**Project Design Phase**

**Proposed Solution Template**

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| Date | 06-05-2023 |
| Team ID | NM2023TMID12015 |
| Project Name | AuditAI: A Machine Learning for Detecting Fraud in Audit Data |
| Maximum Marks | 2 Marks |

**Proposed Solution Template:**

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| **S.No.** | **Parameter** | **Description** |
|  | Problem Statement (Problem to be solved) | Fraud is a serious issue that have consequences for company and business. Fraud detection can prevent significant financial losses and protect the integrity of a company or organization. So, as we have to detect the fraud and scam using the data. |
|  | Idea / Solution description | Using the Machine learning algorithm we can able to detect the fraud.  Especially using Logistic Regression Model, Random Forest Model, KNN, we can easily find the fraud happened in data.  Analyze the complete volume of structured and unstructured data that come from financial records by parsing data |
|  | Novelty / Uniqueness | The fraud detection in audit data can be easily found through the machine learning algorithms. |
|  | Social Impact / Customer Satisfaction | It prevents from significant financial losses and protects the integrity of a company or organization. |
|  | Business Model (Revenue Model) | Random Forest Classifier, KNN, Logistic Regression Model |
|  | Scalability of the Solution | Accuracy in the data, Speed in accessing in large amount quickly, Flexibility enough to adapt the changes in the data, Integration into the existing audits process and systems.  Identify anomalies such as unusual payments or activities that would not be caught by manual auditing. |