

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.5347
ANSWERED ON 03.04.2025**

EVOLVING CARBON MARKET FRAMEWORK

**5347. SHRI JASHUBHAI BHILUBHAI RATHVA:
SHRI DAMODAR AGRAWAL:**

**Will the Minister of POWER
be pleased to state:**

- (a) the special measures being taken by the Government to prevent fraudulent carbon credit transactions in the emerging carbon market framework in the country;**
- (b) whether the Government is formulating any plan to balance economic growth with the prescribed carbon reduction targets between 2027 and 2030;**
- (c) if so, the details thereof and if not, the reasons therefor;**
- (d) the mechanisms being established by the Government to ensure compliance with carbon reduction targets in the private sector; and**
- (e) the Government's plan to integrate the lessons learned from international best practices discussed in 'Prakriti 2025' into India's climate policy framework?**

A N S W E R

THE MINISTER OF STATE IN THE MINISTRY OF POWER

(SHRI SHRIPAD NAIK)

(a) : As per Carbon Credit Trading Scheme (CCTS), notified in June, 2023 (as amended), the Grid Controller of India is the registry for the Indian carbon market. In order to prevent fraudulent carbon credit transactions in Indian carbon market, the functions assigned to the registry for the Indian carbon market include maintaining secure data base and records of all transactions. This registry is also the meta-registry for India.

(b) & (c) : Currently, the mandatory compliance of greenhouse gas emission intensity (GEI) targets under CCTS covers only few emission intensive industries, designated as "Obligated Entities". The greenhouse gas emission intensity (GEI) targets are given to only those obligated entities whose annual energy consumption are above certain thresholds. Further, while finalizing the GEI targets for different obligated entities, the marginal abatement cost of possible technological measures in the units of obligated entities are taken into consideration to ensure that such entities are given pragmatic and achievable targets.

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(d): Bureau of Energy Efficiency (BEE) has published Detailed Procedure for Compliance Mechanism under CCTS in July 2024 which covers comprehensive Measurement, Reporting, and Verification (MRV) framework to ensure accurate, transparent, and credible compliance. An essential aspect of the MRV framework is the verification process, which requires annual verification of GHG emissions data. Further, the environmental compensation may be levied and penalty may be imposed under Environment Protection Act in case of non-compliance of GEI targets by obligated entities.

(e): An international conference on carbon markets titled "PRAKRITI" was held in February, 2025 at New Delhi wherein industries, financial institutions and other stakeholders participated to deliberate various aspects of carbon market, greenhouse gas (GHG) emission reduction measures, investments in clean technologies for possible adoption of suitable measure by them. Learnings from this conference would enable the obligated entities to opt for the optimum measures to achieve GHG emission reduction targets. Further, learnings from this conference would also enable the government optimize the policy framework of CCTS.
