

ONLINE PAYMENTS FRAUD **DETECTION USING WITH MACHINE** **LEARNING:**

To build an application that can detect the legitimacy of the transaction in real-time and increase the security to prevent fraud.

By

(Marri yashmitha)

(Manthina raja rishika)

(Kutagulla safa)

Guided by

Prof. Ms swetha raj

A Dissertation Submitted to
SRI VENKATESWARA COLLEGE OF
ENGINEERING AND TECHNOLOGY, An
Autonomous Institution affiliated to
‘JNTU Ananthapur’ in Partial Fulfilment of
the Bachelor of Technology branch of
Computer science and Engineering

May 2024



SRI VENKATESWARA COLLEGE OF ENGINEERING AND TECHNOLOGY

R.V.S. Nagar Tirupathi Road, Andhra Pradesh– 517127

Problem Statement definition:

Fraud Detection Using Machine Learning deploys a machine learning (ML) model and an example dataset of credit card transactions to train the model to recognize fraud patterns. The model is self-learning which enables it to adapt to new, unknown fraud patterns. nt Definition:

Online transactions have become inevitable due to the ease of online purchases. To balance their busy schedules, people stick to online shopping. It enables us to trade any things available in different geographic regions. Due to advancements in e-commerce, people benefit from offers because they are attracted to online shopping. Though online shopping has enabled easy transactions, fraudulent transactions are also possible . Fraudulent online transactions have caused significant damage and loss to individuals and companies over a period. There has been an increase in online fraud with the progression of state-of-the-art technologies and worldwide communication. The development of new technologies paves new ways for criminals to commit fraud like credit card frauds, e-commerce frauds, online transaction frauds, etc. Figure 1 presents the estimated fraudulent transaction loss by 2024. According to the Associate of Certified Fraud Examiners estimates, the fraud costs the organization nearly \$3.7trillion a

year, i.e., a company typically loses ve percent of its revenue due to fraud. As shown in Fig. 1 it is estimated that online payment fraud is growing annually and may amount to \$50 billion by 2024 which was \$26 billion in 2019 [1]. It has become the need of the hour to address the issue of online transaction fraud.

Technical Architecture:

