**Introduction**

Credit Card Fraud has a big impact on Credit Card Industry. Thus the fraudster are very attentive to find more ways to access sensitive information. Such as phishing and takeover tacktics. Credit Card Fraud is someone who used your account to purchase either online or person without owner’s authorization. Fraudster may use your stolen credit card account, security code and PIN codes to different and unauthorized transactions. Credit card fraud can occurs online as well as offline.

Nowadays credit card fraud is almost a wide issue for almost decade. With the use of Technology we could easily identify and detect the fraudster. Through the use of Data Mining that can be used to detect fraudulent credit card transaction. It is well defined procedure that takes data as input and procedure pattern as output. Data Mining Technique also help to analyze and discover pattern as behavior and reliability of the customer that may be used to make valid prediction.

Data Mining uses various methods for fraud detection these are the Genetic Algorithm, Decision Tree, Clustering Techniques and Neural Network. In this approach will determined the appropriate algorithm to detect the fraudster. The major concerns of the credit card owner is how to detect the fraudster? What are the possible ways to identify the credit if it is legitimate or not. Fraudster are very creative people and they’ve come up with many ways to know your personal information. Here are the different types of Credit Card Fraud. Using a lost or found credit card, Account takeover, Application Fraud, Card not Present Fraud, Phishing, Skimming and etc. This are several ways that fraudster can access your personal information

Most of credit card company use chip technology rather than the magnetic stripe, as these are to be more difficult to hack in store purchases where chip are enabled. And it’s not easy to replicate the card over and over again. Because it creates a unique code of transaction that cannot be used again.

Just like the fraudster do it’s fairly easy to copy the magnetic stripe of credit card. After the fraudster skim the information from your card all the data will be burned into a blank counterfeit card. And will be used just like your original credit card. To keep our credit card safe and protected we should develop the possible ways to detect the fraudster. Why not we develop an application that once a fraudster purchase in a department store and when the teller swipe the card. The card will verify and appear the image of the original owner without using the signature. In that case the owner will automatically get notify from unknown transaction. This research aims to detect the fraudsters from malicious transaction.