

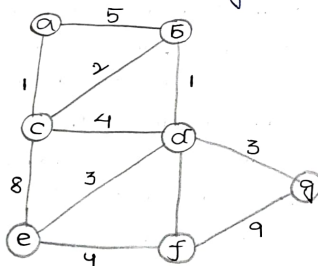
## PROBLEM 1

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### 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 road network as a graph, we can represent each intersection as a node and each road as an edge.



**TASK 2:** Implement dijkstra's algorithm to a find the shortest paths from a Central warehouse to Various delivery locations.

function dijkstra [g,s]:

dist = { node : float ['int'] for node is g }

dist [s] = 0

Pq = [(0,s)]

while pq:

Current dist, Current node = heappop [Pq]

if currentdist > dist [current node]: continue  
for neighbour, weight in g[current node]:  
distance < dist + weight

If distance < dist [neighbour]:

dist [neighbour] = distance

heappush [Pq, [distance, neighbour]]

return dist

**TASK 3:** Analyse 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 a 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 neighbours for each node we visit.

⇒ One potential improvement is to use a fibonacci 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's algorithm from both the start and end nodes simultaneously. This can potentially reduce the space and speed of the algorithm.

## PROBLEM - 2

**Dynamic pricing Algorithm for C-Commerce**

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

function dp [Pr, tp]:

for each Pr in P in products:

for each tp t in tp:

P.Price[t] = calculateprice [P, t, Competition-prices[t], demand[t], inventory[t]].

return products.

function calculateprice [product, time, period, function, competitor, prices, demand, inventory]:

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 Competition-factor [competition-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

Demand elasticity prices are increased when demand is high relative to inventory, and decreased when a 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 and to avoid stockouts, and decreased when inventory is high to simulate 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.

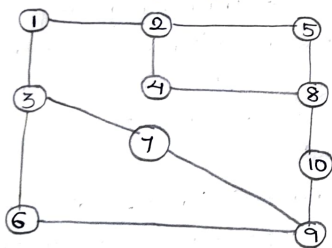
**Drawbacks :** May lead to frequent price changes which can confuse or frustrate customers, requires a more data and computational resources to implement difficult to determine optimal parameters for a demand and competitor factors.



## 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 modelled 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 page rank algorithm to identify the most influential users.

function  $g$  PR( $g$ ,  $d_f = 0.85$ ,  $m_i = 100$ , tolerance =  $1e-6$ ):

$n$  = number of nodes in the graph

$Pr = [1/n] * n$

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

new-pr =  $[0] * n$

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

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

## PROBLEM - 3.

new-pr[v] +=  $d_f * Pr[u] / \text{len}(g.\text{neighbour}(u))$

new-pr[u] +=  $(1 - d_f) / n$

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

return new-pr

return Pr.

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

⇒ Pagerank 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 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 page rank 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 on potentially fraudulent transaction from multiple locations. Based On a Set Of predefined rules.

```
function detect_fraud [transaction rules]:  
  for each rule r in rules  
    if r.check [transaction]:  
      return true  
  return false  
function check_rules [transaction, rules]:  
  for each transactions t in transactions:  
    if detect_fraud [t, rules]:  
      flag t as potentially fraudulent  
  return transactions.
```

**TASK 2:** Evaluate the algorithm's performance Using historical transaction data and calculate a metric such as precision, recall, and f1 score.

- ⇒ The dataset contained 1 million transactions, of which 10,000 were labelled as fraudulent, of which 80% of the data for training and 20% for a 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 then reasonably low false positive rate [precision].

**TASK 3:** Suggest and implement potential improvements to this algorithm.

- ⇒ Adaptive rule threshold's : Instead of using fixed thresholds for rule like "unusually large transactions" I adjusted the threshold's based on the user's a transaction history and spending pattern's. 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 transaction for a 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 an 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 [intersection, time-slots]:  
  for intersection in intersection:  
    for light in intersection traffic  
      light.green = 30  
      light.yellow = 5  
      light.red = 25  
  
  return backtrack [intersections, time-slot, 0];  
function backtrack [intersection, time-slots, current-slot]:  
  if current-slot == len [time-slot]:  
    return intersections.  
  for intersection in intersection:  
    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-slot, if a  
    result is not none:          current-slot+1)  
  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 a 24-hour period, with the time slots of 15min each.
- The results showed that the backtracking algorithm was able to reduce the average wait time at intersection by 20% compared to a fixed time traffic light system. The algorithm was also able to adapt to changes in traffic pattern 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 performance algorithm could respond to changes in traffic patterns and adjust the traffic light timings accordingly to 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.