

Advantage and Disadvantage of Carbon Credit Trading and Taxation Practice in Energy Sector Organizations: A Case Study of Uttarakhand

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ABSTRACT

The result of the Kyoto Protocol is the trade in units of CO₂ dioxide. The main purpose of this idea is to practically trade units of CO₂ in the bazaar. Today, this category of business is one of the dissolute growing business bazaars in Uttarakhand. In the long run, a low-CO₂ economy will force companies that do not yet have CO₂ caps to prepare for CO₂ regulation. This study examines the various advantages and disadvantages directly or indirectly related to CO₂ Merchandise. Many organizations have achieved financial and non-financial advantages, but today many are interested in this business. In pricing, CO₂ credits create a bazaar for reducing GHG discharges.

Keywords: CO₂ Credit Merchandise, Kyoto Protocol, Clean Development Mechanism (CDM), Emerging Bazaar.

INTRODUCTION

Emerging Idea: CO₂ Credit

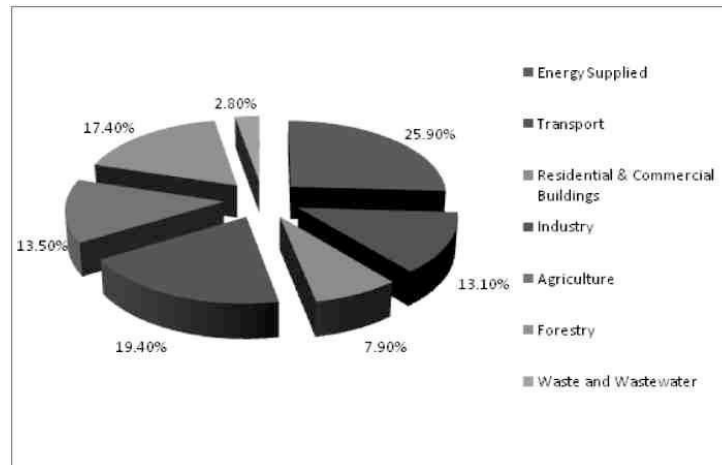
CO₂ credits are a fundamental tool used to control the amount of gases emitted into the atmosphere. In fact, it is the most comprehensive international plan designed to reduce global warming and its consequences. The main mechanism by which this plan works is to limit the total discharges that can be emitted by a company or companies. If there is a deficit in the amount of gas consumed, this deficit has monetary value and can be sold. These loans are usually obtained between companies or industries. Instead, they are purchase and sell on the global bazaar at fixed bazaar prices. Besides, there are cases.

Buying CO₂ Credits = Reduction in discharges..... How???

Buying CO₂ discharges reflects CO₂ reduction through a significant reduction in the cost of gas pollution. The implication of this idea is to provide coal as a business expense. This is compared to other items in the organization such as roles, tools or screen functions.

Areas in which CO2 Credits can work

Figure 2 illustrates many places where CO2 credits are being used, and the below will clarify them:



Energy Supply

The energy sector receives the utmost CO2 credits. By providing a pure alternative technology for electricity production and transmission, CO2 units can help, as the energy sector is the largest emitter of GHGs. The data show that the participation in all the sectors concerned is 25.90%.

Review of Literature

Trivedi S. (2016) described the CO2 and GHG bazaars. The tear gas bazaar is growing every day. The researchers added that the industry spans countries, regions and trade links around the world. This growing bazaar provides many gascap companies with effective risk management solutions that offer significant Chance. for organizations and their project sponsors, including gas reduction and pure development mechanics. . His research covers a brief overview of the Kyoto Protocol, CO2 lending agreements, the impact of housing and growth in the tear gas bazaar. Finally, we will look at how developing countries manage their resources and exploit Chance.

In a 2016 article on CO2 taxes and CO2 trade, Kumar K.S.K. Both CO2 taxes and CO2Merchandise are bazaar-based entities. Although it can be segregated based on several factors, it also highlights the established CO2 Merchandise process, including simple political acceptance tax revenues and volatility including environmental impacts. Include clear targets and discharge limits. Responsibility Allocation and Advantage Allocation Promote cost-effective reduction of GHGdischarges from trade Securing accountability through auditing and reporting Voting Compliance Ultimately, the cost-effectiveness of CO2Merchandise is a major focus of his research.

In his article, Fowler R. (2016) describes some of the challenges and Chance. of CO2Merchandise in the agricultural sector. The focus is on industrial agriculture and research on farmers who are directly or indirectly involved in the charcoal trade. He said that the Clean Development Mechanism (CDM) project is the most suitable for controlling CO2discharges. The biggest concern for grain producers is the cost of measuring and verifying changes in CO2 dioxide discharges. This idea

works for large commercial farmers, especially when it comes to clusters of neighboring farms, and while it can be smart and profitable, it is very difficult for small farmers. In conclusion, I would like to say that there are many Chance. for small farmers to trade CO₂discharges, and if there is a will, there are Chance.

One of the states with the greatest potential for trading CO₂ emissions under the clean development management project is Uttarakhand, which is part of the CDM initiative. This is feasible due of the abundance of possibilities. Uttarakhand's energy sector is an important part of the policies under the Uttarakhand Government's Clean Development Program me. This chapter also deals with carbon trading. Sure, carbon caps are good advice for buyers and sellers, but they cost the environment too much because countries that vote against carbon emissions throw away their greenhouses and damage the environment.

Environmental sustainability that makes use of resources that are CO₂-neutral or ecofriendly can accomplish this. Mukwa M. (2015) explains in an article the use of energy business in the fight against climate change, CO₂ emissions. According to him, approximately 82% of the world's energy is still produced with fossil fuels. Therefore, there is still a long way to go before the character is removed from reality. Even with CO₂, the CO₂ problem continues. He believes that climate change and global warming, known as climate change, are the biggest threats to life on Earth today. Burning fossil fuels keeps most of the greenhouse gases in the atmosphere, but proper disposal requires clean energy. Equally important is the development of institutions and policies that encourage businesses to innovate and implement decarbonizing policies and other initiatives, especially trade, business regulations, and civil rights.

Seturaman NR (2014) describes the CO₂ credit bazaar and discusses the role of different solution providers. Its results show that the amount of money spent by developed countries is \$ 300 to \$ 500 per person. tons of CO₂ reduction.

Dioxide compared to \$ 10 to \$ 25 in developing countries. Currently, Uttarakhand total GHG discharges are below target, giving the country the freedom to sell its excess debt to developed countries. Uttarakhand had about 31% of the global bazaar in 2010.

CO₂Merchandise. This is the main reason why CO₂ assessment has become a popular commercial bazaar in Uttarakhand.

Bhardwaj M. and Wadadekar A. (2010) appeared in an object on eco-friendly supervision. Not only environmental protection, but also human interaction and environmental impact for human conservation. That is why the biggest problem that affects us is the environment. Many governments have passed many laws to protect our environment, but this is not enough. The point about this: CO₂ credit offers many ways to protect our environment and other economic paybacks. Giving to commerce data, Uttarakhand organizations are anticipated to create around \$ 8.6 billion, which is \$ 10 per person. tons of CO₂ discharge estimate (CER). Reliance Energy has already implemented a CDM project, and Tata sponge Iron is currently receiving a clean development management documentation from the UN for its surplus reclamation mission in Uttarakhand. To finish, several

businesses are captivating some phases to ensure the health of our environment.

Research Objectives

- ✓ Understanding the fundamentals of MerchandiseCO2 credits.
- ✓ To examine the fundamental bazaar process for CO2 credits in Uttarakhand.
- ✓ Investigate the many advantages and difficulties connected with CO2 credit Merchandise activities in enterprises.

Investigate Procedure

According to scientifically accepted statistics or methods, design and tools, the research method is a means of defining research activities, the research process and the content of that research. The objective of this study is the maximum that can satisfy the criteria of a well-conducted study. The researcher uses analytical and comparative research methods in this study. Most of the participants in this study belonged to 400-500 groups in Uttarakhand, and 40 were drawn from this population. In this study, the main research tool was a questionnaire and the researcher used a random sampling method. Here are the details in Table 1 regarding the research methods of this study:

Fig. 1 Investigate Procedure

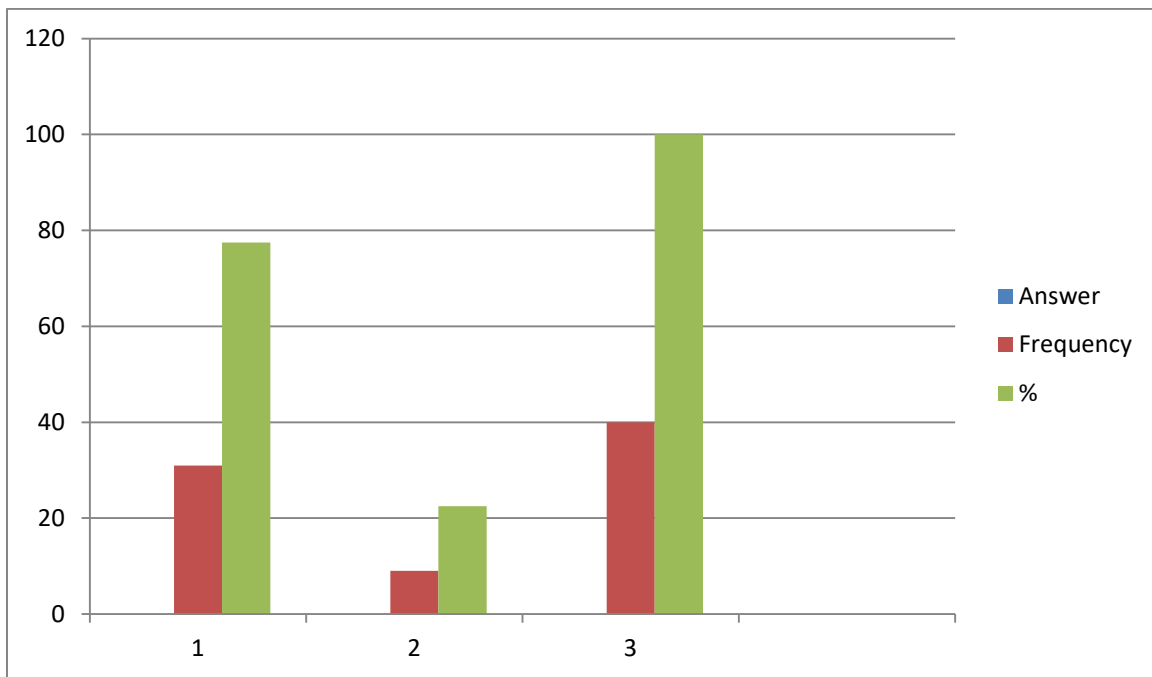
S.No	Particular	Numbers
1	Target region	Uttarakhand
2	Number of samples	40
3	Sample Sub-divisions	Companies and firms
4	Analysis category	Scientific&IllustrativeAnalysis
5	Segmentation Technique	Grab and Opportunity chance selection
6	Investigation Instrument	Questionnaire survey
7	Data Type	Primary & Secondary Data

Data Investigation

Participation of the association in the Merchandise of CO2 Credits

Table 2's following explanation demonstrates how organizations participate in the Merchandise of CO2credits.

S.no	Answer	Frequency	%
1	Yes	31	77.5
2	No	9	22.5
3	total	40	100



According to the aforementioned data, 77.05% of respondents claim that their companies participate in CO2 credit Merchandise, whereas 22.05% of respondents deny participation but indicate that they plan to do so in the future.

Organizational advantages of introducing CO2 credit Merchandise

The advantages that different organisations have received from introducing CO2 credit Merchandise are displayed in Table 3 below:

Table 3 Advantages of CO2 Credit Merchandise

	Improvem ent Total in Social Status	Reductio n in overall cost	Additional Revenue	Funds for R & D	Bazaa r Share Value	Total
Answer Strongly Agree Expected Count within	Count	30	8	29	11	107
	Count	21	21	21	21	
	%	43.5	11.5	39	13	38
Agree Expected Count within	Count	23	7	29	17	107
	Count	18	18	18	18	
	%	31.5	9	36.5	20	35.5

Neutral Expected within	Count	10	49	7	32	8	106
	Expected	21	21	21	21	21	
	Count %	13.5	61	8	41.2	11.5	
Disagree Expected within	Count	7	7	7	9	4	34
	Expected	7.5	7.5	7.5	7.5	7.5	
	Count %	9	9	9	13.5	6	
Strongly Disagree within	Count	2	5	1	7	3	18
	Expected	4.3	4.3	4.3	4.3	4.3	
	Count %	2.3	7.4	2.3	9	4	
Total % within	Count	40	40	40	40	40	200
	%	20.0%	20.0%	20.0%	20.0%	20.0%	100.0%

Point of Issue: Merchandise in CO2 credits has raised the groups' standing in society.

H0: Merchandise in CO2 credits has no impact on an organization's standing in society.

H1: Merchandise in CO2 credits has raised the groups' standing in society.

S.no	Particular	Value
1	SAMPL E MEAN	4.023
2	HYPOTHESIZED MEAN	3.69
3	PREDICTABLE ERROR	1.0837

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	4%	1.93	2.0713	FORBIDDEN

Simplification: The public standing of the companies has increased as a result of CO2 credit merchandise.

Point of Issue: The overall cost of achieving the discharge reduction targets has decreased as a result of CO2 credit Merchandise.

H0: The cost of total discharge reduction targets is unaffected by CO2 credit Merchandise.

H1: The overall cost of achieving the discharge reduction targets has decreased as a result of CO2 credit Merchandise.

S.no	Particular	Value
1	SAMPL E MEAN	3.05
2	HYPOTHESIZED MEAN	3.63
3	PREDICTABLE ERROR	0.09392

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.95	3.6713	FORBIDDEN

Simplification: Merchandise in CO2 credits has reduced the overall cost of achieving discharge reduction targets.

Point of Issue: The groups can earn more money by MerchandiseCO2 credits.

H0: The organizations receive no additional income from the merchandise of CO2 credits.

H1: MerchandiseCO2 credits provides organizations with additional cash.

S.no	Particular	Value
1	SAMPL E MEAN	4.06
2	HYPOTHESIZED MEAN	3.68
3	PREDICTABLE ERROR	1.0403

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.97	2.1213	FORBIDDEN

Simplification: MerchandiseCO2 credits provides organizations with additional cash.

Point of Issue: MerchandiseCO2 credits contributes to funding for R&D.

H0: By giving the funds, CO2 credit Merchandise does not aid in R&D.

H1: MerchandiseCO2 credits contributes to funding for R&D.

S.no	Particular	Value
1	SAMPL E MEAN	3.185
2	HYPOTHESIZED MEAN	3.69
3	PREDICTABLE ERROR	1.1378

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.95	2.7651	FORBIDDEN

Simplification: Merchandise in CO2 credits contributes to funding for R&D.

Point of Issue: Merchandise in CO2 credits has increased the companies' bazaar share value.

H0: Merchandise in CO2 credits has little impact on the bazaar share value of businesses.

H1: Merchandise in CO2 credits has increased the bazaar share value of the organizations.

S.no	Particular	Value
1	SAMPL E MEAN	4.085
2	HYPOTHESIZED MEAN	3.68
3	PREDICTABLE ERROR	1.0378

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.94	2.0651	FORBIDDEN

Simplification: CO2Merchandise has increased the value of institutional bazaar share. Companies can greatly advantage from the introduction of CO2Merchandise. The big advantage of this idea is the increase in the public standing of system of government. Alternative advantage is the reduction in the general rate of meeting discharge decrease aims. Many organizations can use the extra money from the sale of CO2 credits for R&D. Participation in CO2Merchandise can also increase the overall value of an organization's bazaar share.

Challenges in Implementing CO2 Credit Approval Procedures in Business

Table 4 below describes the impact of many of the issues involved in implementing CO2MerchandiseMethod in an organization.

Table 4 Challenges of CO2 Credit Merchandise

		Taxation Issues	Ambiguity	Encourages movement towards un sustainable ways	Explicit mention of these transactions as exports	Source of perverse incentive	Total
Answer Strongly Agree Expected within	Count	35	28	13	20	35	131
		22.6	22.6	22.6	22.6	22.6	
	Count %	43.5	31.5	16	26	46	
Agree Expected within	Count	23	35	17	17	29	121
		24.5	24.5	24.5	24.5	24.5	
	Count %	33.5	43.5	21.5	22.6	33.5	
Neutral	Count	11	17	25	15	13	81
		15	15	15	15	15	

Expected	Count	14	21	33.5	18.5	16	
within	%						
Disagree	Count	7	5	13	23	2	50
	Expected	11	11	11	11	11	
	Count	8.5	6	16	33.23	2.6	
within	%						
Strongly Disagree	Count	3	0	11	3	5	22
	Expected	5	5	5	5	5	
	Count	2.3	0	17	2.7	6	
within	%						
Total	Count	40	40	40	40	40	200
	% within	20.0%	20.0%	20.0%	20.0%	20.0%	100.0%

Point of Issue: Merchandise in CO2 credits results in several The selling of CO2 credits results in a number of tax concerns for organisations..

H0: Merchandise in CO2 credits does not cause any tax problems for the organisations.

H1: Merchandise in CO2 credits causes organisations to face a number of taxes challenges.

S.no	Particular	Value
1	SAMPL E MEAN	4.06
2	HYPOTHESIZED MEAN	3.73
3	PREDICTABLE ERROR	1.0368

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.94	1.9923	FORBIDDEN

Simplification: Merchandise in CO2 credits causes organisations to face a number of tax concerns.

Point of Issue: Due to improper accounting standards, there is a great deal of ambiguity in the accounting of CO2 credits.

H0: Due to improper accounting standards, there are no ambiguities in the accounting of CO2 credits.

H1: Due to a lack of appropriate accounting rules, accounting for CO2 credits is somewhat ambiguous.

S.no	Particular	Value
1	SAMPL E MEAN	4.26
2	HYPOTHESIZED MEAN	3.71
3	PREDICTABLE ERROR	0.8311

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.93	2.2923	FORBIDDEN

Simplification: Due to a lack of appropriate accounting rules, accounting for CO2 credits is extremely ambiguous.

Point of Issue: Merchandise of CO2 credits encourages the wealthy to choose more unsustainable lifestyles.

H0: The rich are not enticed to adopt more environmentally unfriendly Method by CO2 credit Merchandise.

H1: The wealthy are influenced to adopt more environmentally unfriendly Method by CO2 credit Merchandise.

S.no	Particular	Value
1	SAMPL E MEAN	3.76
2	HYPOTHESIZED MEAN	3.72
3	PREDICTABLE ERROR	1.3312

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.95	3.2523	FORBIDDEN

Simplification: The wealthy are influenced to embrace more environmentally harmful practises through the Merchandise of CO2 credits.

Point of Issue: It is crucial to classify these deals as exports since selling CO2 credits to foreign customers results in tax revenue.

H0: Since the selling of CO2 credits to foreign buyers does not result in taxes, it is not necessary to designate these transactions as exports.

H1: It should be made very clear that selling CO2 credits to foreign buyers generates tax income.

S.no	Particular	Value
1	SAMPL E MEAN	3.36
2	HYPOTHESIZED MEAN	3.73
3	PREDICTABLE ERROR	1.2313

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.97	1.8935	ACCEPTED

Simplification: There is no need to specifically identify these transactions as exports because selling CO2 credits to foreign buyers doesn't result in any tax revenue..

Point of Issue: For both the nation and the organisations, CO2 credit serves as a perverse incentive.

H0: The country and organisations are not given any unfavourable incentives via CO2 credit..

H1: For both the nation and the organisations, CO2 credit serves as a perverse incentive.

S.no	Particular	Value
1	SAMPL E MEAN	4.2
2	HYPOTHESIZED MEAN	3.73
3	PREDICTABLE ERROR	1.0512

Z – Test

	LEVEL OF CONSEQUENCE(α)	TABLE VALUE	Premeditated Value	H0
Z	5%	1.95	2.2623	FORBIDDEN

Simplification: Both states and organizations receive poor incentives from CO2 credits. There are many tax issues associated with CO2Merchandise. Due to the lack of adequate accounting standards, there is great uncertainty in accounting for CO2 dioxide units. The export of CO2 dioxide units to foreign customers is not subject to duty, so there is no need to specifically define this transaction as an export. However, this trade encourages the rich to adopt greener methods.

Conclusion

CO2Merchandise is a strategy used to reduce CO2 dioxide discharges into the environment. Today, most companies use this idea. which has many advantages But there are also disadvantages. many economic sectors, including energy supply are directly involved in MerchandiseCO2 credits. According to such studies, CO2 credit Merchandise is very beneficial for some companies. Especially Kalpatru Power Transmission Ltd. from the above information. Most companies are interested in MerchandiseCO2 credits. The main advantages of the company, in addition to financial advantages, are increased bazaar share and social status. the perspective of nationality and ethnicity

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