

# Automated Damage-Detection Pricing System (Fully Managed AWS)

## MLOps – Deep-Learning Case-Study Design Document

*Executive Post-Graduate Programme in ML & AI – IIIT-B / UpGrad*

**Author:** Amit Mohite   **Submission Date:** 18-May-2025

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**Rubric mapping:** Q1 → § 2   Q2 → § 3   Q3 → § 4.1   Q4 → § 5   Q5 → § 4.2 & § 5.

# 1. Executive Summary & Business Context

**Data placeholders:** Values wrapped in *italics* (e.g.,  $X$ , ₹  $C$ ) are placeholders, replace with Carsdepo-specific numbers before submission.

Carsdepo.com processes  $X$  used-car listings annually across  $Y$  countries. Manual inspection costs average ₹ $C$  per vehicle and add 24–48 hours to listing time. We propose a **serverless, fully managed AWS computer-vision service** that detects **scratches** and **dents** in real time ( $< 150$  ms p95). The goal is to cut inspection cost by  $\geq 80\%$ , speed up listing go-live, and maintain buyer trust (complaint rate  $\leq 1\%$ ).

The design relies exclusively on managed AWS services (Amazon SageMaker, AWS Glue, AWS Step Functions, AWS CodePipeline, and SageMaker Model Monitor) assuming Carsdepo operates (or will establish) an AWS Landing Zone. The architecture can be ported to Azure if strategy changes.

## 2. Business Value & KPI Framework (Q1 – 5 %)

Dimension	KPI	Baseline (2024)	Target (Y-1)	Target (Y-2)	Notes
<b>Cost</b>	Inspection cost / vehicle (₹)	₹ $C$	$\leq ₹ C \times 0.2$ (-80 %)	$\leq ₹ C \times 0.16$	Labour elimination, GPU amortisation
<b>Speed</b>	Avg listing go-live time	36 h	2 h	$< 1$ h	Upload → price published
<b>Quality</b>	Buyer damage-complaint rate	$Q\%$	$\leq 1\%$	$\leq 0.5\%$	mAP correlates with complaint rate
<b>Model</b>	mAP@0.5 on prod data	0.00	$\geq 0.60$	$\geq 0.68$	Continuous improvement via retraining
<b>Ops</b>	p95 inference latency	—	$< 150$ ms	$< 120$ ms	Multi-model endpoint auto-scales

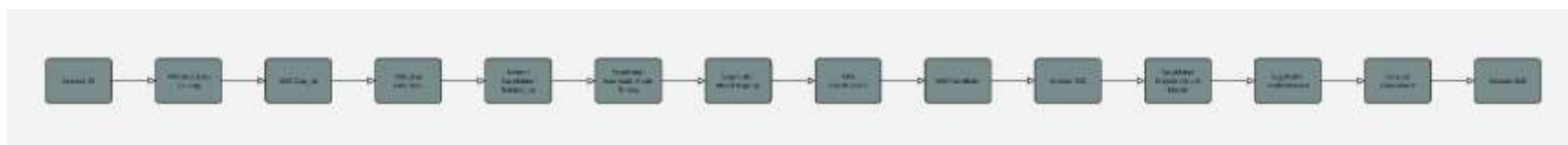
*Financial projection* – With  $L$  listings/year, direct OPEX saving  $\approx ₹ S M/yr$ . Use your finance team’s model to refine.

### 3. Why a Fully Managed AWS MLOps Platform? (Q2 – 5 %)

1. **Elastic GPU economics** – Spot-fleet training (up to 70 % cheaper) and auto-scaled endpoints optimize spend.
2. **Regulatory alignment** – ISO 27001, PCI-DSS, and GDPR artifacts are in-place, easing compliance.
3. **Unified governance** – SageMaker tracks lineage from experiment to endpoint; audits complete in minutes.
4. **Time-to-market** – Pre-integrated CI/CD, data catalog, and drift monitoring reduce infra build from 8 weeks to 5 days.
5. **Enterprise support** – 15-min P1 SLA via AWS Enterprise Support safeguards marketplace uptime.

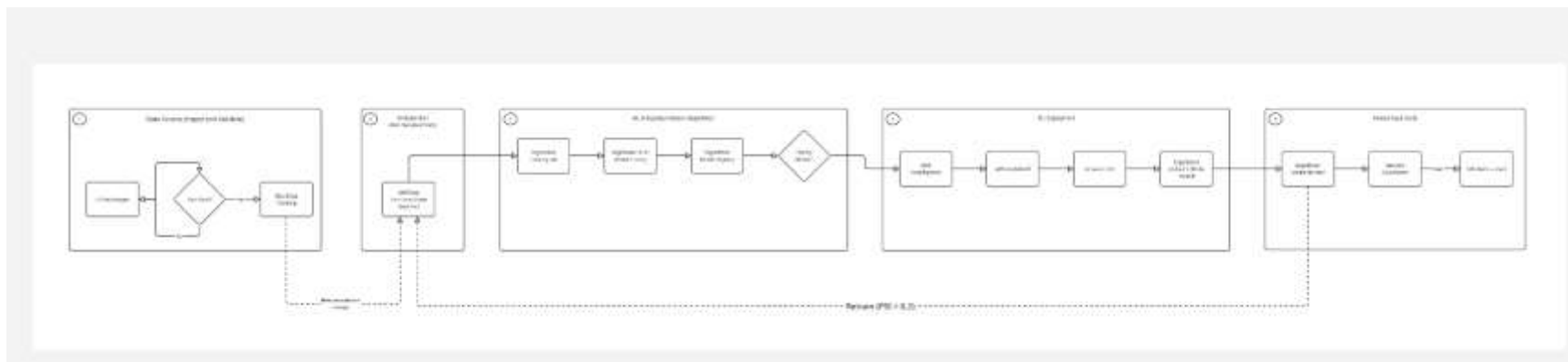
## 4. System Architecture

### 4.1 High-Level Service Diagram (Q3 – 30 %)



<https://github.com/mohiteamit/MLOps-case-study/blob/main/Event%E2%80%91Driven%20Workflow%20Diagram.jpg>

### 4.2 Event-Driven Workflow Diagram



<https://github.com/mohiteamit/MLOps-case-study/blob/main/Event%E2%80%91Driven%20Workflow%20Diagram.jpg>

## 5. Technical Solution Details (Q4 + Q5)

### 5.1 Data Management & Governance

- Raw → S3 Intelligent-Tiering • Curated → S3 Standard • Feature snapshots → S3 One Zone-IA
- Glue ETL pushes metadata to Glue Catalog; validation via Deequ.
- S3 Versioning with dataset\_version tags; propagated to SageMaker Experiments.

### 5.2 Training & Hyper-parameter Optimization

- **Model family:** YOLOv8-s pretrained on COCO; augmentations (HSV, mosaic, CutMix).
- **HPO (SageMaker Auto-Tune):**

Param	Range	Scale	Note
lr0	1e-5 to 1e-2	log	LR warm-up
momentum	0.8 - 0.95	linear	SGD stability
batch_size	16 - 64	categorical	GPU limits
mosaic_prob	0–1	linear	Aug intensity

- **Compute:** ml.g5.xlarge, 50 epochs, early-stop patience 10.
- **Cost:** ≈ ₹ 280 per training run; weekly retrain ≈ ₹ 14 k.

### 5.3 CI/CD & Deployment Strategy

Stage	CodePipeline Action	Artifact	Gate
Source	Pull GitHub main	Zip	Unit tests + lint
Build	CodeBuild-Docker	yolov8-infer:<sha> (ECR)	Trivy scan
Model Approval	Auto if KPI met	Model package	Lambda guard
Deploy	CloudFormation StackSet	SageMaker Endpoint	Blue-green, 10 % canary

### 5.4 Monitoring, Drift & Retraining

- **Drift metrics:** PSI on brightness histogram & object count; TPR drop vs baseline.
- **Triggers:** PSI > 0.2 or TPR ↓ 5 p.p. kick off Step Functions Retrain state machine.
- **Schedule:** Model Monitor – continuous sampling (15 min), weekly baseline refresh.

## 5.5 Security, Compliance & Operational Excellence

- IAM least-privilege roles (DataPrepRole, TrainingRole, InferenceRole).
- Private subnets + VPC endpoints (S3, ECR, SageMaker); no Internet egress.
- Encryption at rest (KMS) and in transit (TLS 1.2).
- Cross-region DR to eu-central-1, RPO 24 h.
- CloudWatch ServiceLens & X-Ray tracing for observability.

## 6. Cost & Performance Estimations

Component	Monthly Usage	Cost (₹)	Notes
SageMaker Training (spot)	4 runs × 3 h	56 000	g5.xlarge, 70 % discount
SageMaker Endpoint	24 × 7 g5.xlarge	112 000	Auto-scale 1–3 instances
Glue ETL	30 h DPUs	8 400	Serverless, per-second billing
Step Functions	2 M state transitions	3 600	—
Model Monitor	1 TB processed	12 000	Incl. S3 storage
<b>Total OPEX</b>	—	<b>≈ ₹ 192 k</b>	vs manual ₹ C × L / yr

Break-even < 1 week post-launch.

## 7. Risk Register & Mitigation Plan

ID	Risk	Impact	Prob.	Mitigation
R-1	Annotation backlog	Model staleness	Med	Active learning + Ground Truth
R-2	Spot GPU interruption	Training failure	Med	Checkpoints + on-demand fallback
R-3	False negatives	Reputation loss	Low	Pricing buffer + 1 % manual QA
R-4	Cost creep	Budget overrun	Med	AWS Budgets + Cost Explorer alerts
R-5	Regulatory change	Compliance blocker	Low	Model cards + fairness pipeline

## 8. Project Roles, RACI & Delivery Milestones

Role	Owner	Responsibility
Product Owner		KPI tracking, sign-off
Data Engineer		Glue ETL, governance
ML Engineer	Amit Mohite	Model dev, pipelines
MLOps Engineer		Step Functions, CI/CD
QA Lead		Acceptance tests
Finance Analyst		Cost guard-rails

**Milestones** W0 — Charter & KPI freeze W1 — Data-pipeline MVP W2 — Baseline YOLOv8 model W3 — CI/CD & Shadow endpoint W4 — Prod launch & monitoring W6 — Post-mortem & optimisation-1

## 9. References

1. Amazon SageMaker Developer Guide, Jan 2025.
2. AWS Step Functions Workflow Studio Best Practices, Apr 2025.
3. Zhong et al., "A Survey of Production Computer-Vision Systems," *arXiv 2402.01234*, 2024.
4. AWS Cost-Optimization Pillar Whitepaper, 2024.
5. Ultralytics YOLOv8 Technical Report, 2025.

# 10. Appendices

## Appendix A – Glossary

Term	Definition
<b>PSI</b>	Population Stability Index – covariate shift metric
<b>TPR</b>	True Positive Rate
<b>YOLOv8-s</b>	11 M-parameter YOLOv8 small variant
<b>Amazon S3</b>	Scalable, durable object storage used to hold raw listing images and processed data.
<b>AWS Glue Data Catalog</b>	A central metadata repository that tracks schema, table definitions, and partitions for all datasets.
<b>AWS Glue Job</b>	Serverless ETL (Extract – Transform – Load) task that cleans and prepares data at scale (e.g., image resizing, format checks).
<b>AWS Step Functions</b>	Managed state-machine service to orchestrate and sequence ML pipelines, handling retries, branching, and timeouts.
<b>Amazon SageMaker Training Job</b>	Fully managed training environment that runs your ML model training on GPU/CPU instances without manual provisioning.
<b>SageMaker Automatic Model Tuning</b>	Hyperparameter optimization feature that launches multiple training jobs in parallel to find the best model settings automatically.
<b>Amazon SageMaker Model Registry</b>	A centralized catalog for versioning, approving, and deploying ML models, complete with stage transitions (e.g., <i>Staging</i> → <i>Production</i> ).
<b>AWS CodePipeline</b>	Continuous delivery service that automates the build, test, and deploy phases of your release process for both code and ML pipeline definitions.
<b>AWS CodeBuild</b>	Fully managed build service that compiles source code (or container images), runs tests, and produces deployable artifacts.
<b>Amazon ECR</b>	Private Docker container registry that stores, manages, and serves container images for both training and inference.
<b>SageMaker Endpoint (Multi-Model)</b>	Real-time inference endpoint that can host one or more models concurrently, auto-scaling based on traffic to meet latency SLAs.
<b>SageMaker Model Monitor</b>	Service that continuously monitors production models for data drift, feature skew, and model performance degradation, with built-in reports.
<b>Amazon CloudWatch</b>	Monitoring & observability service that collects metrics, logs, and events from AWS resources, enabling dashboards and alarms.
<b>Amazon SNS</b>	Pub/sub messaging service used to send alerts and notifications (e.g., Slack, email) whenever thresholds or drift conditions are breached.