**Abstract**

FRAUD IS AN INCREASING CRIME IN DAY-TO-DAY MODERN WORLD. FRAUD POSSIBILITIES CO-EVOLVE WITHTECHNOLOGY ESPECIALLY WITH INFORMATIONTECHNOLOGY. FRAUD DETECTION IS AMETHOD/TECHNIQUE OF IDENTIFYING ILLEGAL ACTSWHICH ARE OFFENSIVE, THAT ARE OCCURRING ALL AROUNDTHE WORLD. IT DEFINES A SKILLED IMPOSTORFORMULIZES THE KEY FORMS AND SUB FORMS OFRECOGNIZED FRAUDS AND REVEALS THE GATHERED DATANATURE. TO DETECT THE FRAUD PATTERNS FROM DATACOLLECTED/STORED, THE PAPER EXPLAINS SOMEPREFERRED DATA MINING TECHNIQUES. DATA MINING ISMOST COMMONLY USED FOR FRAUD DETECTION ANDPREVENTION AMONG VARIOUS TOOLS AVAILABLE. THISPAPER GIVES AN IDEA IN A WELL-DEFINED WAY BY

WHICH ANY NUMBER OF FRAUDS CAN BE DETECTED AND ANALYZED. THIS PAPER ALSO DESCRIBES CLEARLY ABOUTDIFFERENT TYPES OF FRAUD DETECTION TECHNIQUES.THEME OF THIS PAPER IS TO FIRSTLY IDENTIFY THE TYPEOF FRAUD USING DATA MINING TECHNIQUES AND TORESOLVE THE CRIMINAL ASPECT IN SIMPLIFIED WAY.