

# NAME OF THE PROJECT

**CAR PRICE PREDICTION** 

**SUBMITTED BY** 

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#### **ABSTRACT**

The price of a new car in the industry is fixed by the manufacturer with some additional costs incurred by the Government in the form of taxes. So, customers buying a new car can be assured of the money they invest to be worthy. But, due to the increased prices of new cars and the financial incapability of the customers to buy them, Used Car sales are on a global increase. Therefore, there is an urgent need for a Used Car Price Prediction system which effectively determines the worthiness of the car using a variety of features. Existing System includes a process where a seller decides a price randomly and buyer has no idea about the car and it's value in the present day scenario. In fact, seller also has no idea about the car's existing value or the price he should be selling the car at. To overcome this problem we have developed a model which will be highly effective. Regression Algorithms are used because they provide us with continuous value as an output and not a categorized value. Because of which it will be possible to predict the actual price a car rather than the price range of a car. User Interface has also been developed which acquires input from any user and displays the Price of a car according to user's inputs.

#### INTRODUCTION

Determining whether the listed price of a used car is a challenging task, due to the many factors that drive a used vehicle's price on the market. The focus of this project is developing machine learning models that can accurately predict the price of a used car based on its features, in order to make informed purchases.

In this project ,various learning methods on a dataset consisting of the sale prices of different makes and models are implemented and evalutaed . We will compare the performance of various machine learning algorithms like Linear Regression, Ridge Regression, Lasso Regression, Decision Tree Regressor ,RandomForestRegressor and choose the best out of it. Depending on various parameters we will determine the price of the car. Regression Algorithms are used because they provide us with continuous value as an output and not a categorized value because of which it will be possible to predict the actual price a car rather than the price range of a car. User Interface has also been developed which acquires input from any user and displays the Price of a car according to user's inputs.

# **Analytical Problem Framing**

In this project ,we used the different mathematical and statical functions to describe the data more efficiently.

- 1. Isnull(): This function is used to identify whether the data set have any null values or not.
- 2. describe():This function give all stastical summary of data set.

For exp:count,mean,median,max,min values

3. Shape():This function tells us how many rows and columns present in the dataset.

Hardware and Software Requirements and Tools Used

`We used jupyter notebook for this project.

Following libraries are used:

- 1)Pandas:used for mathematical and statical analysis of data. For example:
- pandas.read\_csv():used to read csv file
- pandas.Dataframe():passed the data to dataframe so we can perform different operations on data
- 2)Seaborn:used for visualization
- ❖ Heatmap: used to visualize colinearity between variables
- ❖ Distplot:used to visualize distribution of dataset
- ❖ Countplot: used to visualize categorical data

#### **Data Sources:**

Data for used car price prediction project is collected from different car selling websites such as olx,cars24,cardekho etc. This data set contains columns such as driven kilometers, number of owners, model\_name, company\_name,location,price etc.

Following figure shows some values of data set:

|    | Unnamed: 0 | Fuel   | Driven_kilometers | Num_of_owners | Transmission | Location | Name                         | Year | Company    | Price1   |
|----|------------|--------|-------------------|---------------|--------------|----------|------------------------------|------|------------|----------|
| 0  | 0          | Petrol | 23 km             | 1st Owner     | NaN          | DL-4C    | Maruti OMNI E                | 2014 | Maruti     | 2,00,199 |
| 1  | 1          | Petrol | 12,535 km         | 1st Owner     | MANUAL       | DL-12    | Maruti Alto 800              | 2014 | Maruti     | 3,21,599 |
| 2  | 2          | Petrol | 2,589 km          | 1st Owner     | NaN          | UP-32    | Hyundai VENUE S              | 2021 | Hyundai    | 8,08,699 |
| 3  | 3          | Petrol | 40,184 km         | 1st Owner     | MANUAL       | DL-8C    | Maruti Alto K10              | 2013 | Maruti     | 2,42,299 |
| 4  | 4          | Petrol | 9,217 km          | 1st Owner     | MANUAL       | DL-8C    | Maruti Alto 800              | 2015 | Maruti     | 2,76,199 |
| 5  | 5          | Petrol | 31,999 km         | 1st Owner     | MANUAL       | DL-1C    | Maruti Swift LXI             | 2012 | Maruti     | 3,22,399 |
| 6  | 6          | Petrol | 19,415 km         | NaN           | NaN          | DL-13    | Honda Brio 1.2               | 2012 | Honda      | 2,83,799 |
| 7  | 7          | Petrol | 22,836 km         | NaN           | NaN          | UP-16    | Hyundai Grand i10            | 2014 | Hyundai    | 4,11,999 |
| 8  | 8          | Petrol | 11,691 km         | NaN           | NaN          | DL-12    | Maruti Alto K10              | 2017 | Maruti     | 3,81,599 |
| 9  | 9          | Petrol | 24,353 km         | 1st Owner     | MANUAL       | DL-4C    | Maruti Alto K10              | 2011 | Maruti     | 2,34,999 |
| 10 | 10         | Petrol | 12,749 km         | NaN           | NaN          | HR-51    | Hyundai Eon MAGNA            | 2015 | Hyundai    | 3,22,599 |
| 11 | 11         | Petrol | 39,300 km         | NaN           | NaN          | DL-4C    | Maruti Zen Estilo            | 2011 | Maruti     | 1,89,399 |
| 12 | 12         | Petrol | 34,364 km         | NaN           | NaN          | DL-4C    | Volkswagen Polo HIGHLINE1.2L | 2012 | Volkswagen | 4,02,499 |
| 13 | 13         | Petrol | 20,039 km         | NaN           | NaN          | DL-1C    | Tata Nano TWIST              | 2016 | Tata       | 2,10,599 |
| 14 | 14         | Petrol | 7,610 km          | NaN           | NaN          | HR-26    | Maruti Alto LXI              | 2020 | Maruti     | 3,75,099 |
| 15 | 15         | Petrol | 13,899 km         | 1st Owner     | NaN          | DL-2C    | Hyundai Grand i10            | 2018 | Hyundai    | 4,59,899 |
| 16 | 16         | Petrol | 33,175 km         | 1st Owner     | NaN          | DL-7C    | Maruti Alto K10              | 2012 | Maruti     | 2,35,799 |
| 17 | 17         | Petrol | 5,645 km          | 1st Owner     | NaN          | HR-98    | Maruti Baleno SIGMA          | 2020 | Maruti     | 5,80,999 |
| 18 | 18         | Petrol | 12,139 km         | 1st Owner     | NaN          | DL-2C    | Maruti Alto K10              | 2017 | Maruti     | 3,53,599 |
| 19 | 19         | Petrol | 10,608 km         | 1st Owner     | NaN          | DL-12    | Maruti Alto 800              | 2017 | Maruti     | 3,19,199 |

- 1)Fuel:This column provides information about what type of fuel is used for car. E.g petrol,diesel,cngect
- 2)Driven\_kilometers:This column gives information about how many kilometers car has been driven.

- 3)Num\_of\_owners:This columns tells about how many people used car.
- 4)Transmission: The transmission is a basic part of your car. It is mounted directly on the engine and converts the engine's combustion power to momentum which drives the wheels

#### It has two types:

- Manual: Vehicles with a manual or standard transmission are typically called **stick shifts**. The driver uses a stick shift to manually change the gears as they accelerate and decelerate their vehicle
- Automatic: According to State Farm, an automatic car is an automobile with an automatic transmission that doesn't require a driver to shift gears manually. Transmissions, also known as gearboxes, help to direct the rotational force and speed of a car. Therefore, automatic transmissions switch gear ratios as the vehicle moves
- 5)Location: This column gives information about location at where car is available.
- 6)Name: This column provides information aout model name of the car.
- 7) Name: This column gives information about company name of the car.
- 8)Year: This column tells that how many years car is old.

9)Price:This column provides the price of the car.

Following fig shows datatype of each column:

```
1 df.dtypes
: Unnamed: 0
                       int64
  Fuel
                      object
 Driven_kilometers
                      object
 Num of owners
                      object
  Transmission
                      object
 Location
                      object
                      object
 Name
 Year
                      object
 Company
                      object
 Price1
                      object
 dtype: object
```

Above fig shows the data types of each column. All columns have object type values, but there is need to changedata type of some columns such as price, years, num\_of\_owners etc.

# **Data Analysis:**

Data analysis involves manipulating, transforming, and visualizing data in order to infer meaningful insights from the results. Individuals, businesses, and even governments often take direction based on these insights. In Data analysis, we have check data types, missing values, and many more things. so let's do it one by one.

First importing all necessary libraries one by one.

```
import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
from sklearn.linear_model import LinearRegression
from sklearn.tree import DecisionTreeRegressor
from sklearn.svm import SVR
from sklearn.linear_model import Lasso,Ridge
from sklearn.model_selection import cross_val_score,train_test_split
from sklearn.preprocessing import LabelEncoder
from sklearn.preprocessing import StandardScaler
from sklearn.metrics import r2_score,mean_squared_error,mean_absolute_error
import warnings
warnings.filterwarnings('ignore')
```

# Load the data set:

| 1  | ds.head(20) |        |                   |               |              |          |                              |      |            |          |
|----|-------------|--------|-------------------|---------------|--------------|----------|------------------------------|------|------------|----------|
|    | Unnamed: 0  | Fuel   | Driven_kilometers | Num_of_owners | Transmission | Location | Name                         | Year | Company    | Price1   |
| 0  | 0           | Petrol | 23 km             | 1st Owner     | NaN          | DL-4C    | Maruti OMNI E                | 2014 | Maruti     | 2,00,199 |
| 1  | 1           | Petrol | 12,535 km         | 1st Owner     | MANUAL       | DL-12    | Maruti Alto 800              | 2014 | Maruti     | 3,21,599 |
| 2  | 2           | Petrol | 2,589 km          | 1st Owner     | NaN          | UP-32    | Hyundai VENUE S              | 2021 | Hyundai    | 8,08,699 |
| 3  | 3           | Petrol | 40,184 km         | 1st Owner     | MANUAL       | DL-8C    | Maruti Alto K10              | 2013 | Maruti     | 2,42,299 |
| 4  | 4           | Petrol | 9,217 km          | 1st Owner     | MANUAL       | DL-8C    | Maruti Alto 800              | 2015 | Maruti     | 2,76,199 |
| 5  | 5           | Petrol | 31,999 km         | 1st Owner     | MANUAL       | DL-1C    | Maruti Swift LXI             | 2012 | Maruti     | 3,22,399 |
| 6  | 6           | Petrol | 19,415 km         | NaN           | NaN          | DL-13    | Honda Brio 1.2               | 2012 | Honda      | 2,83,799 |
| 7  | 7           | Petrol | 22,836 km         | NaN           | NaN          | UP-16    | Hyundai Grand i10            | 2014 | Hyundai    | 4,11,999 |
| 8  | 8           | Petrol | 11,691 km         | NaN           | NaN          | DL-12    | Maruti Alto K10              | 2017 | Maruti     | 3,81,599 |
| 9  | 9           | Petrol | 24,353 km         | 1st Owner     | MANUAL       | DL-4C    | Maruti Alto K10              | 2011 | Maruti     | 2,34,999 |
| 10 | 10          | Petrol | 12,749 km         | NaN           | NaN          | HR-51    | Hyundai Eon MAGNA            | 2015 | Hyundai    | 3,22,599 |
| 11 | 11          | Petrol | 39,300 km         | NaN           | NaN          | DL-4C    | Maruti Zen Estilo            | 2011 | Maruti     | 1,89,399 |
| 12 | 12          | Petrol | 34,364 km         | NaN           | NaN          | DL-4C    | Volkswagen Polo HIGHLINE1.2L | 2012 | Volkswagen | 4,02,499 |
| 13 | 13          | Petrol | 20,039 km         | NaN           | NaN          | DL-1C    | Tata Nano TWIST              | 2016 | Tata       | 2,10,599 |
| 14 | 14          | Petrol | 7,610 km          | NaN           | NaN          | HR-26    | Maruti Alto LXI              | 2020 | Maruti     | 3,75,099 |
| 15 | 15          | Petrol | 13,899 km         | 1st Owner     | NaN          | DL-2C    | Hyundai Grand i10            | 2018 | Hyundai    | 4,59,899 |
| 16 | 16          | Petrol | 33,175 km         | 1st Owner     | NaN          | DL-7C    | Maruti Alto K10              | 2012 | Maruti     | 2,35,799 |
| 17 | 17          | Petrol | 5,645 km          | 1st Owner     | NaN          | HR-98    | Maruti Baleno SIGMA          | 2020 | Maruti     | 5,80,999 |
| 18 | 18          | Petrol | 12,139 km         | 1st Owner     | NaN          | DL-2C    | Maruti Alto K10              | 2017 | Maruti     | 3,53,599 |
| 19 | 19          | Petrol | 10,608 km         | 1st Owner     | NaN          | DL-12    | Maruti Alto 800              | 2017 | Maruti     | 3,19,199 |

# Checking shape of the data set:

```
1 ds.shape
(6712, 10)
```

Data set have 6712 rows and 10 columns.

## Info about data set:

```
1 ds.info()
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 6712 entries, 0 to 6711
Data columns (total 10 columns):
# Column
                      Non-Null Count Dtype
0 Unnamed: 0 6712 non-null int64
1 Fuel 6607 non-null object
 2 Driven_kilometers 6695 non-null object
3 Num_of_owners 6101 non-null object
4 Transmission 6129 non-null object
 5 Location
                      6684 non-null object
6 Name
                       6712 non-null object
                       6712 non-null object
 7
    Year
8 Company 6712 non-null object
9 Price1 6692 non-null object
9 Price1
                       6692 non-null object
dtypes: int64(1), object(9)
memory usage: 524.5+ KB
```

Data set have 9 columns and 6712 features of object type.

Some columns have missing values.

#### Checking data types of data set:

```
1 df.dtypes
: Unnamed: 0
                       int64
 Fuel
                      object
 Driven_kilometers
                     object
 Num_of_owners
                     object
 Transmission
                     object
 Location
                     object
 Name
                      object
 Year
                      object
 Company
                      object
 Price1
                      object
 dtype: object
```

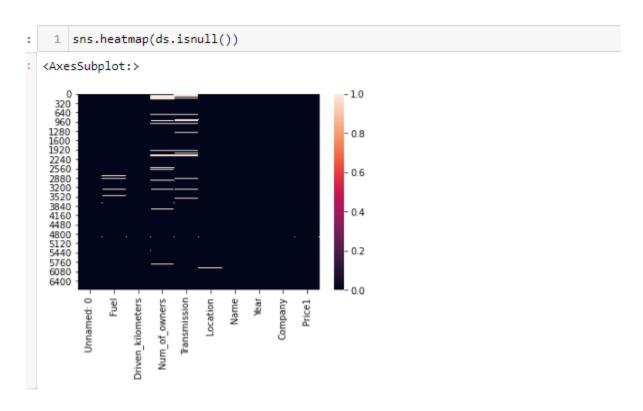
All columns are object type. There is need to change the data type of some columns such as price.

# **Checking missing values:**

```
1 ds.isnull().sum()
Unnamed: 0
                        0
Fuel
                      105
Driven_kilometers
                       17
Num_of_owners
                      611
Transmission
                      583
Location
                       28
Name
                        0
Year
Company
                        0
Price1
                       20
dtype: int64
```

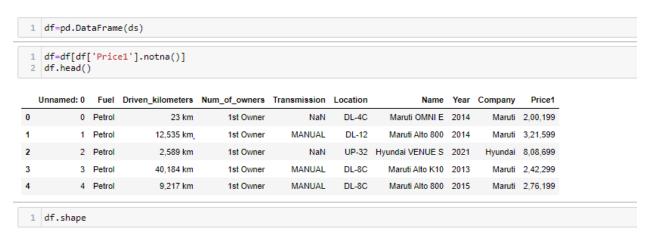
Above fig shows that many columns have missing values.

And price column, which is target variable also has missing values, so we have remove that rows in which price is missing.



Above heatmap also shows that there are missing values in data set.

There is need to delete those rows in which price values are missing.



Now data set have no missing values in price column.

Now let's look into each column sepeartly.

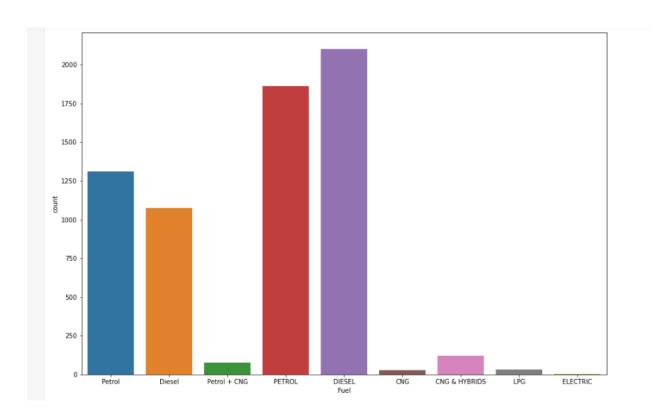
```
1 df['Company'].value_counts()
Maruti
                2540
Hyundai
                1200
Toyota
                 475
Honda
                 430
Mahindra
                 401
Ford
                 295
Tata
                 255
Renault
                187
Volkswagen
                171
Chevrolet
                127
Skoda
                 93
Mercedes-Benz
                  79
Audi
                  73
                  59
Bmw
Nissan
                  53
Datsun
                  33
Other
                  22
Jeep
                  20
Fiat
                  18
Bajaj
                  16
Land
                  15
Force
                  14
Mercedes
                  13
Mitsubishi
                  12
Kia
                  12
Jaguar
                  10
Mg
Volvo
Mini
                   8
Porsche
KIA
                   7
BMW
                   7
Ambassador
                   4
Ashok
                   4
```

Above fig shows total values of company column.

```
1 df['Name'].value_counts()
: Maruti Suzuki
                        1364
  Maruti Swift Dzire
                         154
  Maruti Swift VDI
                         145
  Toyota Innova
                        134
  Honda City
                         116
  Nissan X-Trail
  Renault Kwid RXL1.0
                         1
  Mahindra Scorpio LX
                         1
  Renault Duster RXS
  ISUZU MU-7 High
  Name: Name, Length: 507, dtype: int64
```

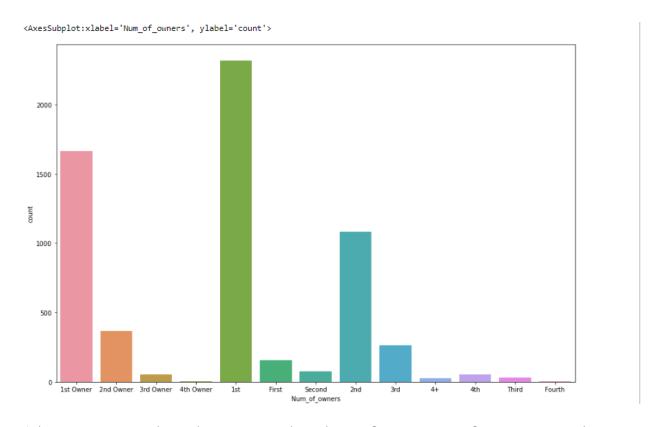
# Above fig shows total values of name column.

```
1 print(df['Fuel'].value_counts())
   2 plt.figure(figsize=(15,10))
   3 sns.countplot(df['Fuel'])
 DIESEL
                   2102
 PETROL
                  1864
 Petrol
                  1309
                  1076
 CNG & HYBRIDS
                  119
 Petrol + CNG
                   75
 LPG
                     31
 CNG
                     26
                     5
 ELECTRIC
 Name: Fuel, dtype: int64
 <AxesSubplot:xlabel='Fuel', ylabel='count'>
  1 | df['Fuel'].value_counts()
    2 plt.figure(figsize=(15,10))
    3 sns.countplot(df['Fuel'])
: <AxesSubplot:xlabel='Fuel', ylabel='count'>
```



# Above countplot shows different featues of fuel column.

```
1 print(df['Num_of_owners'].value_counts())
:
    2 plt.figure(figsize=(15,10))
    3 sns.countplot(df['Num_of_owners'])
   1st
                2317
   1st Owner
                1663
   2nd
                1083
   2nd Owner
                 368
   3rd
                 262
   First
                 158
   Second
                  75
   3rd Owner
                  53
   4th
                  52
   Third
                  31
   4+
                  28
   4th Owner
                   6
                   5
   Fourth
  Name: Num_of_owners, dtype: int64
```



Above countplot shows total values for num\_of owners column.

```
1 df['Driven_kilometers'].value_counts()
: 90,000 KM
  100,000 KM
  68000.0 KM
                 42
  65000.0 KM
  70000.0 KM
                 39
  57100.0 KM
  51,392 km
  1,47,798 km
  95500.0 KM
                  1
  51500.0 KM
                  1
  Name: Driven_kilometers, Length: 3923, dtype: int64
```

Above fig shows total values for driven\_kilometers column.

```
1 print(df['Transmission'].value_counts())
 2 plt.figure(figsize=(10,5))
 3 sns.countplot(df['Transmission'])
MANUAL
              5184
AUTOMATIC
              945
Name: Transmission, dtype: int64
<AxesSubplot:xlabel='Transmission', ylabel='count'>
   5000
   4000
   3000
   2000
  1000
                       MANUAL
                                                             AUTOMATIC
                                         Transmission
```

# Above fig shows values for transmission column.

```
1 df['Location'].value_counts()
DL-8C
HR-26
                           227
DL-3C
                           210
DL-9C
                           162
DL-2C
                           132
Bally Khal, Kolkata
                             1
Naraina, Delhi
Kavumbhagam, Thiruvalla
Rohini Sector 18, Delhi
                             1
Military Station, Hisar
Name: Location, Length: 1970, dtype: int64
```

Above fig shows values for location column.

```
1 df['Year'].value_counts()
2016)
           431
2012)
           379
2017)
           356
2015)
           348
2013)
           344
2014)
           343
2018)
           341
2015
2013
           308
2011)
           304
2014
           297
2017
           277
2018
           251
           248
2016
2019)
           235
2010)
           234
2012
           230
2009)
           172
2008)
           158
2019
2007)
           125
2020
            96
2020)
            95
            94
2010
2006)
            88
2011
            87
2021)
            57
2009
            51
2005)
            43
2004)
            34
2003)
2008
            24
            22
2002)
2001)
            22
2000)
```

Above fig shows different year values for year column.

```
1 df['Price1'].value_counts()
4,50,000
              68
 2,50,000
              57
 6,50,000
              55
 1,50,000
              47
 3,25,000
              45
4,29,899
13,99,000
83,000
              1
3,90,599
              1
4,06,599
Name: Price1, Length: 2706, dtype: int64
```

Above fig shows values for price column.

# **Preprocessing data:**

First we have to change data type of price,driven\_kilometers,year into numeric type. So following steps are followed.

Price column:

```
1 | df['Price1']=df['Price1'].str.replace(",",'')
 2 df['Price1']=df['Price1'].astype(int)
 3 df['Price1']
        200199
1
        321599
        808699
        242299
        276199
6707
       4500000
6708
        899000
6709
       190000
6710 1799000
6711 1850000
Name: Price1, Length: 6692, dtype: int32
```

#### Driven\_kilometers column:

```
df['Driven_kilometers']=df['Driven_kilometers'].str.split(" ").str.get(0).str.replace(",",'')
df['Driven_kilometers']=df['Driven_kilometers'].str.split(".").str.get(0)
df['Driven_kilometers']=df['Driven_kilometers'].fillna(0)
     4 df['Driven_kilometers']=df['Driven_kilometers'].astype(int)
5 df['Driven_kilometers']
: 0
                12535
    1
    2
                 2589
                40184
    3
    4
                9217
    6707
                30000
    6708
                61000
    6709
               79000
    6710
               28000
    6711
               35000
    Name: Driven_kilometers, Length: 6712, dtype: int32
```

#### Year column:

```
1 df['Year']=df['Year'].str.replace(")",'')
   2 df['Year']=df['Year'].str.replace(".",'')
3 df['Year']=df['Year'].astype(int)
   4 df['Total_years']=2021-df['Year']
    5 df.drop("Year",axis=1,inplace=True)
    6 df['Total_years']
0
            7
            7
  1
  2
            0
  3
            8
            6
  6707
            7
  6708
           12
  6709
            9
            5
  6710
  6711
 Name: Total_years, Length: 6692, dtype: int32
```

In year column, new column total year is calculated.

#### Num\_of\_owners column:

```
1 df['Num_of_owners']=df['Num_of_owners'].replace('1st',1)
 2 | df['Num of owners']=df['Num of owners'].replace('1st Owner',1)
 3 df['Num_of_owners']=df['Num_of_owners'].replace('First',1)
 4 df['Num_of_owners']=df['Num_of_owners'].replace('2nd',2)
 5 df['Num_of_owners']=df['Num_of_owners'].replace('2nd Owner',2)
 6 df['Num_of_owners']=df['Num_of_owners'].replace('Second',2)
 7 df['Num_of_owners']=df['Num_of_owners'].replace('3rd',3)
 8 df['Num of owners']=df['Num of owners'].replace('3rd Owner',3)
 9 df['Num of owners']=df['Num of owners'].replace('Third',3)
10 df['Num of owners']=df['Num of owners'].replace('4th',4)
11 df['Num of owners']=df['Num of owners'].replace('4+',5)
12 df['Num_of_owners']=df['Num_of_owners'].replace('4th Owner',4)
13 df['Num of owners']=df['Num of owners'].replace('Fourth',4)
14
 1 | df['Num of owners']=df['Num of owners'].fillna(0)
 1 df['Num of owners']=df['Num of owners'].astype(int)
  2 df['Num of owners']
0
1
        1
        1
6707
6708
6709
        1
6710
        2
6711
Name: Num_of_owners, Length: 6712, dtype: int32
```

Above fig shows that how num\_of\_owners column is converted into numerical form.

## Filling missing values:

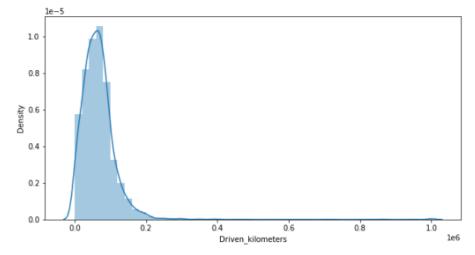
Missing values of Fuel column is filled with mode of column, and location and transmission columns's missing values are filled with 'no info' values.

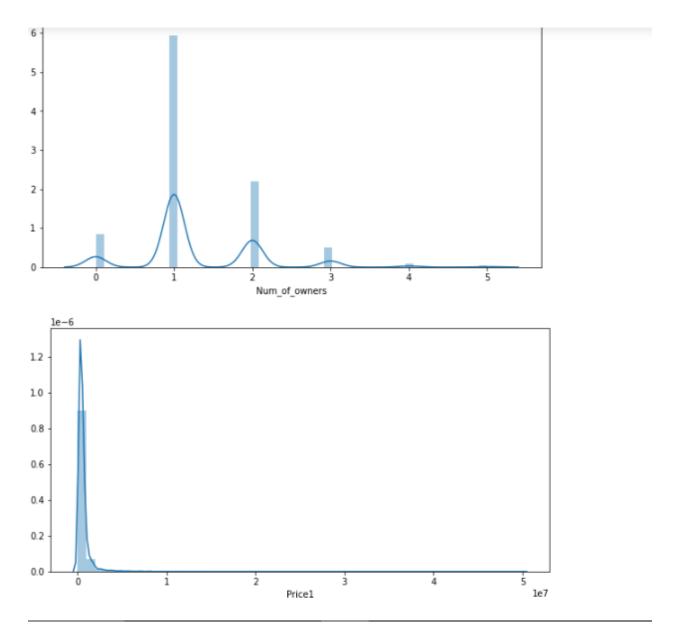
Now there is no missing values in data set.

## **Stastical summary:**

| 1 df  | f.describe( | )                 |               |              |               |
|-------|-------------|-------------------|---------------|--------------|---------------|
|       | Unnamed: 0  | Driven_kilometers | Num_of_owners | Price1       | Total_years   |
| count | 6692.000000 | 6692.000000       | 6692.000000   | 6.692000e+03 | 6692.000000   |
| mean  | 3352.645846 | 67782.511955      | 1.288105      | 5.884777e+05 | -6.377316     |
| std   | 1939.191426 | 58408.572353      | 0.769363      | 9.602317e+05 | 495.499316    |
| min   | 0.000000    | 0.000000          | 0.000000      | 1.500000e+04 | -18179.000000 |
| 25%   | 1672.750000 | 37000.000000      | 1.000000      | 2.650000e+05 | 4.000000      |
| 50%   | 3349.500000 | 61866.000000      | 1.000000      | 4.097990e+05 | 7.000000      |
| 75%   | 5035.250000 | 86554.250000      | 2.000000      | 6.423990e+05 | 9.000000      |
| max   | 6711.000000 | 999999.000000     | 5.000000      | 5.000000e+07 | 63.000000     |

```
ncols=['Driven_kilometers','Num_of_owners','Price1','Total_years']
for i in df[ncols]:
   plt.figure(figsize=(10,5))
   sns.distplot(df[i])
```





Above distplot shows distribution of the data. As the data is originally contains object type so we can't do some transformation on data set.

#### **Encoder:**

Encoding: First we have to encode the categorical data into numerical data. There are different techniques of encoding:

- One Hot Encoder: Encode categorical integer features using a onehot aka one-of-K scheme. The input to this transformer should be a matrix of integers, denoting the values taken on by categorical (discrete) features. The output will be a sparse matrix where each column corresponds to one possible value of one feature.
- Label Encoder: Label Encoding refers to converting the labels into numeric form so as to convert it into the machine-readable form. Machine learning algorithms can then decide in a better way on how those labels must be operated. It is an important preprocessing step for the structured dataset in supervised learning
- OrdinalEncoder: In ordinal encoding, each unique category value is assigned an integer value. For example, "red" is 1, "green" is 2, and "blue" is 3. This is called an ordinal encoding or an integer encoding and is easily reversible. Often, integer values starting at zero are used.

In this project some columns are encoded using get\_dummies method of one hot encoder and some columns are encoded using labelencoder.

| <pre>dummies=pd.get_dummies(df[['Fuel','Transmission','Company']]) dummies.head()</pre> |          |                          |             |             |               |          |             |             |                      |                        |        |
|---|----------|--------------------------|-------------|-------------|---------------|----------|-------------|-------------|----------------------|------------------------|--------|
|   | Fuel_CNG | Fuel_CNG<br>&<br>HYBRIDS | Fuel_DIESEL | Fuel_Diesel | Fuel_ELECTRIC | Fuel_LPG | Fuel_PETROL | Fuel_Petrol | Fuel_Petrol<br>+ CNG | Transmission_AUTOMATIC | Compan |
| 0   | 0        | 0                        | 0           | 0           | 0             | 0        | 0           | 1           | 0                    | 0                      |        |
| 1   | 0        | 0                        | 0           | 0           | 0             | 0        | 0           | 1           | 0                    | 0                      |        |
| 2   | 0        | 0                        | 0           | 0           | 0             | 0        | 0           | 1           | 0                    | 0                      |        |
| 3   | 0        | 0                        | 0           | 0           | 0             | 0        | 0           | 1           | 0                    | 0                      |        |
| 4   | 0        | 0                        | 0           | 0           | 0             | 0        | 0           | 1           | 0                    | 0                      |        |

Above fig shows that Fule, Transmission and company column is encoded using get\_dummeis method of one hot encoder.

```
1 le=LabelEncoder()
2
3 df['Name']=le.fit_transform(df['Name'])
```

Name column is encded using label encoder.

Now delete fuel, transmission and copany column and concat dummies columns into data set.

Below fig shows this.

## **Dropping columns:**

```
1 df2.drop("Location",axis=1,inplace=True)
1 df2.drop("Unnamed: 0",axis=1,inplace=True)
```

Dropped columns which are not so much important.

Separate data into input variables and target variable;

```
1 x=df2.drop(["Price1"],axis=1)
2 y=df2['Price1']
```

#### **Standard Scaler:**

Standardizing a dataset involves rescaling the distribution of values so that the mean of observed values is 0 and the standard deviation is 1.

This can be thought of as subtracting the mean value or centering the data.

Like normalization, standardization can be useful, and even required in some machine learning algorithms where data has input values with differing scales.



Above fig shows that driven\_kilometers and name column is standardized using standard scaler.

### Split data for training and testing

```
# split training data for training and testing
x_train,x_test,y_train,y_test=train_test_split(x_1,y,test_size=.25,random_state=219)
print("x_train shape",x_train.shape)
print("y_train shape",y_train.shape)
print("y_test shape",y_test.shape)

x_train shape (5019, 58)
x_test shape (1673, 58)
y_train shape (5019,)
y_test shape (1673,)
```

Above fig shows that data is splitted using train\_test\_split for training and testing.

Now create instance of modules. As this is regression type problem so we have to import regression algorithms.

```
1  lr=LinearRegression()
2  dtr=DecisionTreeRegressor()
3  rf=RandomForestRegressor()
4  svr=SVR()
5  l1=Lasso(alpha=0.001)
6  r1=Ridge(alpha=0.001)
7
```

#### Fit and predict:

Now fit data into model and predict the output.

```
1 #fit data and predict
 2 list1=[lr,dtr,rf,svr,l1,r1]
 3 for i in list1:
       i.fit(x_train,y_train)
      pred=i.predict(x_test)
      print("accuracy_scores",i)
print("r2_score",r2_score(y_test,pred))
print("mean_squared_error",mean_squared_error(y_test,pred))
 8
       print("mean_absolute_error", mean_absolute_error(y_test, pred))
accuracy_scores LinearRegression()
r2_score 0.4674687461890442
mean_squared_error 231764108396.26334
mean_absolute_error 258732.22603485011
accuracy_scores DecisionTreeRegressor()
r2 score 0.7012651817148703
mean_squared_error 130013043011.65211
mean_absolute_error 147055.79796772264
accuracy_scores RandomForestRegressor()
r2 score 0.8553926996841921
mean squared error 62934863982.99051
mean_absolute_error 121308.64814888041
accuracy_scores SVR()
r2_score -0.05078857103084777
mean squared error 457316025181.87787
mean_absolute_error 310615.73047899746
accuracy_scores Lasso(alpha=0.001)
r2 score 0.4656743997152657
mean squared error 232545029905.88965
mean_absolute_error 258448.13751463423
accuracy_scores Ridge(alpha=0.001)
r2 score 0.4674724764481426
mean_squared_error 231762484941.9255
mean_absolute_error 258731.36615293552
```

By observing metrics we can say that r2\_score of randomForestRegressor is high.

#### **HyperParameterTunning**

```
1 from sklearn.ensemble import RandomForestRegressor
 2 rf1 = RandomForestRegressor()
 4 | from sklearn.model_selection import GridSearchCV
 5 param_grid = {
                "n_estimators" : [10,20,30],
"max_features" : ["auto", "sqrt", "log2"],
                "min_samples_split" : [2,4,8],
                "bootstrap": [True, False],
 9
10
11
12 grid = GridSearchCV(estimator=rf, param_grid=param_grid, n_jobs=-1, cv=5)
13
14 grid.fit(x_train,y_train)
GridSearchCV(cv=5, estimator=RandomForestRegressor(), n_jobs=-1,
             param_grid={'bootstrap': [True, False],
                          'max_features': ['auto', 'sqrt', 'log2'],
                         'min_samples_split': [2, 4, 8],
                         'n estimators': [10, 20, 30]})
 1 grid.best_params_
{'bootstrap': False,
 'max features': 'sqrt',
 'min_samples_split': 4,
 'n_estimators': 20}
```

We can tune different parameters of model so we can improve model's score.

```
rf1=RandomForestRegressor(bootstrap=False,max_features= 'sqrt',min_samples_split=4,n_estimators=20)
rf1.fit(x_train,y_train)
rpred=rf1.predict(x_test)
cv3=cross_val_score(rf1,x_train,y_train,cv=5)
print("score",cv3)
print("cross_score_mean_value",cv3.mean())
print('mean_squared_error',mean_squared_error(rpred,y_test))
print(r2_score(y_test,rpred))

score [0.65477603_0.61695564_0.56479431_0.11027668_0.50882151]
cross_score_mean_value_0.491124834827942
mean_squared_error_109943330852.28693
0.7473799535568422
```

After applying best parameters we got by tunning, r2\_score is not increased, so we have to select model which gave high score.

So by observing first scores of RandomForestRegressor before tuning, we get high score, so that model is best.

# Now let's create object file.

```
#creating object file
import joblib

import joblib

joblib.dump(rf,"car_prediction.obj")

['car_prediction.obj']

i file1=joblib.load("car_prediction.obj")

file1.predict(x_test)

array([1704374.82, 383318. , 1208429.99, ..., 357743.05, 386209.51, 588725. ])
```

#### **Conclusion**

The increased prices of new cars and the financial incapability of the customers to buy them, Used Car sales are on a global increase. Therefore, there is an urgent need for a Used Car Price Prediction system which effectively determines the worthiness of the car using a variety of features. The proposed system will help to determine the accurate price of used car price prediction.

In this project different regression algorithms are used, and RandomForestRegressor give high score so selected that one.

# **Future scope**

We may add large historical data of car price which can help to improve accuracy of the machine learning model. We can build an android app as user interface for interacting with user. For better performance, we plan to judiciously design deep learning network structures, use adaptive learning rates and train on clusters of data rather than the whole dataset.