Electronic Funds Transfer (EFT) is a system of transferring money from one bank account directly to another without any paper money changing hands. One of the most widely-used EFT programs is Direct Deposit, in which payroll is deposited straight into an employee's bank account, although EFT refers to any transfer of funds initiated through an electronic terminal, including credit card, ATM, Fed-wire and point-of-sale (POS) transactions. It is used for both credit transfers, such as payroll payments, and for debit transfers, such as mortgage payments.

Transactions are processed by the bank through the Automated Clearing House (ACH) network, the secure transfer system that connects all U.S. financial institutions. For payments, funds are transferred electronically from one bank account to the billing company's bank, usually less than a day after the scheduled payment date.

This project will aim to provide a fool proof system for online money transfer. Information encryption is utilized pervasively as a part of today's joined society. The two most essential features of cutting edge information encryption are information protection and verification. As present day society gets to be more joined, and more data gets to be accessible there is a requirement for protections which bring information respectability and information mystery.

For the above mentioned problem the algorithms are studied and improvements are implemented. To improve the security better model is proposed. Since security is a growing concern it is important to have better model with good algorithms that are difficult to be cracked.

The system ensures better security while transferring the data over a network. If a good model is proposed it will help our country in improving the EFT services. Further it will increase the number of people who use EFT (Electronic Fund Transfer).