**CONCLUSION**

Use of machine learning algorithms proposed in this research to detect fraud in banking applications. The publicly available dataset from UCI is analyzed. The high level of imbalance in the dataset provided is highly biased toward the majority of samples. This problem is tackled by the synthetic minority over-sampling technique (SMOTE). Implementation issues of this by KNN and Random Forest algorithms are handled by XGBoost as the boosting methods. The performance achieved using the model was 97.74%. In the analysis of the dataset, we found that people in the age group of 19-25 years are more likely to be fraudulent than other customers’ demography.