#### **Problem Statement**

Your Challenge: Design and implement a resilient event processing system that can ingest, process, and analyze real-time data streams. Your solution should handle high throughput while maintaining data integrity and providing actionable insights.

- Ingest data from different sources (e.g., sensors, applications, APIs).
- Process the data reliably while handling errors and failures.
- Allow users to access the processed data through a simple API.
- Monitor system performance and detect issues.
- · Handle high traffic and keep running smoothly even under stress

#### Solution approach:

### **High-Level Architecture**

#### 1. Event Sources (Producers)

- o IoT Sensors, Web Applications, APIs, Logs, etc.
- o Producers push events to a message queue (Kafka/Kinesis).

#### 2. Event Ingestion Layer

- Kafka/Kinesis Streams act as a buffer.
- Supports high throughput & durability.

#### 3. Event Processing Layer

- Apache Flink / Apache Spark Streaming
- o Processes, transforms, enriches, and filters data.
- Implements error handling (dead-letter queues, retries).

#### 4. Storage Layer

- Elasticsearch, DynamoDB, PostgreSQL (depends on use case).
- Stores processed data for querying.

#### 5. API Layer

- Spring Boot + REST API for data retrieval.
- Users can query the processed data.

#### 6. Monitoring & Alerting

- Prometheus + Grafana / AWS CloudWatch
- o Tracks performance, errors, and sends alerts.

#### 7. Resilience & Scalability

- Auto-scaling groups for microservices.
- Load testing using JMeter/K6.

## 2. Detailed Breakdown of System Components

#### 1. Event Ingestion Pipeline

- Tools: Kafka, AWS Kinesis, RabbitMQ (Kafka preferred).
- Implementation Steps:
  - Set up a **Kafka topic** with multiple partitions.
  - o Implement **producers** (e.g., Python scripts, Java applications) to send real-time data.
  - Ensure log retention and exactly-once semantics for data integrity.
- Key Considerations:
  - Use **Kafka Connect** for integrating external sources.
  - o Enable idempotent producers to prevent duplicate events.

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### 2. Event Processing with Error Handling

- Tools: Apache Flink
- Implementation Steps:
  - o Consumers **subscribe** to Kafka topics.
  - o Process events in real-time (transform, enrich, aggregate).
  - Handle **failures** using:
    - Dead Letter Queues (DLQ)
    - Retry mechanisms (exponential backoff)
    - Checkpointing & State Management in Flink.
- Error Handling Approach:
  - Retry up to 3 times, then push failed events to DLQ.
  - Use **Kafka Streams state stores** to keep track of event status.

## 3. Queryable API for Processed Data

- **Tools:** Spring Boot (Java)
- Database Options:
  - Elasticsearch (for fast searches)
  - o **PostgreSQL** (for structured data, preferred here)
  - DynamoDB (for scalable NoSQL storage)
- API Endpoints:

Method	Endpoint	Description
GET	/events	Get all processed events
GET	/events/{id}	Get event by ID
GET	/events/all	Get real-time event statistics

### 4. Monitoring & Alerts

- Tools: Prometheus, Grafana, other options can be: AWS CloudWatch, ELK Stack.
- Key Metrics:
  - Event ingestion rate
  - Event processing latency
  - System errors & failures
  - Dead Letter Queue (DLQ) size
- Implementation Steps:
  - o Integrate **Prometheus exporters** in Kafka & Flink.
  - o Configure **Grafana dashboards** for real-time monitoring.
  - o Set up **alerts** for failures using AWS SNS or Slack notifications.

### 5. System Resilience & Load Testing

- Resilience Strategies:
  - o Horizontal Scaling: Increase Kafka partitions, Flink job managers.
  - o Circuit Breakers: Use Resilience4j to prevent cascading failures.
  - o Retries & Backpressure: Kafka consumers with exponential backoff.
- Load Testing:
  - o Tools: JMeter
  - Scenarios:
    - Simulate 100k+ events/sec.
    - Test API with high concurrent requests.

## 3. Evaluation Criteria Breakdown

Criteria	How Our System Meets It
Scalability	Kafka partitions, auto-scaling, Flink parallelism
Resilience	DLQs, retries, circuit breakers, checkpointing
Performance	Low-latency processing, high throughput
Design	Modular, microservices-based, clean code
Innovation	Flink for real-time analytics, scalable Kafkabased ingestion

# **Technology Stack**

• Event Ingestion: Kafka

• Processing: Apache Flink / Apache Spark

• **Storage**: PostgreSQL

• **API**: Spring Boot

• Monitoring: Prometheus + Grafana

• Containerization & Deployment: Docker

## **Benefits of DLQ**

- Prevents message loss even if failures occur.
- **Easier debugging** by storing failed events separately.
- Improves resilience by isolating problematic data.

# **Setup Guide**

# **Install Required Tools**

## Kafka Setup (Using Docker)

- 1. Install Docker from **Docker Website**
- 2. Start Kafka & Zookeeper: docker-compose up -d
- 3. Verify Kafka is running: docker ps

## Set Up Apache Flink

### **Install Flink**

1. Download Apache Flink:

wget https://dlcdn.apache.org/flink/flink-1.15.0-bin-scala\_2.12.tgz
tar -xvzf flink-1.15.0-bin-scala\_2.12.tgz
cd flink-1.15.0

1. Start flink

./bin/start-cluster.sh

## **Set Up Spring Boot API**

- Install Java & Maven
- 1. Install Java 17
- 2. Install maven

# **Restart Everything**

docker-compose down docker-compose up -d

## How to Run the System

1. Start dependencies

docker-compose up -d

1. Run the Spring Boot Application

mvn spring-boot:run

1. Test Event Processing

Publish an event

curl -X POST "http://localhost:8080/events?eventType=Temperature&eventData=30C"

Retrieve events

curl http://localhost:8080/events

To check logs

docker-compose logs kafka

### Demo images:

