



**THE ANSWERS MUST BE ATTEMPTED ON THE ANSWER SHEET PROVIDED**

**Q.1. Write short answers to the following questions. (5x6=30)**

- I. What is natural resource economics
- II. Define the concept of externality
- III. What is energy efficiency
- IV. What are factors mitigating resource scarcity
- V. How efficient allocation of scarce water can be achieved

**Q.2. Write detailed answers to the following questions. (3x10=30)**

- 1. What is the difference between marginal abatement costs and marginal damage cost. How can we achieve the socially efficient level of emission. Explain this with help of a diagram?
- 2. Discuss the three steps involved in the risk analysis of environmental quality?
- 3. Draw and discuss the environmental Kuznet's curve in the context of fossil fuels.