



GHG VERIFICATION REPORT

Shree Ramkrishna Exports Pvt Ltd

“SRK EMPIRE”, 99, Vastadevdi Road, Katargam, Surat – 395004, India.

“SRK HOUSE”, 112, Kasa nagar Road, Katargam, Surat – 395004, India.

Reporting Period: 1st April 2023 - 30th November 2024

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Verification Report

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1 Introduction

DQS India was appointed by Shree Ramkrishna Exports Pvt Ltd. (SRK) in November 2024 to verify the organization's GHG emissions for the reporting period of 1st April 2023 - 30th November 2024.

This report presents the findings of an independent verification conducted by DQS India on the greenhouse gas (GHG) emissions inventory prepared by SRK. The GHG inventory has been developed by the company in accordance with the requirements of the Greenhouse Gas Protocol and ISO 14064 standards. The objective of this verification exercise is to evaluate the accuracy, completeness, and reliability of the company's reported GHG emissions, as well as to ensure adherence to established methodologies and protocols. As an independent verifier, DQS India has assessed the calculation methodologies, data sources, and underlying assumptions to provide assurance on the integrity of the emissions inventory and the claims made by the company. This verification report aims to support SRK in demonstrating transparency, compliance, and accountability in their sustainability and environmental performance reporting.

Shree Ramkrishna Exports Pvt Ltd. (SRK) has been a renowned name in the diamond industry. SRK Empire and SRK House, are a green building rated LEED-Platinum by the US Green Building Council, This is the first GHG verification carried out by DQS India for SRK.

2 Scope

The scope of the verification was to provide an independent and objective review of the information contained in the "GHG Emission Assessment Report" and "Carbon Footprint SR-Calculation sheet" hereafter referred to as the "GHG documentation".

The verification is not meant to provide any consulting towards the client. However, documented findings may provide input for improvement of the future GHG reporting.

3 Objectives of Verification

The objectives of the verification are as follows:

- i. To determine the accuracy of the information reported in SRK's GHG documentation for reporting period between 1st April 2023 - 30th November 2024.
- ii. To assess the completeness of the coverage of reporting for Scope 1, 2 & 3 emissions.
- iii. To determine whether the methodology used to calculate the emissions and emission avoidance is correct and all assumptions chosen are appropriate, reasonable and/or accurate.
- iv. To verify and certify reported GHG emissions of the company.

4 GHG Reporting Criteria

The GHG reporting criterion follows The Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard (Revised Edition) and ISO 14064-1:2018 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals.

5 Verification Criteria and Level of Assurance

The verification criteria followed is ISO 14064-3:2019 Specification with guidance for the validation and verification of greenhouse gas assertions.

The level of assurance provided is limited level.

6 Verification Team

Verification Team Leader: Ms. Janki Mehta

7 Confidentiality

The members of the verification team from DQS India have given undertakings to not disclose any confidential information that may have been provided to them by SRK during the verification process, including information contained in this verification report, to any third party, without the approval of SRK unless such disclosure is required by law. If required by law, SRK will be informed of the information disclosed.

8 Disclaimer

The verification has been based on the information provided for the reporting period 2023-2024 i.e. 1st April 2023 - 31st March 2024 & 1st April 2023 to 30th November 2024 only.

This year i.e. 1st April 2023 - 31st March 2024 inventory will act as their base year emissions for combined scope 1, 2 & 3.

Being a limited level of assurance, the engagement risk was limited to a level that is acceptable in the circumstances of the engagement but also planned to obtain a level of assurance that is, in the verifier's professional judgement, meaningful. To be meaningful, where the nature and extent of the verification activities have been designed to provide a high but not absolute level of assurance on historical data and information (as defined in ISO 14064-part 3 standard).

9 Methodology

The DQS India verification process consisted of the following phases:

- i. Off-site documents review of activity data sources and the calculation of GHG emissions provided by SRK manufacturing site.
- ii. Verification audit planning.
- iii. On-site visit to SRK plant at Surat, Gujarat, India, which included interviews with relevant personnel.
- iv. Preparation and issuance of verification audit findings.
- v. Review of addressal of findings and resolution
- vi. Resolution of outstanding issues; and
- vii. Issuance of final verification report.

Duration of Verification

The verification of the GHG documentation was carried out in December 2024 with details as follows:

S.No	Activity	Date
1	Document Review (offsite)	2 nd December 2024
2	Data verification (Onsite)	3 rd & 4 th December 2024

3	Calculation and review after corrections (Offsite)	18 th December & 21 st December 2024
4	Internal review & issuance of draft Letter of Conformance (LOC)	2 nd January 2025

The following list of the documents were reviewed & referred during the verification:

- i. Greenhouse Gas Emission Report for 2023-2024 SRK received on 25th November 2024 and revised report received on 31st December 2024.
- ii. GHG calculation sheet.
- iii. Supporting documentation on activity data presented in the GHG report.
- iv. GHG Emission Factors for Company Reporting.
- v. IPCC Guidelines for National Greenhouse Gas Inventories
- vi. WRI GHG Protocol
- vii. Central Electricity Authority - CO2 Baseline Database for the Indian Power Sector, v.19, 2023
- viii. The Real Impact of Diamond Mining on the Environment | Grown Diamond Corporation

10 Report on Findings

10.1 Organizational & Reporting Boundaries

SRK applies an **operational control approach** to boundary-setting, assigning all emissions from activities it controls including those undertaken by contractors. The operational boundary is set based on categories of GHG-producing activities within the organizational boundary, defined by SRK. The quantification of the GHG emissions included the following:

Category as per ISO 14064:2018	Category as per GHG protocol	Included Sources	Excluded Sources	Acceptability of exclusion (reason)
Category 1- Direct GHG emissions and removals	Scope 1-Direct Emission	Diesel, Petrol, Natural Gas	NA	During reporting period there was no refilling of refrigerants and CO2 extinguishers were reported.
Category 2- Indirect GHG emissions from imported energy	Scope 2 - Indirect Emission	Purchased electricity, Generated renewable electricity	NA	NA
Category 4- Indirect GHG emissions from products used by the organization	Scope 3 - Category 1	Purchased goods - Rough Carat	NA	NA
	Scope 3 - Category 2	None	Capital Investment	Emissions by this category is coming <5% of total emission.
Category 3- Indirect GHG emissions	Scope 3 - Category 3	Fuel and electricity related upstream emission	NA	NA

from transportation	Scope 3 - Category 4	Upstream transportation	WTT of Fuel, distance to and from airport	Emissions by this category is coming <5% of total emission.
Category 4- Indirect GHG emissions from products used by the organization	Scope 3 - Category 5	Waste	NA	NA
Category 3- Indirect GHG emissions from transportation	Scope 3 - Category 6	Business Travel	WTT of Fuel, distance to and from airport	Emissions by this category is coming <5% of total emission.
	Scope 3 - Category 7	Employee Commuting	NA	NA
Category 3- Indirect GHG emissions from transportation	Scope 3 - Category 9	Downstream Transportation	WTT of Fuel, distance to and from airport	Emissions by this category is coming <5% of total emission.
Category 5 - Indirect GHG emissions associated with the use of products from the organization	Scope 3 - Category 10	NA	NA	NA
	Scope 3 - Category 11	NA	NA	NA
	Scope 3 - Category 12	NA	NA	NA
Category 6 - Indirect GHG emissions from other sources	Scope 3 - Category 13	NA	NA	NA
	Scope 3 - Category 14	NA	NA	NA
	Scope 3 - Category 15	NA	NA	NA

It can be confirmed that the reporting organization accounts for Scope 1, 2 & 3 emissions. It has also been verified that there were neither GHG sinks nor reservoirs included within the operational boundaries of SRK. And there were no emissions from the use of biomass in SRK's facility. Hence, these emissions had been omitted from the GHG inventory and documentation.

10.2 Reporting Period

(Chapter 9 of GHG protocol)

The reporting period covers from 1st April 2023 - 31st March, 2024 and 1st April 2024 - 30th November 2024.

10.1 Base Year

(Chapter 9 of GHG protocol)

Base year chosen by the SRK for scope 1,2 & 3:	1 st April 2023 - 31 st March 2024
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Was there any base year re-calculation (Yes/No):	No
If yes, acceptability of the reason of the re-calculation:	Not Applicable
Comparison of current emissions with base year emissions:	Current year (1 st April 2023 - 31 st March) is chosen as inaugural base year for combined scope 1,2 & 3 . So, no comparison.
Justification given by the for the change: Why it was acceptable:	Not Applicable

10.2 Methodology, GHG Data and Emission Factors

Scopes	Activity Data	Primary data Source	Secondary data Source (EF)	Remarks on Uncertainty/ Risk of the source
Scope 1/ Category 1	Diesel	Diesel consumption daily report of Utility, Diesel refilled purchase invoices	IPCC, AR6	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
Scope 2/ Category 2	Grid electricity	Electricity bills	Central Electricity Authority - CO2 Baseline Database for the Indian Power Sector, v.19, 2023	Since primary data source is measured at the site-level and emission factor has been taken from the local suppliers published & updated source, the uncertainty is found to be minimum.
	Solar Generated electricity	GEB Bills adjustment report and online measuring software for generation/consumption meter reading		
S3- Cat1/Category 4	Rough Carat	Purchase invoice, Stock Inventory	Grown Diamond corporation	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
S3- Cat3/Category 3	Fuel and Electricity related upstream emission	Same as scope 1 & 2	Defra 2023	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the

				uncertainty is found to be minimum.
S3-Cat4/Category 3	Upstream Transportation of Rough Carat	Purchase invoice	DEFRA 2023	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
S3-Cat5/Category 4	Waste generation/disposal	In house Logbook	Defra 2023	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
S3-Cat6/Category 3	Business Travel via Air	Ticket booking statement from agent	DEFRA 2023	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
S3-Cat7/Category 3	Employee Commute	HR Software pulled data sheet - unbaleed with employee one way travel distance and type of vehicle details	IPCC, AR6	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.
S3-Cat9/Category 3	Downstream Transportation	Sales invoice	DEFRA 2023	Since primary data source is measured at the site-level and emission factors have been taken from reputed sources, the uncertainty is found to be minimum.

10.3 Calculation of GHG Emissions and Removals

The review of the GHG report considered the verifiable and acceptable data referenced in Section 4. Based on this review, it is concluded that the calculation of GHG emissions follows the quantification methodology specified in Section 5 of the report. The final GHGs emission from the identified sources were summarized as follows:

Emissions Category	GHG Scope	GHG Sources	CO ₂ e emissions for FY 23-24 (Tonne)	CO ₂ e emissions for FY 24-25 (Up to Nov'24) (Tonne)
Direct Emission	Scope 1	Diesel consumption for DG set,	269.40	187.97
Total direct emissions (Scope 1)			269.40	187.97
Indirect Emissions	Scope 2	Electricity consumption used by the plant*	4106.13	1282.46
Total indirect emissions (Scope 2)			4106.13	1282.46
Category 4- Indirect GHG emissions from products used by the organization	Scope 3 - Category 1	Purchased goods - Rough Carat	53129.74	36323.95
Category 3- Indirect GHG emissions from transportation	Scope 3 - Category 3	Fuel and electricity related upstream emission	829.32	276.94
	Scope 3 - Category 4	Upstream transportation	0.76	0.42
Category 4- Indirect GHG emissions from products used by the organization	Scope 3 - Category 5	Waste	260.00	86.82
Category 3- Indirect GHG emissions from transportation	Scope 3 - Category 6	Business Travel	270.32	208.93
	Scope 3 - Category 7	Employee Commuting	888.58	598.94
	Scope 3 - Category 9	Downstream Transportation	0.39	0.24
Total indirect emissions (Scope 3)			55379.12	37496.24

Total GHG Emissions for SRK	59754.65	38966.66
GHG emissions avoided due to Solar Power Generation Unit Adjustment (Scope 2)*	648.64	2243.08

*The renewable energy (solar power) units have already been accounted for in the emission calculations. The emissions avoided due to the adjusted solar energy units are provided separately for reference purposes.

Gas-wise Scope 1 emissions

GHG types	CO2e emissions for FY 23-24	CO2e emissions for FY 24- 25 (Up to Nov'24) (Tonne)
KgCO2	267.31	186.51
KgCH4	0.35	0.23
KgN2O	1.73	1.25
Total KgCO2e	269.40	187.97

11 Management System and Quality Assurance

From the assessment carried out by the verification team, it was found that the overall approach used to calculate the GHG emissions were technically sound as it was traceable to known standard and reference. All findings noted during the verification process have been duly corrected.

12 Areas for Improvement

Following are the areas for improvement which need to be taken into consideration in the future reporting:

1. Regularly review and update emission factors to ensure alignment with the latest guidelines and most updated versions.
2. Consider including additional Scope 3 categories, such as capital investments (Category 2), in future assessments for a more comprehensive footprint
3. Enhance external communication on sustainability initiatives by publishing a detailed report aligning frameworks like CDP or GRI
4. Build a roadmap for achieving carbon neutrality, focusing on significant Scope 3 categories and potential offset projects

Abbreviations

CH ₄	Methane
CO ₂	Carbon dioxide
EF	Emission Factor
GHG	Greenhouse Gas(es)
GWP	Global warming potential
IPCC	Intergovernmental Panel on Climate Change
kWh	Kilowatt-hours
MT	Metric tonne
N ₂ O	Nitrous oxide
ISO 14064-3	ISO 14064-3:2019 Specification with guidance for the validation and verification of greenhouse gas assertions