



**Opinion of an independent body on the pre-verification of
emissions embedded in CBAM goods**

Client	Echjay Forgings Pvt. Ltd.
Address	603-604, Raheja Chambers, 213, Backbay Reclamation, Nariman Point, Mumbai 400021. India.
Order number	0040438707.1
Date of issue of the opinion	30.07.2026
CN codes for the products	73072100 – Flanges of stainless steel (excl. cast products)

1. CLIENT INFORMATION	
Name and location of head office	Echjay Forgings Pvt. Ltd. 603-604, Raheja Chambers, 213, Backbay Reclamation, Nariman Point, Mumbai 400021. India.
List of locations <i>If other than the Operator's registered office</i>	ND
Areas of activity	Manufacture of metal products
2. VERIFICATION BODY	
Name and place of business of the Verification Body	TÜV Rheinland Polska Sp. z o.o. (TRP) 347 Wolności Street 41-800 Zabrze
Type of Verification Body	A Verification Body (independent third party) that carries out activities in the area of verification of declarations connected with GHG emissions in CBAM Goods.
Type of document issued	- Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023 establishing a Carbon Border Adjustment Mechanism (consolidate version 20.10.2025). - Commission Implementing Regulation (EU) 2025/2547 of 10 December 2025 laying down rules for the application of Regulation (EU) 2023/956 of the European Parliament and the Council as regards the methods for the calculation of emissions embedded in goods. - Commission Implementing Regulation (EU) 2025/2546 of 10 December 2025 on the application of the principles for verification of declared embedded emissions pursuant to Regulation (EU) 2023/956 of the European Parliament and of the Council. The EU ETS methodological backbone, in particular Commission Implementing Regulation (EU) 2018/2066, and, where relevant for verification logic and free allocation alignment, Implementing Regulation (EU) 2018/2067 and Delegated Regulation (EU) 2019/331.
Verification Team	Andrzej Gniewkowski - Lead Auditor

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3. REALISATION	
3.1. Object and scope of pre-verification	<i>The verification covered the data related to embedded greenhouse gas emissions of goods falling under CN code 73072100 – Flanges of stainless steel (excluding cast products).</i> <i>The review included an assessment of the operator's treatment of direct emissions and of the relevance of indirect emissions under the CBAM target-period methodology.</i> <i>CBAM target reporting period corresponding to the first quarter of 2026 (Q1 2026). From 01.01.2026 to 31.03.2026.</i> <i>The verification assessed the completeness, consistency and correctness of the reported emissions data, in accordance with the applicable CBAM regulatory requirements.</i>
3.2. Timing of the pre-verification process	<i>The full process covered the period 16.04.2026 – 30.07.2026</i>

3.3. Verification criteria

The preliminary verification was carried out on the basis of the regulations and methodological requirements set out in point 2 of this Opinion, in particular with regard to:

- the identification of the goods and their correct CN classification,*
- determining whether only direct emissions or also indirect emissions should be taken into account for the goods under analysis,*
- the correct inclusion of precursors in the calculation of embedded emissions,*
- the compliance of the operator's methodological approach with the rules applicable during the CBAM target period,*
- the consistency of the input data and assumptions used with the available source evidence.*

As part of the work carried out, the following were checked in particular:

- whether the classification of the final product and precursors is consistent with the scope of the CBAM,*
- the status of the goods under analysis and their precursors in relation to Annex II to Regulation (EU) 2023/956,*
- the impact of the classification of precursors on the obligation to include or exclude indirect emissions,*
- the overall methodological consistency of the operator's approach to calculating embedded emissions,*
- the justification for continuing to include indirect emissions in light of the requirements for the target period,*
- the available evidence supporting the operator's input data and methodological assumptions.*

The scope of the work was limited to a methodological pre-verification and did not include a full, detailed assessment of the monitoring plan or a full formal verification of the operator's report in accordance with the target CBAM regime. In particular, no detailed review of the operator's report against all minimum requirements was carried out; instead, the assessment focused primarily on the communication template:

- overall methodological compliance,*
- consistency of the emissions calculation logic,*
- and the adequacy of the evidence supporting the input data used.*

4. DESCRIPTION OF THE VERIFICATION PROCESS, EVIDENCE GATHERING AND VERIFICATION RESULTS

The pre-verification methodology was based on:

- familiarisation with the production diagram,
- verification of process input information (precursors, fuels, electricity),
- communication template prepared by the Operator using the form developed by the European Commission
- reading the CBAM emission reports for precursors from the customer's suppliers.
- carrying out own calculations and comparing them with the results presented in the client's calculations.
- obtaining clarification from the client on any issues requiring clarification.
- Sampling and analysing data according to their greatest potential impact on emissions.

5. SUMMARY OF RESULTS OF EMBEDDED GREENHOUSE GAS EMISSIONS

Emission/impact category	Results for 73072100 – Flanges of stainless steel (excl. cast products)
SEE (direct) Direct emissions: - Stationary fuel combustion equipment connected with process. -Direct emissions embedded in the precursor	0,876 tCO₂e/t - Correct result
SEE (Indirect) Indirect emissions: - Electricity (from the power grid(D.2.4)) - Indirect emissions embedded in the precursor	0,845 tCO₂e/t - <u>Calculated by the operator and reviewed for methodological consistency only. Not applicable for final CBAM calculation for the target period. Outside the mandatory scope of embedded emissions for this product under Annex II</u>
Embedded electricity	1,190 MWh/t - <u>Calculated by the operator and reviewed for methodological consistency only. Not applicable for final CBAM calculation for the target period. Outside the mandatory scope of embedded emissions for this product under Annex II</u>

6. IDENTIFIED IRREGULARITIES AND RECOMMENDED CORRECTIONS

The verification exercise did not identify any significant inaccuracies or non-conformities, within the scope and in accordance with the criteria agreed and established between the verifier and the Operator. Recommendations for implementation within the CBAM target period are set out below:

During the verification, it was found that the operator continues to account for indirect emissions associated with electricity consumption when calculating embedded emissions for goods under CN code 7307 21 00.

In accordance with Article 7(1) of Regulation (EU) 2023/956, for goods listed in Annex II to that Regulation, only direct emissions are taken into account. Heading 7307 is included in Annex II; therefore, this also applies to the product classified under CN code 7307 21 00 (the CBAM product manufactured by the Operator)

At the same time, it has been established that the precursors used by the operator are also covered by Annex II to Regulation (EU) 2023/956. This is of significant importance in light of the rules set out in Annex I to Implementing Regulation (EU) 2025/2547, according to which, in the case of composite goods listed in Annex II, indirect emissions associated with precursors are taken into account only if the precursor in question is not listed in Annex II.

Consequently, the operator's current approach of continuing to account for indirect emissions for the product in question is not in line with the target methodology applicable from 2026 and should be amended accordingly.

It is recommended that the operator:

- update the methodology for calculating embedded emissions so that, for product CN 7307 21 00 during the target period, only direct emissions are taken into account, in accordance with Article 7(1) of Regulation (EU) 2023/956;*
- remove indirect emissions related to electricity from the current calculations of embedded emissions for this product, unless the use of other relevant precursors not listed in Annex II is demonstrated; The analysis of electricity consumption may remain part of the Client's analysis if it is required for allocation processes between non-CBAM and CBAM goods or for other methodological reasons. In addition, the European Commission has announced a number of plans to amend the scope of CBAM, under which indirect emissions may be reintroduced into the scope of analysis for the Operator's goods; therefore, the continued collection of data on indirect emissions may be helpful in the future, but is not currently a formal CBAM requirement.*
- maintained regular communication with suppliers of precursors and, in 2027, obtained data on embedded emissions in purchased and used CBAM precursors, verified by an independent CBAM-accredited body.*
- drew up a monitoring plan in accordance with Article 5(5) and Annex II, point A.5, of Implementing Regulation (EU) 2025/2547, to the extent appropriate for the installation and production managed by the Operator.*

- has drawn up an operator's report on emission quantities in accordance with Article 10 and Annex IV of Implementing Regulation (EU) 2025/2547, so as to:

- report the specific direct emissions for that product,*
- not to report indirect emissions for that product, unless they are relevant at the precursor level,*
- to retain all other required sectoral and process-related information;*

- clearly distinguish the approach applied historically during the transitional period from the methodology applicable during the target period, so as to avoid the further carry-over of transitional requirements into calculations prepared for the purposes of CBAM declarations from 2026 onwards.

Key recommendations for implementation in subsequent accounting periods and, ultimately, in 2027:

- preparation of an operator's report in accordance with CBAM requirements*
- preparation of a monitoring plan in accordance with CBAM requirements*
- analyse direct emissions and exclude indirect emissions in accordance with Annex II to Regulation (EU) 2023/956*
- obtain emissions reports from their suppliers of CBAM precursors in 2027*

7. Verification opinion

The final opinion is issued as satisfactory for a limited level of assurance, with a materiality level assuming an error within 5% of total emissions in carbon dioxide equivalent at the product level.

The Declaration of Echjay Forgings Pvt. Ltd. on greenhouse gas emissions embedded in CBAM commodity with CN code 73072100 is considered to have been considered satisfactory within the limited scope of this pre-verification. The pre-verification has shown that the Declaration is broadly aligned with the applicable CBAM target-period methodology, subject to the recommendations and adjustments described in Section 6 and the data contained therein at the adopted materiality level is complete, consistent, accurate, transparent and relates to the relevant emission sources. The verification was based on historical data provided by the client responsible for the CBAM declaration data.

Pre-verification conclusions:

- Based on the limited scope of this pre-verification, the declaration concerning direct emissions for Q1 2026 related to goods covered by the CBAM scheme appears to have been prepared with due care and is broadly aligned with the applicable CBAM target-period methodology. Indirect emissions were additionally analysed by the Operator; however, based on the assessment performed, they should not be included in the final CBAM calculation for the product concerned for the target period.
- Within the scope reviewed, the declaration contains sufficiently documented data relating to direct emissions associated with the CBAM-covered goods under assessment.
- The calculation approach applied by the Operator is, in general, based on appropriate methodologies and emission factors supported by available and relevant source information.
- Based on the documents and explanations made available during the pre-verification, no material methodological inconsistencies were identified in the treatment of the source data used for the calculation of direct embedded emissions.
- Within the limited scope of this review, the data collection and calculation approach appears to be generally consistent and suitable for the preparation of CBAM-related emissions information, subject to the recommendations and adjustments described in Section 6.
- The evidence made available during the pre-verification was considered sufficient to support the main methodological assumptions and input data used by the Operator for the purposes of this limited-scope assessment.
- The current approach to data collection and internal review appears, at this stage, capable of supporting the preparation of CBAM emissions information, although further formalisation will be required for full target-period compliance, including the preparation of a monitoring plan and an operator's emissions report in line with the applicable CBAM framework.

According to the current state of knowledge and the findings of the TRP, no person involved in the verification process on behalf of the verifying body has any business or other links with the client, which could adversely affect compliance with the principle of impartiality. Consequently, the verification was carried out independently.

Recommendations for subsequent accounting quarters and the target period from 2027 onwards have been formulated and set out in point 6 of this opinion.

The Distribution:

- Client
- TÜV Rheinland India
- Verification Body TÜV Rheinland Polska Sp. z o.o

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