fostering innovation in sustainable manufacturing.

Our vision is to blend craftsmanship with conscious choices, ensuring that our legacy continues to inspire a greener, more responsible future for fashion.

- Nishith Sadh
Managing Partner, Fancy Fashions

"Sustainability is the fabric of our future, and every choice we make today shapes a greener tomorrow."

At Fancy Fashions, we believe that the future of fashion lies in sustainability and innovation. As we move forward, our focus remains on reducing our environmental impact, embracing ethical sourcing, and creating garments that are both stylish and responsible. a

By blending tradition with modern sustainability practices, we aim to redefine fashion with a purpose—one that values people, the planet, and progress. Together, we can shape a more conscious and sustainable industry for the generations to come.

- Rhea Sadh
Managing Partner, Fancy Fashions

CARBON FOOTPRINT REPORT

What is a Carbon Footprint?

A carbon footprint refers to the total amount of greenhouse gas (GHG) emissions—mainly carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O)—generated throughout the lifecycle of production, from raw material extraction to end-of-life disposal.

Key Sources of Carbon Footprint:

Energy Consumption – Use of fossil fuels for electricity, heating, and industrial processes.

Transportation – Emissions from vehicles, airplanes, and logistics.

Manufacturing & Production – Industrial activities, including raw material extraction and processing.

Waste Management – Landfills, incineration, and wastewater treatment.

Supply Chain Activities – Emissions from goods and services used in operations.

Carbon Emission in Textile Industry

The sector is aligned with the National reduction target of reducing overall GHG emission intensity by **45% from 2005 levels by 2030.**

India's textile and apparel industry contributes around **65 million tonnes of CO_2 equivalent annually**, roughly **2% of national GHG emissions**.

As of 2026, textiles have been formally brought under India's **Carbon Credit Trading Scheme (CCTS)**, requiring companies to meet emission-reduction benchmarks.

Indian textile manufacturing remains energy-intensive, driving significant CO_2 emissions.

IMPORTANCE OF GHG REPORTING

1. Climate Change Mitigation

Carbon emissions, particularly CO_2, are the primary drivers of climate change. Transparent reporting helps businesses, governments, and individuals track their environmental impact and take measures to reduce it.

2. Regulatory Compliance

Many countries and regions have laws requiring businesses to disclose their emissions. Compliance with these regulations helps avoid penalties and ensures alignment with national and international climate goals.

3. Corporate Responsibility & Reputation

Consumers and investors are increasingly favoring environmentally responsible companies. Transparent reporting enhances credibility, attracts eco-conscious customers, and strengthens brand reputation.

4. Risk Management & Cost Savings

Understanding emission levels helps organizations identify inefficiencies, reduce energy consumption, and cut costs. This also prepares businesses for future carbon taxes and regulatory changes.

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5. Investor & Stakeholder Expectations

Many investors and stakeholders demand Environmental, Social, and Governance (ESG) transparency. Carbon reporting allows companies to showcase their commitment to sustainability, making them more attractive for investment.

6. Benchmarking & Goal Setting

By reporting emissions, organizations can set clear sustainability goals, track progress, and compare their performance against industry standards or competitors.

7. Supply Chain Accountability

Large corporations are increasingly requiring suppliers to disclose carbon emissions to ensure their entire supply chain is aligned with sustainability targets.

8. Contribution to Global Initiatives

Carbon reporting aligns with international agreements like the **Paris Agreement** and **Net-Zero Initiatives**, helping nations and industries work collectively toward a sustainable future..

ABOUT THE ORGANIZATION

Fancy Fashions

Fancy Fashions has been a trusted name in garment exports, supplying high-quality ready-made apparel to leading European brands. The company's infrastructure includes a head office in Noida, Uttar Pradesh, with an in-house design team capable of creating products tailored to diverse market requirements. Experienced pattern designers utilize the latest software to ensure seamless fitting, while a technical research and development team employs MTM-based software to enhance productivity.

Compliance is a cornerstone of Fancy Fashions' operations. The company emphasizes environmental sustainability and corporate social responsibility.

ABOUT THE REPORT

The study follows **ISO 14064-1 & ISO 14064-2** for GHG accounting, covering **Scope 1**, **Scope 2**, and **Scope 3 emissions** (direct, energy indirect, and other indirect emissions). The GHG inventory report is prepared to enhance transparency and ensure compliance with stakeholder communication.

The company has conducted a **Greenhouse Gas (GHG) accounting study** for its operations from **January 1, 2025, to December 31, 2025**. The following methodologies and standards were used for assessment:

1. GHG Protocol Corporate Accounting and Reporting Standard – Greenhouse Gas Protocol
2. Corporate Value Chain (Scope 3) Accounting and Reporting Standard – Greenhouse Gas Protocol

This report also includes necessary data assumptions, exclusions, and explanations for any deviations from methodologies. The scope includes all emissions within the operational boundaries of **Fancy Fashions**, ***Noida***.

The facility holds all applicable pollution consents and operates under government regulations. The study involved collecting and analyzing data as per the above standards, ensuring full compliance with environmental regulations.

Organizational Boundary:

Establishing an **organizational boundary** is essential for accurate greenhouse gas (GHG) emissions reporting.

Period of Validity:

This report remains valid until it is superseded by a future revision or until the Company publishes a report that modifies the approach and calculation methodology outlined herein.

Frequency of the Report:

The unit plans to assess its GHG performance annually. This report covers data from January 1, 2025, to December 31, 2025, inclusive of both dates.

Contents:

The report includes data collected method from various sources, and details of emission factors & proper calculation.

Intended Use & Users of the Report

This report is a voluntary communication to various stakeholders of **Fancy Fashions**, including customers, management, investors, government agencies, and the public. It serves to monitor GHG emissions performance and to establish a basis for future GHG reduction targets. Stakeholders can track the company's GHG performance over time and refer to this report for future verification of carbon performance, if applicable.

Scopes covered: Scope 1, Scope 2 and Scope 3

Management Details:
Mr. Nishith Sadh | Managing Partner
Ms. Rhea Sadh | Managing Partner

Verifier: Mr. Rajiv Chaturvedi
Verifier Certificate: ISO 14064-1 & ISO 14064-2
Certificate No.: 117874925 / 165946641:
Issued by: SGS India Pvt. Ltd.

Accounting & Verification by: Green Compliance Services

Carbon Footprint – GHG Inventory Reporting

Quantification of GHG emissions and removals
GHG emissions are quantified following the GHG Protocol, but removals are not quantified due to lack of verifiable data. No biogenic fuel is used within the operational boundary.

Calculation steps:

- Identification of GHG sources/sinks
- Selection of quantification methodology
- Selection and collection of GHG activity data
- Selection or development of GHG emission factors
- Calculation of GHG emissions

Recycled

Natural

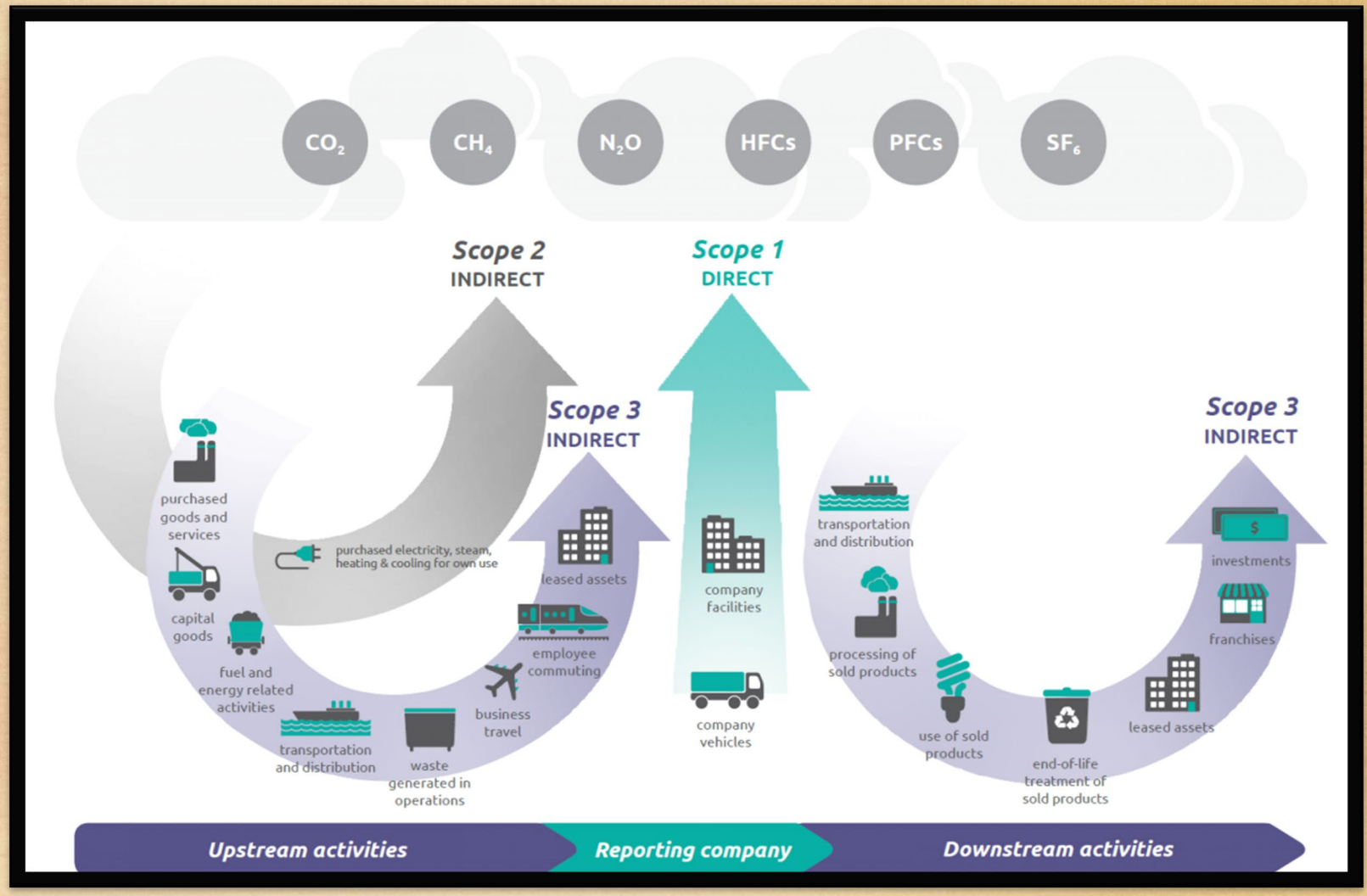
Carbon friendly

SCOPE 1, SCOPE 2, SCOPE 3 EMISSIONS

- **Direct emissions:** Include fossil fuel consumption, PNG gas in DG sets, boilers, and other equipment, HFC replenishment in ACs, and fuel use in vehicles under direct administrative control of the unit.

- **Energy indirect emissions:** Result from the electricity purchased from the grid.

- **Other indirect emissions:** Arise from fuel consumption in vehicles used for material transportation, final product dispatch, and employee commutation.



Identification of GHG Sources and sinks

Source GHG Unit			
Scope 1 (Direct Emissions)			
Combustion Sources	Stationary combustion in diesel generators	CO_2	tCO_2
	Stationary combustion in boiler	CO_2	tCO_2
	Refrigerant loss	CO_2	tCO_2
	LPG used in canteen	CO_2	tCO_2
Mobile Emissions	Fossil fuel consumption in company-owned vehicles	CO_2	tCO_2
Scope 2 (Energy Indirect Emissions)			
Purchased electricity from grid	Emissions associated with power generation in the power plants connected to the regional grid	CO_2	tCO_2
Scope 3 (Other Indirect Emissions)			
Transportation & Employee Commutation	Fossil fuel consumption in third party vehicles	CO_2	tCO_2

There are no relevant GHG sinks for the operations for this unit.

Stationary Combustion

Activity	Activity Data Required	Units	Equations
CO_2 emissions from fossil fuel (diesel) Consumption	Diesel Consumed	Litres	Litres of fuel consumed × Density of fuel × NCV of fuel × EF × 10^{-6}
	Density of diesel	Kg/lit	
	NCV of diesel	TJ/Gg	
	Emission factor of diesel(EF)	tCO_2/TJ	
CO_2 emissions from fossil fuel (PNG) Consumption	PNG Consumed	kg	kg of fuel consumed × NCV of fuel × EF × 10^{-6}
	NCV of PNG	TJ/kT	
	Emission factor of PNG (EF)	tCO_2/TJ	
CO_2 Emissions from LPG Consumption	Amount of LPG used	kg	amount of LPG used × NCV of fuel × EF × 10^{-6}
	NCV of LPG	TJ/Gg	
	Emission factor of LPG	tCO_2/TJ	

Remarks:

Density of diesel assumed as 0.82 kg/lit

Other Emission Sources

Emission Source	Activity Data Required	Units	Equations
HFC emission from refrigerant top up	Amount of HFC top up	Metric tonnes	Amount of HFC top up multiplied by GWP_{HFC}

Energy Indirect Emissions

Emission Source	Activity Data Required	Units	Equation
Purchase of grid electricity	Electricity imported from the grid	kWh	Electricity Imported from grid × Emission factor of grid $\times 10^{-3}$
	Emission factor of grid	tCO_2/kWh	

Mobile Combustion

Emission Source	Activity Data Required	Units	Equation
Emissions due to mobile combustion	Fuel Consumed	Litres	Litres of fuel consumed × Density of fuel × NCV of fuel × EF × 10^{-6}
	Density of the fuel	Kg/lit	
	NCV of the fuel	TJ/Gg	
	Emission factor of fuel	tCO_2/TJ	

Other Indirect Emissions

Emission Source	Activity Data Required	Units	Equations
Emissions due to mobile combustion	Fuel Consumed in third party vehicles	Litres	Litres of fuel consumed × Density of fuel × NCV of fuel × EF ×10^{-6}
	Density of fuel	Kg/lit	
	NCV of fuel	TJ/Gg	
	Emission factor of fuel	tCO_2/TJ	

Fancy Fashions

Environmental Data

Year 2025

Factory Data - 2025

YEAR 2025																
S.No.	**Description**	**GHG Scope**	**Unit**	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**
1	**Shipment**	Yearly	Pcs	33833	86797	77486	88970	109111	57431	19215	0	309	7442	38219	42491	561304
2	**Shipment**	Yearly	Kg	7443	19095	17047	19573	24004	12635	4227	0	68	1637	8408	9348	123487
3	**Production**	Yearly	Pcs	89436	98407	89525	99612	89321	47594	19456	14778	33677	107268	120474	129675	939223
4	**Production**	Yearly	Kg	21650	19696	21915	19651	10471	4280	3251	7409	23599	26504	28529	206629	393582
5	**Manpower**	Yearly	Number	417	398	417	421	412	314	151	117	184	396	369	434	336
6	**Working Days**	Yearly	Number	27	24	24	26	27	25	27	24	26	24	25	27	306

Scope 1 Data - 2025

YEAR 2025																
S.No.	**Description**	**GHG Scope**	**Unit**	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**
1	**PNG consumed in Boiler**	Scope 1	SCM	2613	3702	2214	2334	3417	1898	922	49	312	226	2713	2180	22579
2	**PNG consumed in DG set**	Scope 1	SCM	653	926	553	584	854	474	230	12	78	57	678	545	5645
3	**Total PNG consumed**	Scope 1	SCM	3266	4628	2767	2918	4271	2372	1152	61	390	283	3391	2725	28223
4	**Diesel consumed in DG set**	Scope 1	Ltr	90	85	96	102	93	86	112	109	125	112	93	98	1201

Scope	Emission source category	t CO2e
Scope 1	Fuels	60.13
	Refrigerants	-
	Total Scope 1	60.13

Scope 2 Data - 2025

YEAR 2025																
S.No.	**Description**	**GHG Scope**	**Unit**	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**
1	**Government Grid Electricity**	Scope 2	KwH	3860	9631	7648	7462	13960	15195	11304	8056	6945	7350	10714	13320	115446

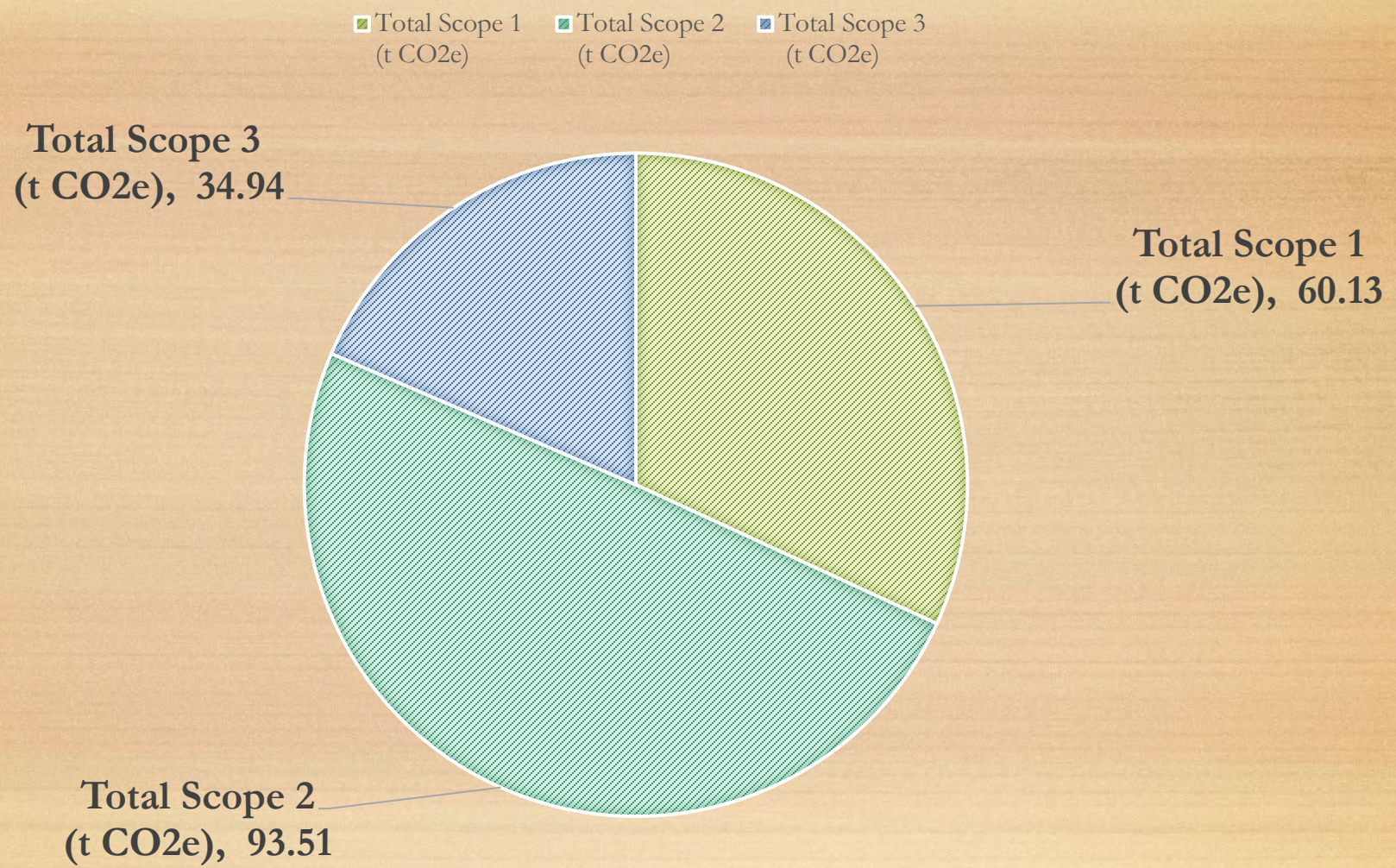
Scope	Emission source category	t CO2e
Scope 2	Electricity grid & transmission and distribution losses	93.51
	Total Scope 2	93.51

Scope 3 Data - 2025

YEAR 2025															
S.No.	**Description**	**GHG Scope**	**Unit**	**Jan**	**Feb**	**March**	**April**	**May**	**June**	**July**	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**	**Total**
1	Shipping Distance Kms By Class III CNG Vehicle	Scope 3	Km	2537	6510	5811	6673	8183	4307	1441	0	23	558	2866	3187	42098
2	Employee Commute By Car Petrol	Scope 3	Km	1890	1680	1680	1820	1890	1750	1890	1680	1820	1680	1750	1890	21420
3	Employee Commute By Motorcycle Petrol	Scope 3	Km	27810	24720	24720	26780	27810	25750	27810	24720	26780	24720	25750	27810	315180

Scope	Emission source category	t CO2e
SCOPE 3	Employees commuting & Freighting Goods	34.94
	Total Scope 3	34.94

Total Scope – Year 2025



SCOPE EMISSION NORMALIZED

YEAR 2025

GHG Emission per Kg – Year 2025

Absolute	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2025	60.13	93.51	34.94	188.58
Normalised	**Scope 1 tCO2e Per Kg**	**Scope 2 tCO2e Per Kg**	**Scope 3 tCO2e Per Kg**	**Total Scope tCO2e Per Kg**
Year 2025	0.0005	0.0008	0.0003	0.0015

GHG Emission per Pc – Year 2025

Absolute	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2025	60.13	93.51	34.94	188.58
Normalised	**Scope 1 tCO2e Per Pc**	**Scope 2 tCO2e Per Pc**	**Scope 3 tCO2e Per Pc**	**Total Scope tCO2e Per Pc**
Year 2025	0.00011	0.00017	0.00006	0.00034

COMPARITIVE STUDY

YEAR 2023 - 2025

GHG Emission – Year 2023

Absolute	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2023	44.15	102.88	10.82	157.85
Normalised	**Scope 1 tCO2e Per Pc**	**Scope 2 tCO2e Per Pc**	**Scope 3 tCO2e Per Pc**	**Total Scope tCO2e Per Pc**
Year 2023	0.00020	0.00046	0.00005	0.00070

GHG Emission – Year 2024

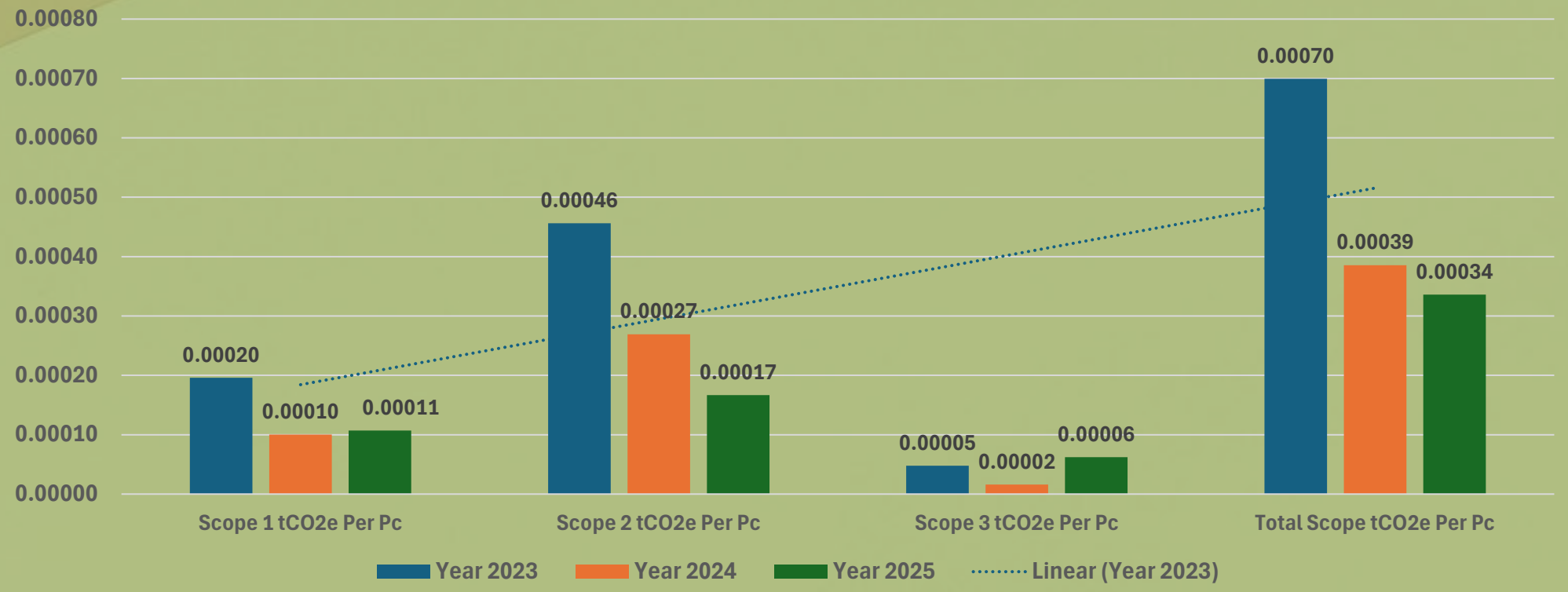
Absolute	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2024	66.97	180.16	10.82	257.95
Normalised	**Scope 1 tCO2e Per Pc**	**Scope 2 tCO2e Per Pc**	**Scope 3 tCO2e Per Pc**	**Total Scope tCO2e Per Pc**
Year 2024	0.00010	0.00027	0.00002	0.00039

GHG Emission – Year 2025

Absolute	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2025	60.13	93.51	34.94	188.58
Normalised	**Scope 1 tCO2e Per Pc**	**Scope 2 tCO2e Per Pc**	**Scope 3 tCO2e Per Pc**	**Total Scope tCO2e Per Pc**
Year 2025	0.00011	0.00017	0.00006	0.00034

Year	Scope 1 tCO_2e Per Pc	Scope 2 tCO_2e Per Pc	Scope 3 tCO_2e Per Pc	Total Scope tCO_2e Per Pc
2023	0.0002	0.00046	0.00005	0.0007
2024	0.00010 ↓	0.00027 ↓	0.00002 ↓	0.00039 ↓
2025	0.00011 ↑	0.00017 ↓	0.00006 ↑	0.00034 ↓

Comparative Chart



RECOMMENDATIONS AND SUGGESTIONS

Suggestions to reduce GHG emission

01

Maintenance

Switch to Low-GWP refrigerants and regularly inspect ACs to reduce leakages.

02

Auditing

Optimize process efficiency by conducting energy audits to identify inefficiencies in equipment using PNG & improve combustion efficiency

03

Investment

Installation of solar energy power can significantly reduce Scope 2 emission.

END OF REPORT