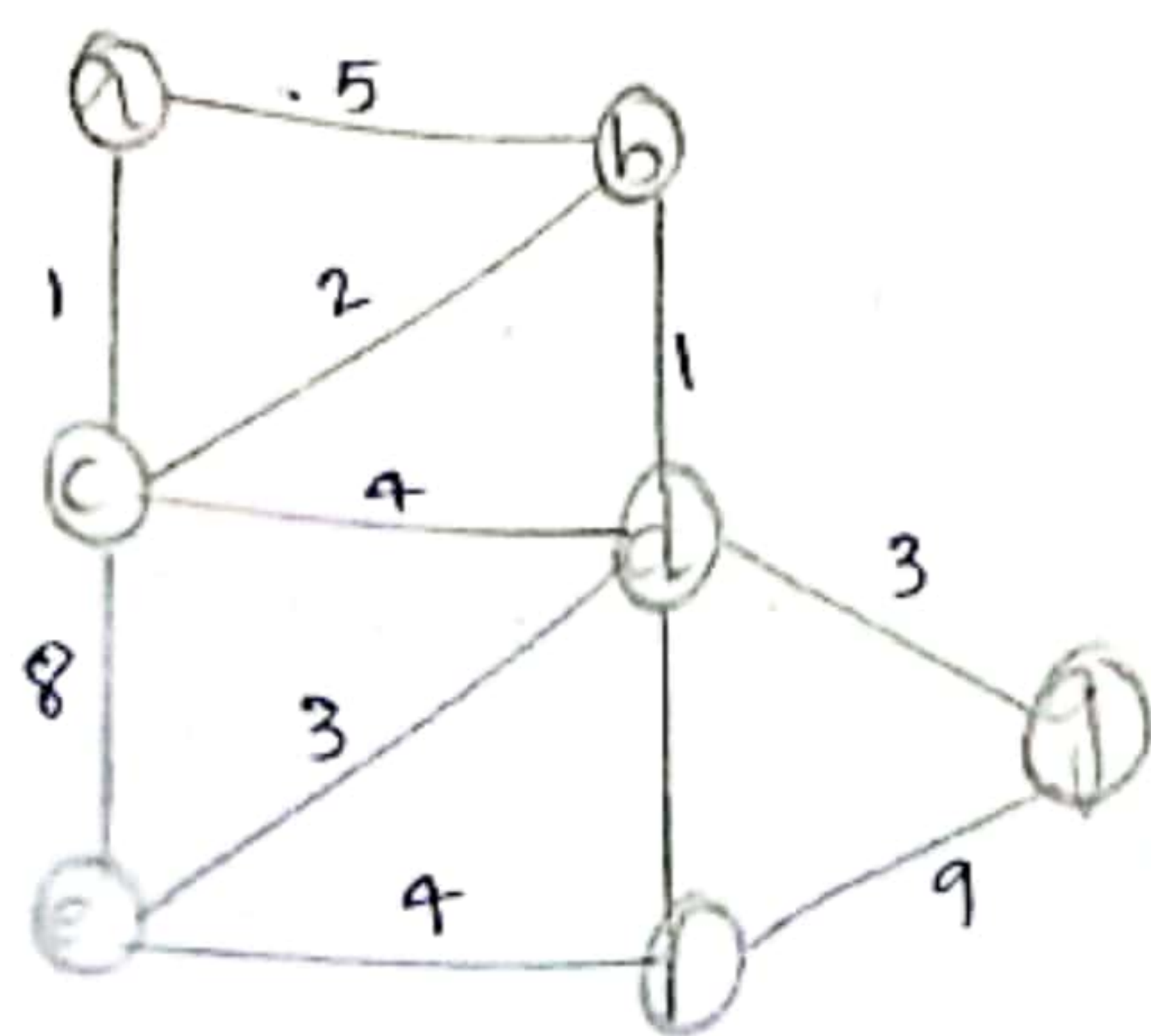


## PROBLEM - 1 Optimizing Delivery Routes

**TASK 1:** 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 intersections.

**TASK 2:** Implement dijkstra's algorithm to find the shortest paths 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)]

while pq:

currentdist, currentnode = heappop(pq)

if currentdist > dist[currentnode]:

continue

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 improvement 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 graph. This is because we use a priority queue to efficiently find the node with the minimum distance, and we update the distances of the neighbors for each node we visit.

→ One potential improvement is to use a fibo heap instead of a regular heap for the priority queue. Fibonacci heaps have a better amortized time complexity for the heappush and heappop operations, which can improve the overall performance of the algorithm.

→ Another improvement could be to use a bidirectional search, where we run dijkstra algorithm from both the start and end simultaneously. This can potentially reduce the search space and 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(p, tp):  
    for each p in p in products:  
        for each tp t in tp:  
            p.price[t] = calculateprice(p, t,  
                competitor-prices[t], demand[t], inventory[t])  
    return products  
  
function calculateprice(product, time-period,  
    competitor-prices, demand, inventory):  
    price = product.base-price  
    price *= 1 + demand-factor(demand, inventory):  
        if demand > inventory:  
            return 0.2  
        else:  
            return -0.1  
  
function competitor-factor(competitor-prices):  
    if avg(competitor-prices) < product.base-prices:  
        return -0.05  
    else:  
        return 0.05
```

**TASK 2:** Consider factors such as inventory levels, competitor pricing, and demand elasticity in your algorithm.

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

→ Competitor Pricing: Prices are adjusted based on the average competitor price, increasing if it is above the base price and decreasing if it is below.

→ Inventory levels: Prices are increased when inventory is low to avoid stockouts, and decreased when inventory is high to stimulate demand.

→ Additionally, the algorithm assumes that demand and competitor prices are known in advance, which may not always be the case in 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, and competitor prices, allows for more granular control over pricing.

**Drawbacks:** May lead to frequent price changes which can confuse or frustrate customers, requires more data and computational resources to implement, difficult to determine optimal parameters for demand and competitor factors.

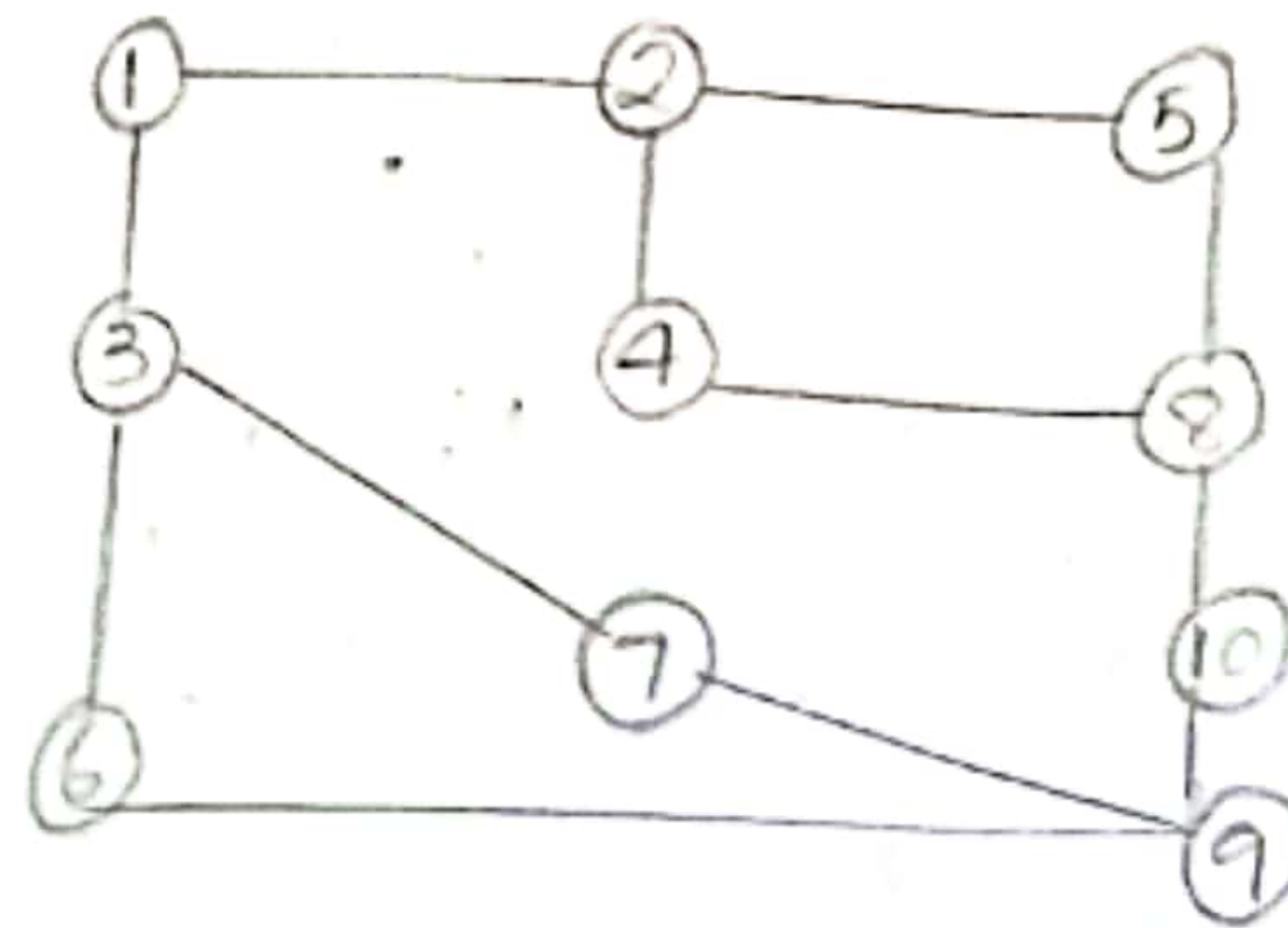


### PROBLEM - 3

#### 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 are represented as edges. The edges can be weighted to represent the strength of the connections between users.



**TASK 2:-** Implement the PageRank 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.

$$Pr = [1/n] * n$$

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

$$new\_Pr = [0] * n$$

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

for  $v$  in  $graph.neighbors(u)$ :  
 $new\_Pr[v] += df * Pr[u] / len(g.neighbors(u))$   
 $new\_Pr[u] = (1 - df) / n$

if  $sum(abs(new\_Pr[j] - Pr[j]) \text{ for } j \text{ in range}(n)) < tolerance$ :

return  $new\_Pr$

return  $Pr$

**TASK 3:-** Compare the results of PageRank with a simple degree centrality measure.

→ PageRank is an effective measures for identifying influential users in a Social network.

because it takes into account not only the number of connections a user has, but also the importance of the users they are connected to. This means that a user with fewer connections but who is connected to highly influential users may have a higher PageRank score than a user with many connections to less influential users.

→ 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 locations, 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 the data for training and 20% for testing.

→ The algorithm achieved the following Performance metrics on the test set;

- 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 improvements to this algorithm.

→ Adaptive rule thresholds: Instead of using fixed thresholds for rule like "unusually large transactions", I adjusted the thresholds based on the user's transaction history and spending patterns. This reduced the number of false 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 transactions as fraudulent or legitimate. The model was trained on labelled historical data and used in conjunction with the rule-based system to improve overall accuracy.

→ Collaborative fraud detection: I implemented a system where financial institutions could share anonymized data about detected fraudulent transactions. This allowed the algorithm to 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 intersections.

```
function optimize(intersections, time-slots):  
    for intersection in intersections:  
        for light in intersection.traffic:  
            light.green = 30  
            light.yellow = 5  
            light.red = 25  
    return backtrack(intersections, time-slots, 0)  
  
function backtrack(intersections, time-slots, current_slot):  
    if current_slot == len(time-slots):  
        return intersections  
    for intersection in intersections:  
        for light in intersection.traffic:  
            for green in [20, 30, 40]:  
                for yellow in [3, 5, 7]:  
                    for red in [20, 25, 30]:  
                        light.green = green  
                        light.yellow = yellow  
                        light.red = red  
    result = backtrack(intersections, time-slots,  
        if result is not None: current_slot + 1)  
        return result  
    return None.
```

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

→ I simulated the backtracking algorithm on a model of the city's traffic network, which included the major intersections and the traffic flow between them. The simulation was run for a 24-hour period, with time slots of 15 min each.

→ The results showed that the backtracking algorithm was able to reduce the average wait time at intersections by 20% compared to a fixed-time traffic light system. The algorithm was also able to adapt to changes in traffic patterns throughout the day, optimizing the traffic light timings accordingly.

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

→ **Adaptability:** - The backtracking algorithm could respond to changes in traffic patterns and adjust the traffic light timings accordingly, lead to improved traffic flow.

→ **Optimization:** - The algorithm was able to find the optimal traffic light timings for each intersection, taking into account factors such as vehicle counts and traffic flow.

→ **Scalability:** - The backtracking approach can be easily extended to handle a larger number of intersection and time slots, making it suitable for complex traffic networks.