

Experiment: (or) trial:- Each performance of a Random Experiment is called a trial also known as Bernoulli trial.

Ex:- A fair die is thrown at a time — trial.

$\{1, 2, 3, 4, 5, 6\}$  /  $\{1\}$   $\{2\}$ , ...  $\{6\}$  are called sample elements (or) elementary event(s).

⇒ ~~out-come~~

outcome:-

An outcome is a possible result of an experiment or trial

⇒ Ex:- Coin tossing  
 $\{H\}$  — out-come.

### \* Sample-space:-

"The set of all the possible out-comes of a given random experiment is called the sample space, Each possible out-come or element in a sample space is called sample point (or) an elementary point."

Ex:- Tossing a fair-coin

$$\text{Sample-space} = \{H, T\}$$

### \* Favorable case (or) event:-

The no. of favorable cases favorable to an event in a trial is the no. of outcomes which entories the happening of the event.

\* Ex:- When a dice is thrown

No. of favorable cases to

Even no.	Odd. number
2	1
4	3
6	5
$n(e) = 3$	$n(o) = 3$



## \* probability:-

is the branch of mathematics concerning numerical descriptions of how likely an event is to occur, or how likely it is that a proposition is true.

The probability of an event is a number between 0 and 1. where roughly speaking, 0 - indicates impossibility of the event and 1 - indicates certainty.

### Types:-

There are three major types of probability

① Theoretical probability, ② Experimental probability, ③ Axiomatic probability

③ Given that

$$P(\text{older people} / \text{loan default}) = 1.4\%$$

$$P(\text{loan default}) = 0.184$$

$$P(\text{older people}) = 0.8\% \\ = 0.008$$

To find

$$P(\text{loan default} / \text{older people}) = ?$$

$P(\text{loan default} / \text{older people})$  By using Baye's theorem

$$= \frac{P(\text{older people} / \text{loan default}) \cdot P(\text{loan default})}{P(\text{older people})}$$

$$= \frac{0.014 \times 0.184}{0.008} = \frac{0.002576}{0.008}$$

$$= 0.322$$

There are 32.2% of people default on loan knowing that he is a person.

⑤ Baye's theorem:-

Statement:- If  $E_1, E_2, \dots, E_n$  are mutually disjoint events with  $P(E_i) \neq 0$  ( $i=1, 2, \dots, n$ ) then for any arbitrary event  $A$  which is a subset of  $\left[\bigcup_{i=1}^n E_i\right]$  such that  $P(A) > 0$ , we have.

$$P(E_i/A) = \frac{P(E_i) \cdot P(A/E_i)}{\sum_{i=1}^n P(E_i) \cdot P(A/E_i)}; i=1, 2, \dots, n$$

This is to find multiple variables for a single variable. is

$$P(A/B) = \frac{P(A) \cdot P(B/A)}{P(B)}$$

(5) Given that

$$P(\text{free} / \text{spam}) = 0.30$$

$$P(\text{free} / \text{non-spam}) = 1\% = 0.01$$

$$P(\text{spam}) = 50\%$$

$$= 0.5$$

$$P(\text{spam}) + P(\text{non-spam}) = 1$$

$$P(\text{non-spam}) = 1 - P(\text{spam})$$

$$P(\text{non-spam}) = 1 - 0.5$$

$$P(\text{non-spam}) = 0.5$$



To find

$P(\text{spam} / \text{free})$  — using Bayes's theorem

$$\Rightarrow \frac{P(\text{spam}) \cdot P(\text{free} / \text{spam})}{P(\text{free})}$$

$$= \frac{0.5 \times 0.30}{0.01} = \frac{0.15}{0.01} = 15$$