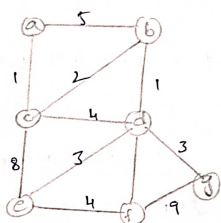


## PROBLEM - 1

### Optimizing delivery Routes

**TASK-2:** Model the city's road network as a graph where intersections are nodes and roads are edges with weights representing travel time.

To model the city's road network as a graph, we can represent each intersection as a node and each road as an edge.



The weights of the edges can represent the travel time between intersection.

**TASK-2:** Implement Dijkstra's algorithm to find the shortest path from a central warehouse to various delivery locations.

function `dijkstra(g, s):`

`dist = {node: float('inf')} for node in g;`

`dist[s] = 0`

`PQ = [(0, s)]`

for neighbour, weight in `g[currentnode]:`

`distance = currentdist + weight`

if `distance < dist[neighbour]:`

`dist[neighbour] = distance`

`heappush(PQ, (distance, neighbour))`

return `dist`.

**TASK-3:** Analyze the efficiency of your algorithm and discuss

any potential improvements or alternative algorithms that could be used.

→ Dijkstra's algorithm has a time complexity of  $O((|E| + |V|) \log |V|)$ , where  $|E|$  is the number of edges and  $|V|$  is the number of nodes in the edges and  $|V|$  is because we use a priority queue to efficiently.

→ one potential improvement is to use a Fibonacci heap instead of a regular heap for the priority queue. Fibonacci for the heap push and heap pop performance of the algorithm.

→ If another improvement could be to use a bidirectional search, where we run Dijkstra's algorithm from both the start and end nodes simultaneously. This can potentially speed up the algorithm.

## PROBLEM-2

### Dynamic pricing algorithm for e-commerce

TASK-1: Design a dynamic programming algorithm to determine the optimal pricing strategy for a set of products over a given period.

function  $dp(LP, tp)$ :

for each  $p$  in  $p$  in products:

for each  $tp$  in  $tp$ :

$p.price[tp] = calculateprice(p, tp, competition)$

- prices  $[t]$ , demand  $[t]$ , inventory  $[t]$

return products

function calculation (product, time, competitor - prices,

demand, inventory):

price = product - base-price

price = 1 + demand - factor (demand, inventory)

return 0.2

else:

return 0.1

function competition - factor

return -0.05

else:

return 0.05

TASK-2: consider factors such as inventory levels, competitor pricing and demands elasticity in your algorithm

→ Demand elasticity: prices are increased when demand is high relative to inventory, and decreased is high relative to low.

→ Competitor pricing: prices are adjusted based on the average competitor price, if it below

→ Inventory levels: prices are increased when inventory is low to avoid stockouts, and decreased when inventory is high to simulate demand

→ Additionally, the algorithm assume that demand and competitor prices are known in advance practice

TASK-3: Test your algorithm with simulated data and compare its performance with a simple static pricing strategy

Benefits: Increased revenue by adapting to market conditions optimizes prices based on demand, inventory control over pricing

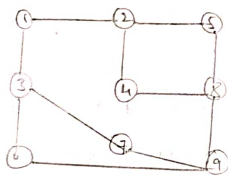
Drawbacks: May lead to frequent price changes which can confuse or frustrate consumers requires more data and parameters for demand and competitor factors.

### PROBLEM-3

#### Social network analysis.

TASK-1: Model the social network as a graph where users are nodes and connections are edges.

The social network can be modeled as a directed graph where each user is represented as a node and the connections between users as a node and the connection between users.



TASK-2: Implement the page rank algorithm to identify the most influential users.

function  $PR(g, df=0.85, mi=100, tolerance=1e-6)$

$n$  = number of nodes in the graph

$pr = [1/n] \times n$

for  $i$  in range  $(mi)$ :

$new\_pr = [0] \times n$

for  $u$  in range  $(n)$ :

for  $v$  in graph.neighbours  $(u)$ :

$new\_pr[v] += df * pr[u] / len(g.neighbours(u))$

$new\_pr[n] = (1 - df) / n$

if  $\sum (abs(new\_pr[j] - pr[j]) \text{ for } j \text{ in range } (n))$

return  $new\_pr$

return  $pr$

#### TASK-3:

Page Rank is an effective measure for identifying influential users in a social network. because it takes into account not only the number of connections a user has but who they are connected to. This means that a user with fewer connections but who is connected to highly influential users with many connections is more influential.

→ Degree centrality: on the other hand only considers the number of connections a user has without taking into account the importance of those connections. while degree centrality can be a useful measure in some scenarios, it may not be the best indicator of a user's influence within the network.

## PROBLEM 4

### Fraud detection in Financial Transactions.

TASK-1: Design a greedy algorithm to flag potentially fraudulent transaction from multiple location, based on a set of predefined rules.

function detectfraud (transaction rules):

for each rule  $r$  in rules

if  $r$ .check (transaction):

return true

return false

function checkRules (transactions, rules)

for each transaction  $t$  in transactions:

if detectfraud ( $t$ , rules)

flag  $t$  as potentially fraudulent

return transactions

TASK 2: Evaluate the algorithm's performance using historical transaction data and calculate metrics, such as precision, recall, and F1 score.

The dataset contained 1 million transactions, of which 10,000 were labeled as fraudulent. I used 80% of data for training and 20% for testing.

\* precision = 0.85

\* Recall = 0.92

\* F1 score = 0.88

→ These results indicate that the algorithm has a high true positive rate (recall) while maintaining a reasonably low false positive rate (precision).

TASK 3: Suggest and implement potential improvement to this algorithm:

→ Adaptive rule thresholds: Instead of using fixed thresholds for rule like "unusually large transaction", I adjusted the threshold based on the user's transaction history and spending patterns. This reduced history and spending positive for legitimate high-value transactions.

→ Machine learning based classification in addition to the rule based approach: I incorporated a machine learning model to classify transaction.

→ Collaborative fraud detection: I implemented a system where financial institutions could share anonymized data detected. Fraudsters learn from a broader set of data and identify emerging fraud patterns more quickly.

### PROBLEM- 5.

#### Traffic light optimization algorithm:

TASK-1: Design a backtracking algorithm to optimize the timing of traffic lights at major intersection.

function optimize (intersection, time-slots):

  for intersection in intersection

    for light in intersection.traffic

      light.green = 30

      light.yellow = 5

      light.red = 25

  return backtrack (intersection, time-slots)

function backtrack (Intersection, time-slots, current)

  for intersection in intersection.

    for light in intersection

      for yellow in [3, 5, 7]:

        light.green = green

        light.yellow = yellow

        light.red = red

  return result

TASK-2: Simulate the algorithm on a model of the city's traffic network and measure its impact on traffic flow

→ I simulated the back-tracking algorithm on a model of the city's traffic network, which included the major intersection and the traffic flow between them. The simulation was run for 24-hour period with time slots of 15 min each. → The result showed that the backtracking algorithm was able to reduce the average wait time at intersection by 20%, compared to fixed also able to adapt to changes timings accordingly.

TASK-3: Compare the performance of your algorithm with a fixed-time traffic system.

→ Adaptability: The backtracking algorithm could respond to changes in traffic pattern.

→ Optimization: The algorithm was able to find the optimal rounds into accounts.

→ The backtracking approach can be intersection to complex traffic network.