

Dr. Babasaheb Ambedkar Open University
Term End Examination July – 2026

Course : Diploma Course
Subject Code : DOR-04
Subject Name : Other Methods of O.R.

Date : 09/07/2026
Time : 11:30am to 01:45pm
Duration : 02.15 Hours
Max. Marks : 70

- Q-1** Explain the following terms with examples. **14**
1. Maximin or Minimax
2. Maximax or Minimin

OR

- Explain the models of decision-making under uncertainty.
Q-2 Write a short note on the decision-tree approach in detail. **14**

OR

- Explain the steps of the decision-making environment.
Q-3 Write a short note on the expected value of perfect information. **14**

OR

- Write a short note on EMV in detail.
Q-4 Explain the different techniques of capital budgeting in risk. **14**

OR

- Explain the importance of decision-making under uncertainty.
Q-5 (A) Short notes (Any three) **09**

1. Explain the sensitivity analysis.
2. Write a short note on simulation techniques.
3. Write a short note on minimum expected opportunity loss.
4. Benefits of decision-making under uncertainty
5. Types of Decision making environment

(B) Choose the correct option for the questions given below and write the answer. **05**

1. Which of the following criteria is not applicable to decision-making under risk?
(A) maximize expected return
(B) maximize return
(C) minimize expected regret
(D) knowledge of likelihood occurrence of each state of nature
2. The minimum expected opportunity loss (EOL) is
(A) equal to EVPI (B) minimum regret
(C) equal to EMV (D) both (a) and (b)
3. The difference between the expected profit under conditions of risk and the expected profit with perfect information is called
(A) the expected value of perfect information (B) expected marginal loss
(C) none of the above (D) all of the above
4. Decision theory is concerned with
(A) methods of arriving at an optimal decision
(B) selecting optimal decision in a sequential manner
(C) analysis of information that is available
(D) all of these
5. A type of decision-making environment is
(A) certainty (B) uncertainty (C) risk (D) all of these