

E-PAYMENT SYSTEM AND ITS SECURITY MEASURES

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Abstract

E-Payment system is secure there should be no threat to the user credit card number, smart card or other personal detail, payment can be carried out without involvement of third party, It makes E-payment at any time through the internet directly to the transfer settlement and form E-business environment. This paper discusses the different forms of E-payment system and its security measures.

Keywords: E-Payment, Security, EFT (Electronic Fund Transfer)

INTRODUCTION

In E-Commerce or electronic payment system is refers to paperless monetary transactions. Electronic payment has revolutionized the business processing by reducing paper work, transaction costs, labour cost. E- Commerce involves trading using the latest electronic equipment and software between the sellers and the buyers. The trade in e-commerce is conducted in a slightly different way than the traditional trading. Electronic payment systems enable a customer to pay for the goods and services online by using integrated hardware and software systems. The main objectives of electronic payment systems are to increase efficiency, improve security, and enhance customer convenience and ease of use.

ELECTRONIC PAYMENTS

Stored account payment: In a stored account payment, the buyer and the merchant maintain accounts with a bank. The transactions are registered and the actual transfer of funds takes place at a later stage through settlement.

Stored Value Payment System: In Stored Value Payment System like smart cards, mondex cards, digital cash, certain amount of prepaid monetary value stored electronically on the card. Electronic Checks are also processes on the lines of traditional check processing.

Types of E-payment System: Credit Card, Debit Card, Smart Card

E-Money & Electronic Fund Transfer

SECURITY

Security is an essential part of any transaction that takes place over the internet. Customer will loose his/her faith in e-business if its security is compromised. Following are the essential requirements for safe e-payments/transactions:

- Confidential
- Integrity
- Availability
- Authenticity
- Non-Repudiability
- Encryption
- Auditability

E-PAYMENT SECURITY MEASURES

The following are the Major security measures of the E- Payment system.

- ✓ Authentication
- ✓ Public Key Cryptography
- ✓ Digital Signature
- ✓ Certificate
- ✓ Certificate Authorities

CONCLUSION

E-commerce has its main link in its development on-line in the use of payment methods, some of which we have analyzed in this work. Technology has arguably made our lives easier. One of the technological innovations in banking, finance and commerce is the Electronic Payments. Electronic Payments (e-payments) refers to the technological breakthrough that enables us to perform financial transactions electronically, thus avoiding long lines and other hassles. The payment requires no other participants than the payer and payee, so by having no transaction processing fees and allowing low value transactions to be cost-effective. This uses inherent security mechanisms to ensure the safety of transactions independent of the transmission protocol. E-payment security allows combining payer's anonymity with the usual security requirements like protection against loss or theft of money, forgery, and overdraft.

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