

GHG INVENTORY
ACCOUNTING
CARBON FOOTPRINT

YEAR 2025

AAN CLOTHINGS LLP,
Plot – 9 SECTOR 34,
GURGAON





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

AAN CLOTHINGS LLP

AAN Clothings AAN Clothings LLP, based at Plot 9, Sector 34, Gurgaon, is a manufacturing company specializing in high-quality home furnishing products. The company focuses on crafting a wide range of textile furnishings including curtains, cushions, and bed linen.

Committed to sustainability and environmental responsibility, AAN Clothings LLP integrates eco-conscious practices across its operations—emphasizing resource efficiency, responsible sourcing, and waste reduction. The company aims to deliver both comfort and style while reducing its ecological footprint.



Management's Vision:

At AAN, we recognize the critical role of transparent and accountable greenhouse gas (GHG) reporting in our journey toward sustainability.

Our vision is to establish a robust, data-driven, and science-based approach to measuring, managing, and reducing our carbon footprint.

Mr. Aman Dhingra
Chairman Cum MD,
AAN Clothings LLP



CARBON FOOTPRINT REPORT

What is a Carbon Footprint?

A carbon footprint refers to the total amount of greenhouse gas (GHG) emissions—mainly carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O)—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 CO₂ 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 CO₂ emissions.

IMPORTANCE OF GHG REPORTING

1. Climate Change Mitigation

Carbon emissions, particularly CO₂, 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.

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

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AAN CLOTHINGS LLP

Founded in 2020, AAN Clothings is a visionary, design-driven organization dedicated to redefining creative product development and innovation.

At the heart of AAN Clothings is a highly skilled and passionate team of designers, artists, pattern makers, and artisans, each bringing a unique perspective and expertise to the creative process.

This diverse collective collaborates to craft exceptional, high-quality products that embody both artistic excellence and technical precision.

By embracing innovation while honoring time-honored techniques, **AAN Clothings** transforms ideas into extraordinary designs that captivate and inspire.















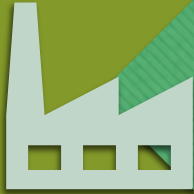




ABOUT THE REPORT



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 **AAN CLOTHINGS LLP, Gurugram**.



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.



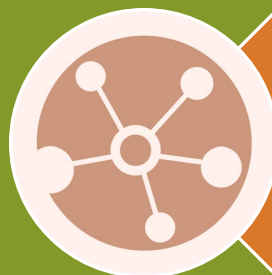
Period of Validity:

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 **AAN CLOTHINGS**, 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.

Scope covered: Scope 1, Scope 2 and Scope 3

Management Details:

Mr. Aman Dhingra | Chairman Cum MD

Verifier: Mr. Rajiv Chaturvedi

Verifier Certificate: ISO 14064-1 & ISO 14064-2

Certificate No.: 117874925 / 165946641:

Issued by: SGS India Pvt. Ltd.

Accounting & Reporting 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

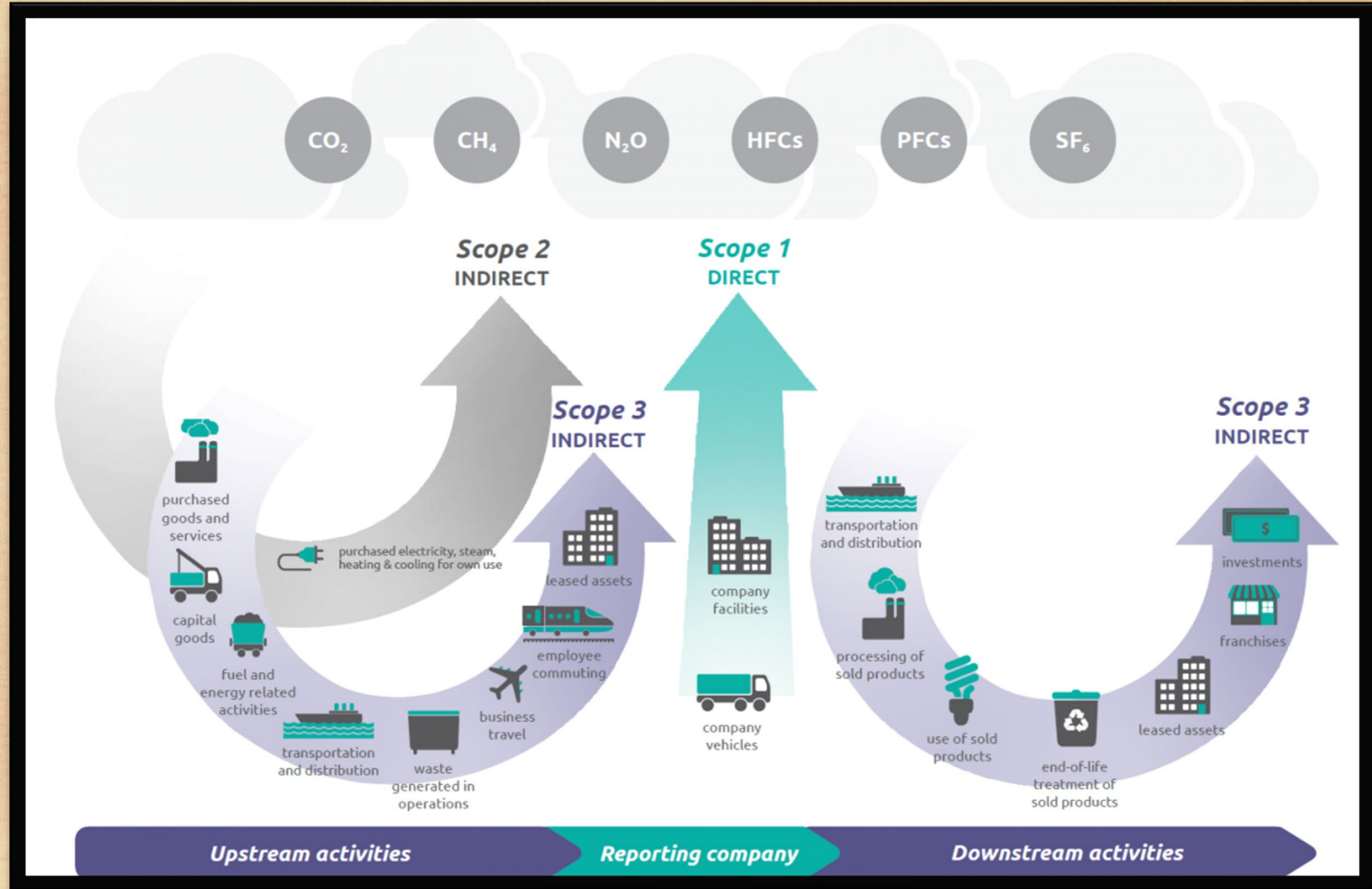


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Carbon friendly

SCOPE 1, SCOPE 2, SCOPE 3 EMISSIONS

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- **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.

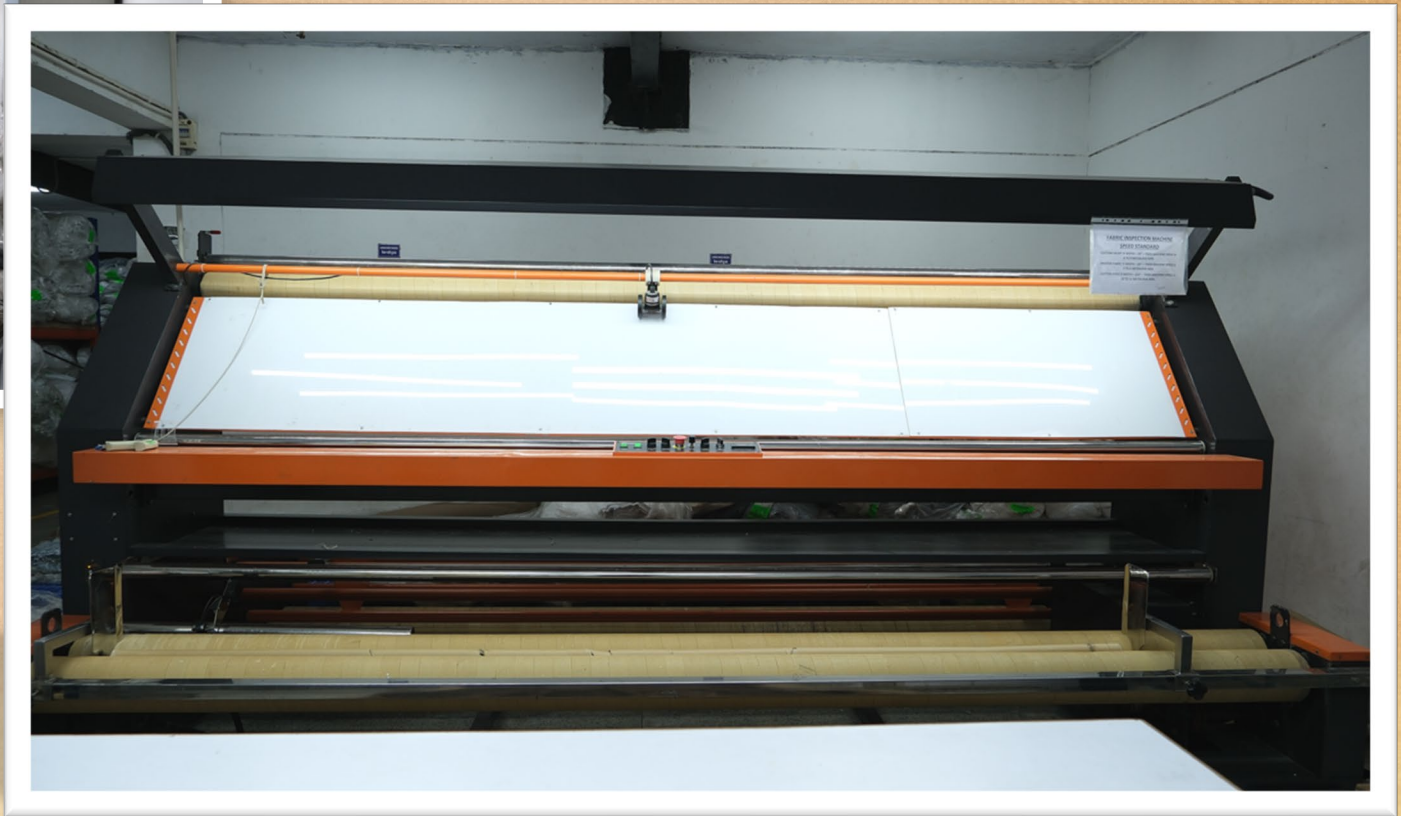


Identification of GHG Sources and sinks

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
CO₂ emissions from fossil fuel (diesel) Consumption	Diesel Consumed	Litres
	Density of diesel	Kg/lit
	NCV of diesel	TJ/Gg
	Emission factor of diesel(EF)	tCO ₂ /TJ
CO₂ emissions from fossil fuel (PNG) Consumption	PNG Consumed	kg
	NCV of PNG	TJ/kT
	Emission factor of PNG (EF)	tCO ₂ /TJ
CO₂ Emissions from LPG Consumption	Amount of LPG used	kg
	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
HFC emission from refrigerant top up	Amount of HFC top up	Metric tonnes

Energy Indirect Emissions

Emission Source	Activity Data Required	Units
Purchase of grid electricity	Electricity imported from the grid	kWh
	Emission factor of grid	tCO ₂ /kWh

Mobile Combustion

Emission Source	Activity Data Required	Units
Emissions due to mobile combustion	Fuel Consumed	Litres
	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
Emissions due to mobile combustion	Fuel Consumed in third party vehicles	Litres
	Density of fuel	Kg/lit
	NCV of fuel	TJ/Gg
	Emission factor of fuel	tCO ₂ /TJ



AAN
CLOTHINGS
LLP

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	40189	47804	36806	25711	26689	25286	42328	29439	18852	28229	28565	50612	400510
2	Shipment	Yearly	Kg	16076	19122	14722	10284	10676	10114	16931	11776	7541	11292	11426	20245	160204
7	Manpower	Yearly	Number	228	226	228	229	228	232	230	232	228	232	228	232	229
8	Working Days	Yearly	Number	27	24	25	26	27	24	27	25	26	24	25	27	307

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	Diesel Consumed in DG Set - 250 KVA	Scope 1	Ltr	253	10	85	325	255	131	103	751	180	49	64	196	2402
2	PNG Consumed in Tumbler	Scope 1	SCM	2840	2563	2161	1531	2105	1933	2356	1459	1428	1744	3197	2057	25374
3	PNG Consumed in Boiler	Scope 1	SCM	11358	10251	8643	6125	8422	7732	9425	5835	5711	6975	12788	8229	101494
4	Total PNG Consumed	Scope 1	SCM	14198	12813	10804	7657	10527	9664	11781	7294	7138	8719	15985	10286	126868
5	Company Owned Vehicle - CNG Vehicle 1	Scope 1	Kg	75	34	24	38	37	39	38	34	41	28	41	33	460

Scope	Emission source category	t CO2e
Scope 1	Fuels	262.22
	Vehicles	1.61
	Total Scope 1	263.83

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	22923	21614	23630	28448	33452	34755	39473	27579	26664	24245	25397	21297	329474

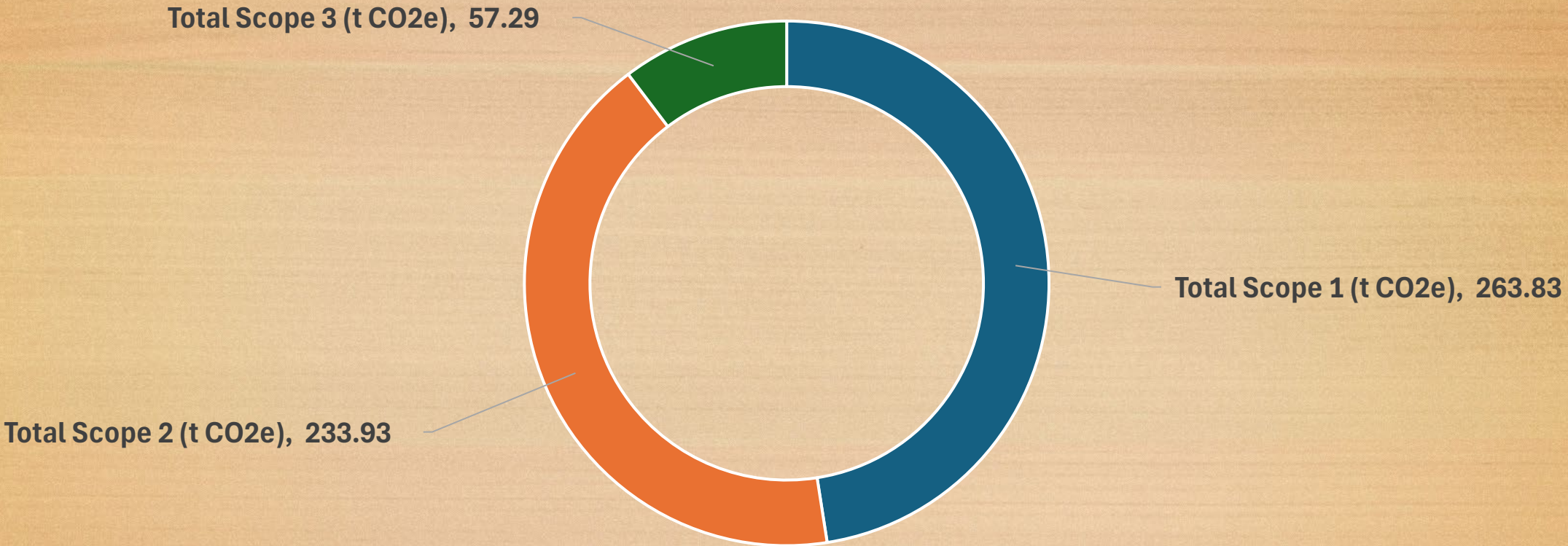
Scope	Emission source category	t CO2e
Scope 2	Emissions from the generation of purchased electricity	233.93
	Total Scope 2	233.93

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 CNG 20' Truck)	Scope 3	Km	1202	1042	309	1220	328	791	664	512	769	548	969	844	9197
2	Shipping Distance (By Diesel Truck)	Scope 3	Km	3379	3226	3287	3239	3270	3244	3292	3231	3239	3257	3235	3252	39150
3	Employee Commute By Motorcycle Petrol	Scope 3	Km	2881	2764	2811	2774	2797	2777	2814	2767	2774	2787	2770	2784	33500

Scope	Emission source category	t CO2e
Scope 3	Freighting goods	20.96
	Transmission and distribution losses	32.95
	Employees commuting	3.38
	Total Scope 3	57.29

Total Scope – Year 2025



■ Total Scope 1 (t CO2e) ■ Total Scope 2 (t CO2e) ■ Total Scope 3 (t CO2e)

SCOPE EMISSION
NORMALIZED

YEAR 2025

Normalized GHG Emission - per Kg and per Pc Shipment– Year 2025

Absolute ss	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2025	263.83	233.93	57.29	555.05
Normalised	Scope 1 tCO2e <u>Per Pc</u>	Scope 2 tCO2e <u>Per Pc</u>	Scope 3 tCO2e <u>Per Pc</u>	Total Scope tCO2e <u>Per Pc</u>
Year 2025	0.00066	0.00058	0.00014	0.00139
Normalised	Scope 1 tCO2e <u>Per Kg</u>	Scope 2 tCO2e <u>Per Kg</u>	Scope 3 tCO2e <u>Per Kg</u>	Total Scope tCO2e <u>Per Kg</u>
Year 2025	0.0016	0.0015	0.0004	0.0035

COMPARITIVE STUDY

YEAR 2024 - 2025

Absolute & Normalized Air Emission Trend

Emission	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2024 Absolute	289.16	284.22	85.31	658.69
Year 2024 Normalized	0.00066	0.00064	0.00019	0.00149
Emission	Scope 1 tCO2e	Scope 2 tCO2e	Scope 3 tCO2e	Total Scope tCO2e
Year 2025 Absolute	263.83	233.93	57.29	555.05
Year 2025 Normalized	0.00066	0.00058	0.00014	0.00139

RECOMMENDATIONS

01

Improve Energy Efficiency in Operations

Implement energy-efficient equipment, optimize production processes, and conduct regular energy audits to reduce electricity consumption, thereby lowering Scope 2 emissions.

02

Adopt Renewable Energy Sources

Increase the use of renewable electricity such as solar power or green energy procurement to reduce emissions associated with purchased electricity.

Suggestions to reduce GHG emission

03

Optimize Fuel Consumption in Direct Operations

Improve maintenance of boilers, generators, and company vehicles, and adopt fuel-efficient technologies to reduce Scope 1 emissions.

04

Promote Sustainable Transportation and Logistics

Encourage carpooling, public transport, or shuttle services for employees. Optimize freight routes and reduce empty truck runs or shift to lower-emission logistics options to reduce Scope 3 emissions.

END OF REPORT