**Abstract**

  Credit card transactions happen at every moment all over the world. People do their financial transactions using credit card either in online or offline. In the mean time frauds associated with it are also rising. Fraud detection involves monitoring the behavior of users in order to estimate, detect or avoid unwanted behavior .In this paper, it is shown that credit card fraud that can be detected effectively using Hidden Markov Model (HMM). HMM could be trained with Hybrid Baum-Welch and Viterbi algorithms for better efficiency in detection.