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Fake Product Detection Using Block-Chain

Mr. Aditya Milind Yadav**, Mr. Aditya Prakash Shelke**, Ms. Priyadarshini Badjujar*
Mr. Jayant Anilkumar Singh ** Mr. Sairaj Jitendra Pawar**
Assistance Professor*, Student** Department of Computer Science and Design
New Horizon Institute of Technology & Management, Thane

ABSTRACT

The counterfeiting of products is a growing issue in the retail industry, leading to financial losses and consumer trust concerns. Various authentication methods, such as RFID and AI-based solutions, have been explored but have limitations, including high computational requirements and vulnerability to duplication. To address this, blockchain technology is introduced for secure product verification. Our system stores supply chain data at each stage using QR codes, ensuring authenticity. Blockchain's decentralized nature guarantees data security, preventing tampering or third-party interference. Customers can scan QR codes to view product history, verifying legitimacy before purchase. This approach benefits manufacturers by tracking distribution channels, reducing unauthorized diversions. By eliminating intermediaries, costs decrease while transparency and accountability improve. Though integration challenges exist, blockchain holds immense potential to minimize counterfeit products.

1. INTRODUCTION

A counterfeit detection system leverages blockchain and cryptographic security to monitor and authenticate product origins in real time. It is designed to prevent fraudulent activities by maintaining an immutable digital ledger that records every transaction securely. The foundation of this system relies on decentralized storage and smart contracts, which automate verification processes, ensuring that data cannot be altered or manipulated by unauthorized parties. This decentralized approach eliminates the need for intermediaries, reducing costs and enhancing efficiency in the supply chain. The system primarily works by assigning unique QR codes to products, which consumers or businesses can scan to retrieve real-time authentication details stored on the blockchain. These records include manufacturer details, transaction logs, and distribution history, ensuring complete supply chain transparency. By integrating QR codes with blockchain, the system provides a tamper-proof method for verifying product authenticity, enabling consumers to make informed purchasing decisions. Additionally, manufacturers and retailers can track product movement, preventing unauthorized diversions and ensuring compliance with industry standards. By employing secure hashing, distributed consensus, and encryption, the system protects product information from tampering or duplication. Key components of the model include QR-based verification, real-time transaction logging, and cryptographic data encryption. The integration of blockchain technology enhances security, allowing businesses to reduce risks associated with counterfeiting, such as financial losses and reputational damage. Furthermore, the system promotes ethical practices by ensuring that products are sourced and distributed responsibly.This project aims to provide a comprehensive overview of a blockchain-based authentication framework, demonstrating its advantages in ensuring transparency, reducing fraud, and strengthening consumer trust. It also highlights the potential for scalability, as the system can be adapted to various industries,

including pharmaceuticals, luxury goods, and electronics, where counterfeit detection is critical. By addressing the limitations of traditional anti-counterfeiting methods, this system offers a robust, secure, and efficient solution to combat counterfeit products, ultimately benefiting both consumers and businesses

2. LITERATURE SURVEY

In the field of fake product detection, there has been significant interest in blockchain-based solutions that focus on enhancing supply chain transparency and product authenticity. This approach effectively utilizes blockchain technology, QR codes, and cryptographic algorithms like SHA-256 to ensure the integrity of product information. Impressively, this methodology has demonstrated the ability to provide tamper-proof records, enabling consumers to verify product authenticity with high accuracy. Another noteworthy approach within the realm of counterfeit detection involves the use of technologies such as RFID tags, security holograms, and DNA coding. These methods adopt distinct paths by assessing product authenticity through unique identifiers and embedded materials. However, it is vital to recognize that these approaches are not without limitations, particularly concerning cost, scalability, and susceptibility to replication. Additionally, a decentralized system for fake product detection has been proposed, employing blockchain's immutable ledger and smart contracts for secure data storage and verification. This system's core components are centered around product registration, QR code generation, and real-time verification, with a particular emphasis on transparency and security. What sets this system apart is its ability to eliminate the need for third-party intermediaries, ensuring data integrity and
reducing the risk of tampering. While the system requires significant computational resources and storage, it exemplifies the potential of blockchain technology in combating counterfeit products. Lastly, an in-depth exploration into counterfeit detection from the standpoint of supply chain management is presented in various studies. These researches offer a comprehensive survey of blockchain-based techniques employed within this domain, shedding light on the diverse array of features and metrics used for product authentication. These diverse approaches collectively contribute to the ongoing endeavor to enhance consumer trust and safeguard brand reputation in the market.

3. Problem Statement and Objectives

The rise of counterfeit products in the retail sector has become a major issue, impacting both consumers and businesses. Current anti-counterfeiting methods, such as QR codes, RFID tags, and machine learning, face challenges like vulnerability to duplication, high computational demands, and insufficient transparency. The lack of a reliable, tamper-proof system for verifying product authenticity has resulted in financial losses, damage to brand reputation, and a decline in consumer trust. Furthermore, the inability to track products in real-time across the supply chain makes it challenging to detect and stop the circulation of counterfeit goods. There is an urgent need for a decentralized, secure, and transparent solution to address these issues. The proposed blockchain-based system aims to tackle these problems by offering an immutable and transparent platform for product verification. This will empower consumers to verify product authenticity before purchase and assist businesses in protecting their brand value and ensuring supply chain integrity.

3.1 Objective

The primary objective of this project is to design and implement a blockchain-based system for fake product detection using QR codes. The system aims to create a secure, decentralized platform that records and verifies product information at every stage of the supply chain. By leveraging blockchain's immutability and transparency, the system will enable consumers to verify product authenticity in real-time, while helping manufacturers and retailers track product movement and prevent unauthorized diversions. The proposed solution seeks to

eliminate the need for intermediaries, reduce distribution costs, and enhance overall supply chain efficiency and security, thereby addressing the challenges posed by counterfeit products in the market.

3.2 Scope

The scope of this project encompasses the development and implementation of a blockchain-based system for detecting counterfeit products using QR codes. The system will focus on creating a secure, decentralized platform that records and verifies product information at every stage of the supply chain, from manufacturing to distribution and retail. By leveraging blockchain technology, the system ensures data immutability, transparency, and security, enabling consumers to verify product authenticity in real-time through a user-friendly interface. The project will also address the integration of QR codes with blockchain to provide a tamper-proof digital signature for each product, ensuring that the information cannot be altered or replicated. Additionally, the system will facilitate manufacturers and retailers in tracking product movement, preventing unauthorized diversions, and improving supply chain efficiency.

The scope includes the development of a decentralized application (DApp) for seamless interaction between consumers, manufacturers, and retailers, ensuring accessibility and ease of use. While the primary focus is on the retail market, the system's design can be extended to other industries such as pharmaceuticals, luxury goods, and electronics, where counterfeit detection is critical. The project will also explore potential challenges, such as QR code swapping and storage costs, and propose solutions to enhance the system's robustness and scalability. Overall, the project aims to provide a comprehensive, secure, and efficient solution to combat counterfeit products, benefiting both consumers and bus

4.Work Flow:

4.1 Data Flow Diagram:

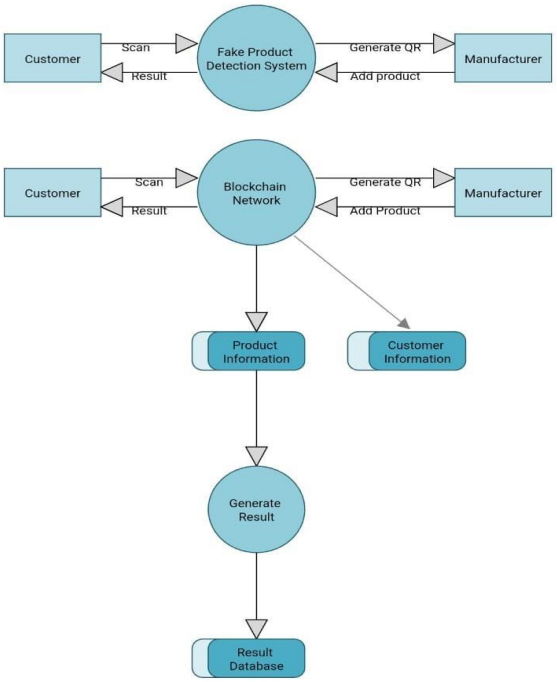


Fig-4.1 : Data Flow Diagram: Fake Product Detection Using Blockchain

4.2 Architectural Diagram

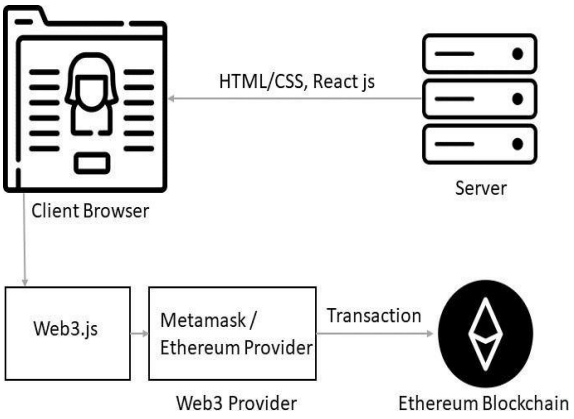
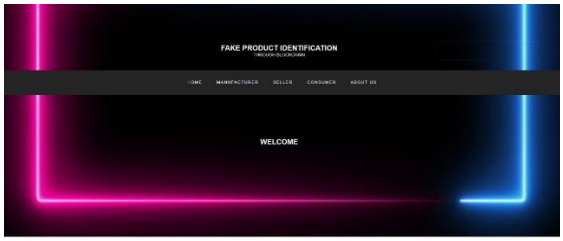


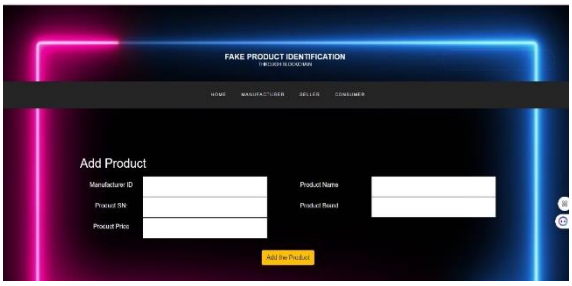
Fig-4.2: Architectural Diagram: Fake Product Detection Using Blockchain

Output:

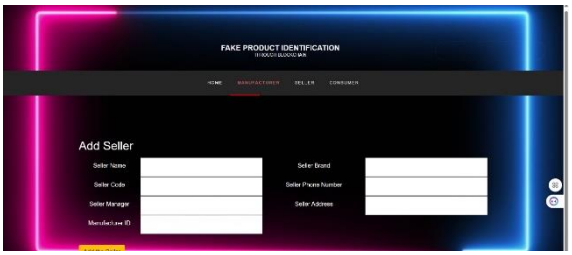
A) Home Page:



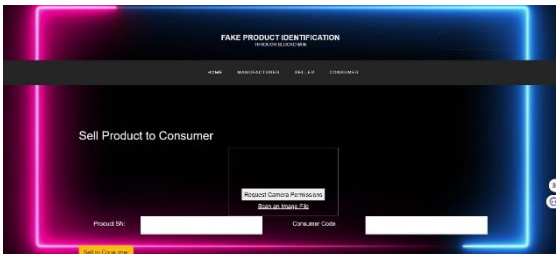
B) Add Product Page:



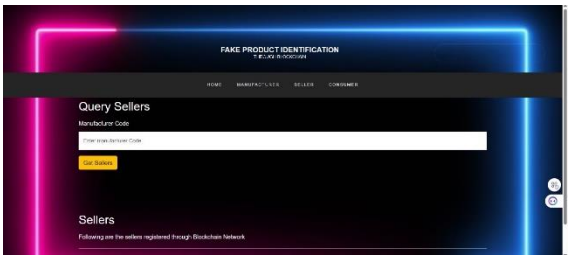
C) Add Seller Page:



D) Sell Product to Consumer Page:;



E) Seller query page:



5 Advantages and Limitations:

Advantages

1. Enhanced Transparency: The system provides a transparent and immutable record of product information, enabling consumers and businesses to verify authenticity at every stage of the supply chain.
2. Improved Security: Blockchain's decentralized nature and cryptographic algorithms ensure that product data is secure and tamper-proof, reducing the risk of fraud and counterfeiting.
3. Real-Time Verification: QR codes linked to blockchain allow for instant verification of product authenticity, empowering consumers to make informed purchasing decisions.

Limitations

1) QR Code Vulnerabilities: QR codes can be duplicated or replaced, which may allow counterfeit products to bypass the system if additional security measures are not implemented.
2) High Implementation **Costs**: Establishing a blockchain-based system involves significant expenses related to technology, infrastructure, and skilled personnel, which may be a barrier for smalle

Conclusion:

In a market where counterfeit products pose a significant threat to consumer trust and brand integrity, the need for a robust and reliable detection system has become increasingly evident. The proposed blockchain-based system, integrated with QR codes, offers a secure and transparent solution to verify product authenticity in real-time. By leveraging blockchain's immutable ledger and cryptographic security, the system ensures that product information cannot be tampered with, providing consumers with confidence in their purchases. Additionally, the system enables manufacturers and retailers to track product movement, preventing unauthorized diversions and ensuring supply chain transparency.

The implementation of such a system can significantly reduce economic losses caused by counterfeit products and enhance consumer trust. While challenges such as QR code vulnerabilities and high implementation costs exist, innovative solutions like hybrid storage systems and enhanced QR security can address these limitations. By adopting this technology, businesses can safeguard their reputation, comply with industry standards, and promote ethical practices in the supply chain. Ultimately, this system represents a transformative step toward combating counterfeit products and fostering a safer, more transparent marketplace.

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BIOGRAPHY:

Ms. Priyadarshini Badgujar. has completed her M.E. in Computer Engineering. She is working as an Assistant Professor at the New Horizon Institute of Technology and Management. In the Department of Computer Science and Design

Mr. Aditya Milind Yadav is pursuing a Bachelor of Computer Science and Design from New Horizon Institute of Technology and Management, Thane which is affiliated with the University of Mumbai.

Mr. Aditya Prakash Shelke is pursuing a Bachelor of Computer Science and Design from New Horizon Institute of Technology and Management, Thane which is affiliated with the University of Mumbai.

Mr. Sairaj Jitendra Pawar is pursuing a Bachelor of Computer Science and Design from New Horizon Institute of Technology and Management, Thane which is affiliated with the University of Mumbai

Mr. Jayant Anilkumar Singh is pursuing a Bachelor of Computer Science and Design from New Horizon Institute of Technology and Management, Thane which is affiliated with the University of Mumbai