# **Project Team Members**

Team Member	Role	Week
Ahmed Ibrahim Abd El Hafeez Muhammed	Data Collection & Preprocessing for ML	Week 1
Mostafa Sobhy Mahmoud Shehab	Statistical Analysis & ML Development	Week 2
Ahmed Hossam Eldien Ahmed Hussain	NLP	Week 3
Nusiba Rabea Abdallah Khalf	Azure Al Fundamentals	Week 3
Mostafa Khaled Hossam Eldien	GANs for Synthetic Data	Week 4

## **Project Overview**

- This project focuses on developing predictive maintenance models for industrial equipment.
- The goal is to predict potential equipment failures, thereby optimizing maintenance schedules, reducing downtime, and lowering operational costs.
- The dataset comprises historical maintenance records and various equipmentrelated attributes, which were preprocessed and analyzed to build robust predictive models.

## Week 1: Data Collection and Preprocessing

#### **Tasks**

- Data Collection: Obtain financial transaction data, including labeled fraudulent and non-fraudulent transactions.
- Data Preprocessing: Clean and preprocess the data, addressing missing values and normalizing features.

#### **Tools**

Python (Pandas, NumPy).

#### **Deliverables**

- Cleaned and preprocessed dataset.
- Data preprocessing notebook.

## -- By Mostafa Sobhy ---

## Week 2: Statistical Analysis and Machine Learning

#### Tasks:

**Statistical Analysis**: Perform statistical analysis to understand the distribution of fraudrelated features.

#### **Machine Learning:**

 Develop and evaluate classification models for fraud detection (e.g., Logistic Regression, Random Forest).

#### Tools:

Python (Scikit-learn, Statsmodels).

## 1. Feature Engineering

#### 1.1 Feature Engineering

 The dataset was inspected to understand variable types and identify issues like missing values.  Missing values were addressed by imputing numerical columns with their mean and categorical columns with their mode.

### 1.2 Scaling

Continuous variables were scaled.

## 2. Exploratory Data Analysis (EDA)

#### 2.1 Data Distribution and Correlation

- Data Distribution: Visualizations revealed key patterns, helping to identify skewed features and outliers that could affect the model's accuracy.
- Correlation Analysis: A heatmap displayed correlations among features, revealing strong relationships that could influence the target variable. Highly correlated variables were either combined or reduced to prevent multicollinearity and boost model reliability.

### 2.2 Key Insights

- Key failure indicators include equipment age usage frequency, and operational environment.
- Higher usage rates, in particular, showed a strong correlation with equipment failure, suggesting they should be prioritized in modeling efforts.

## 3. Modeling

### 3.1 Model Selection

- Multiple models were evaluated to identify the best-performing one:
- Logistic Regression: Used as a baseline for interpretability.
- Decision Tree: Selected for its ability to capture non-linear relationships.
- Random Forest: Chosen to reduce overfitting through ensemble methods, improving stability.
- Gradient Boosting: Tested for its high accuracy in complex datasets.

### 3.2 Hyperparameter Tuning

- Grid search and cross-validation optimized parameters such as learning rate, tree depth, and the number of trees.
- This improved the model's accuracy and generalizability across different data splits.

#### 3.3 Evaluation Metrics

#### Models were evaluated using the following metrics:

- Accuracy: Measures overall predictive performance.
- Precision and Recall: Help assess relevance and completeness of positive predictions.
- F1-Score: Balances precision and recall, useful for cases with class imbalance.
- ROC-AUC Score: Measures the model's ability to distinguish between failure and non-failure cases.

### 3.4 Final Model Selection and Accuracy

 The Random Forest model achieved the highest accuracy (approximately X%), with strong precision, recall, and ROC-AUC scores. Cross-validation results confirmed that this model generalizes well across data splits, making it the optimal choice.

### 4. Model Evaluation and Results

### 4.1 Performance Summary

• The final Random Forest model achieved an accuracy of X%, precision of Y%, recall of Z%, and a high ROC-AUC score, effectively predicting equipment failures with minimal false positives.

## 5. Conclusions and Recommendations

### 5.1 Key Findings

- High equipment usage, operational environment, and lack of regular maintenance were strong predictors of failure.
- The correlation between usage and failure underscores the importance of monitoring this factor closely.

## **Week 3: Advanced Techniques and Azure Integration**

### **Tasks**

- NLP for Transaction Notes: Apply NLP techniques to analyze transaction descriptions or notes
- Azure AI Fundamentals: Deploy the fraud detection model using Azure Machine Learning or Azure Synapse.

#### Tools

Azure Machine Learning, Python (NLTK, SpaCy)

#### **Deliverables**

- Enhanced fraud detection model with NLP integration.
- Deployment setup on Azure.

## Week 4: MLOps, GANs, and Final Presentation

• GANs for Synthetic Data: Developed a Generative Adversarial Network (GAN) to create synthetic fraud transaction data, aiding in training and validating models.

#### **Tools**

• Python Libraries: PyTorch for building GANs, alongside Azure services for deployment.

#### **Deliverables**

 Synthetic Data Generation: Utilized GANs to enrich training datasets with synthetic examples.