Ideation Phase
Define the Problem Statements

Date	24 January 2026
Team ID	LTVIP2026TMIDS48224
Project Name	Online Payments Fraud Detection using Machine Learning
Maximum Marks	2 Marks

Problem Statement:

In today's digital payment ecosystem, a large number of online transactions occur every second. Among these, fraudulent transactions are increasing rapidly, causing significant financial losses to users and organizations. Traditional rule-based fraud detection methods are often slow, less accurate, and unable to adapt to new fraud patterns. There is a need for an intelligent system that can automatically analyse transaction details and accurately predict whether a transaction is **Fraud** or **Not Fraud** in real time

Example:

Problem Statement (PS)	I am (Customer)	I'm trying to	But	Because	Which makes me feel
PS-1	I am an online payment user	I'm trying to make a secure online transaction	But I am unsure whether the transaction is safe or fraudulent	Because fraud detection systems are not visible or transparent to users	Worried and insecure about financial loss
PS-2	I am a bank/payment platform administrator	I'm trying to prevent fraudulent transactions	But manual or rule-based systems fail to detect complex fraud patterns	Because fraudsters use advanced and evolving techniques	Frustrated and concerned about financial risk