Abstract

Due to a fast growth in the electronic commerce technology, popularity of online banking and online shopping is growing day by day. While e-commerce is still gaining popularity, it also provides ground for fraudsters who try to misuse the transparency of online purchases and the transfer of credit card records. In this paper, the proposed model the sequence of operation in online banking transaction processing using a Hidden Markov Model (HMM) and describe how it can be used for the detection of frauds. An HMM is initially trained with the normal behaviour of a cardholder. If current transaction is not accepted by the trained model with good probability, it is treated as fraudulent. And one time password is sent to mobile of card holder.

References


Index Terms
Computer Science Information Sciences

Keywords
Fraud Detection System (FDS), Hidden Markov Model (HMM), one Time Password (OTP), Online Banking (OLB).