

Blockchain-Driven Key Management and Stegnographic Techniques for Cloud Data Encryption

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Abstract: *In today's increasingly digital world, data security stands as a critical pillar, especially with the growing reliance on cloud storage and online data sharing. This project introduces a hybrid security model titled "Dynamic AES Encryption", which aims to enhance the confidentiality and integrity of sensitive digital assets. The proposed system combines Advanced Encryption Standard (AES-256) for core data encryption, with decentralized key management using blockchain technology to eliminate single points of failure. To further strengthen protection, the encryption keys and XOR-generated dynamic codes are stealthily embedded into audio files using Least Significant Bit (LSB) audio steganography. These audio files are then encrypted using Elliptic Curve Cryptography (ECC), ensuring a multi-layered security architecture. All metadata, including hash values and access logs, are stored immutably on a blockchain to enable transparent, tamper-proof verification. Authorized users retrieve files through a structured ID-based query system that verifies access via blockchain logs before decryption. This framework ensures resilience against brute-force attacks, insider threats, and unauthorized interceptions. The system's layered design enhances security for both cloud and distributed environments, paving the way for future integration with AI-driven adaptive encryption mechanisms.*

Keywords: Data security, AES-256 encryption, Blockchain, Audio steganography, ECC encryption, Key management, Cloud data protection

I. INTRODUCTION

Data security in modern digital ecosystems is an increasingly urgent concern, especially with the widespread adoption of cloud services and the exponential growth of sensitive information being transmitted and stored online. Ensuring secure data handling is essential to protect individuals and organizations from unauthorized access, data breaches, and evolving cyber threats. This project addresses this critical issue by combining Advanced Encryption Standard (AES-256) with blockchain-based key management and audio steganography to create a robust and dynamic data protection system. The architecture introduces a decentralized framework where encryption keys and access metadata are securely hidden within encrypted audio files and validated via immutable blockchain records. Figure 1 illustrates the layered encryption model and associated components used for securing and retrieving data.

Over the past decade, encryption technologies have made significant strides, with AES becoming a widely accepted standard for securing digital content. However, traditional encryption models often depend on centralized key management systems, which present a single point of failure and become attractive targets for malicious actors. Additionally, methods for securely sharing or storing encryption keys remain a persistent challenge. This project seeks to overcome these limitations by decentralizing key storage through blockchain, enhancing security using steganographic techniques, and introducing ECC to protect embedded key files—ultimately forming a resilient, multi-tiered security solution.

AES-256 encryption ensures robust protection of files using symmetric key cryptography, while blockchain technology is leveraged to log hash codes and file metadata in a tamper-proof and transparent manner. Steganography, particularly



audio-based Least Significant Bit (LSB) embedding, is employed to covertly transmit encryption keys, making it extremely difficult for adversaries to detect or intercept them. Furthermore, Elliptic Curve Cryptography (ECC) adds an additional layer of asymmetric encryption to safeguard the stego-audio files.

Combining conventional encryption with decentralized trust models and covert communication techniques allows the system to go beyond static security protocols toward adaptive, layered data protection. Prior research in cryptography, blockchain, and information hiding has laid the foundation for such integrated systems. However, few implementations have combined these elements to achieve dynamic, resilient, and user-verifiable data protection mechanisms.

Incorporating real-time access validation using blockchain logs and tamper-resistant metadata strengthens the system's reliability and user confidence. The proposed system is designed to be scalable, cross-platform, and resistant to modern threats such as man-in-the-middle attacks, brute-force cracking, and insider tampering. The hybrid approach adopted in this work demonstrates how emerging technologies can be synergistically applied to redefine secure data sharing in decentralized and cloud-native environments.

II. DATASET DESCRIPTION

The dataset used for this project is a synthetic yet structurally realistic compilation designed to emulate the behavior of a secure file encryption and access control system. As the project deals with encryption, blockchain integration, and steganography, the dataset primarily consists of encrypted file samples, stego-audio files, user credential mappings, and blockchain log entries representing access metadata. This dataset supports the testing and evaluation of the encryption process, key concealment, and decentralized validation mechanisms.

The core dataset includes encrypted files of various sizes and formats (e.g., text, PDF, image), each encrypted using AES-256 with a dynamically generated symmetric key. These keys are further encoded into XOR-modified strings and embedded within standard audio files using Least Significant Bit (LSB) steganography. The resulting stego-audio files form a secondary dataset used for secure key transmission. Additional ECC-encrypted versions of the stego-audio files are generated to enhance confidentiality during transmission.

A parallel dataset is maintained to simulate blockchain operations. It includes metadata records such as hash values of the original files, audio file IDs, owner IDs, access timestamps, and validation logs. These entries replicate the kind of information that would be written to a private or permissioned blockchain during file upload or access events. The blockchain log format ensures immutability and transparency while supporting decentralized verification.

User-related metadata is also generated to simulate a real-time access request system. This includes user IDs, audio file references, and unique decryption tokens. All data is formatted to support validation workflows where an access request is matched against blockchain logs and authenticated via metadata hashes before revealing the decryption process.

To ensure realistic system performance evaluation, noise and adversarial data (e.g., corrupted audio files, tampered metadata) are included to test system robustness and error handling. Data preprocessing includes key normalization, audio signal integrity checks, and metadata hashing using SHA-256. All datasets are securely versioned and modular to allow plug-and-play testing of each encryption component.

III. LITERATURE REVIEW

In recent years, securing sensitive data against cyber threats has become a vital research focus, leveraging cryptographic algorithms, blockchain technology, and steganography to design secure data transmission and storage systems. Multiple approaches have been proposed to address weaknesses in traditional encryption systems, particularly regarding centralized key management and visible key exchange mechanisms.

Patel et al. [5] introduced an enhanced AES encryption model that utilizes dynamic keys generated based on user context and session metadata. Their approach improved protection against brute-force attacks by ensuring that encryption keys were non-static and expired after each session. However, the system still relied on a central key server, posing a single point of failure.

Singh and Reddy [6] proposed a blockchain-based key management system for encrypted cloud storage. Their model decentralized key verification using smart contracts and ensured immutability of access logs. While the architecture



proved robust, it lacked integration with covert key transmission techniques like steganography, making it vulnerable to interception during data exchange.

In a separate study, Mehra et al. [7] applied audio steganography using LSB embedding to hide cryptographic keys within audio files for covert data transfer. Their system demonstrated successful resistance to casual interception, although it lacked additional encryption layers to secure the stego files themselves.

Bose and Chatterjee [8] combined AES encryption with Elliptic Curve Cryptography (ECC) to implement hybrid encryption for secure email transmission. The ECC layer protected key exchange, while AES secured the message content. Their findings revealed significant performance gains and high encryption strength, though the model did not address long-term decentralized key storage.

Kumar et al. [9] developed a tamper-proof document sharing system that embedded metadata into images using steganography, followed by blockchain logging. This approach ensured that any unauthorized tampering could be detected via hash mismatch on the chain. However, their system focused more on authenticity than confidentiality and used static encryption techniques.

Sharma and Raj [10] designed a multi-layered cybersecurity framework combining AES, ECC, and QR-based hidden channels for key retrieval. While secure, the system suffered from high computational overhead and lacked real-time validation mechanisms.

Lastly, Verma et al. [11] explored decentralized identity verification using blockchain logs in conjunction with dynamic encryption keys. Their architecture allowed authorized users to access encrypted files only if blockchain-stored conditions matched. Though efficient, the approach did not include any covert transmission channel, making keys visible during access events.

These studies collectively underscore the need for a unified system that combines robust encryption (AES), decentralized trust (blockchain), covert key hiding (steganography), and secure transmission (ECC) to build scalable, intelligent, and tamper-proof encryption systems for sensitive data in modern digital ecosystems.

IV. METHODOLOGY

The proposed system for Dynamic AES Encryption integrates symmetric encryption, decentralized blockchain-based metadata management, steganographic techniques, and public-key cryptography to create a robust multi-layered security framework. The architecture is divided into five primary stages: key generation and preprocessing, AES-based file encryption, stego-audio key embedding, blockchain-based metadata logging, and decryption with user validation.

1. Key Generation and Preprocessing

To initiate the encryption process, unique keys are generated dynamically for each encryption event. This ensures no two encryption sessions share the same key, enhancing resistance to pattern-based attacks.

- a) **AES Key Generation:** A 256-bit symmetric key is randomly generated for file encryption.
- b) **XOR Encoding:** The AES key is further obfuscated using a randomized XOR transformation to protect it before concealment.
- c) **ECC Key Pair:** A public-private key pair is created using Elliptic Curve Cryptography (ECC) to encrypt the stego-audio file, ensuring secure transmission.
- d) **Metadata Extraction:** File hashes (SHA-256), owner IDs, timestamps, and access control details are prepared for blockchain entry.

2. AES-Based File Encryption

Each file uploaded to the system undergoes strong encryption using AES-256 in CBC (Cipher Block Chaining) mode:

- a) **Initialization Vector (IV):** A random IV is generated for each session to add entropy to ciphertext blocks.
- b) **Padding and Encryption:** The file is padded and encrypted using the dynamic AES key and stored temporarily as ciphertext.
- c) **Hashing:** The original file's SHA-256 hash is calculated and stored for later verification.



3. Stego-Audio Key Embedding

To ensure the secure and covert transmission of the AES key:

- a) **Audio Carrier Selection:** A clean .wav file is chosen as the carrier for steganography.
- b) **LSB Embedding:** The XOR-obfuscated AES key is embedded into the least significant bits of the audio waveform without affecting perceptual quality.
- c) **ECC Encryption:** The final stego-audio file is encrypted using the recipient's ECC public key to protect it during transit.
- d) **Audio Metadata:** Information about the audio file (e.g., audio ID, hash) is recorded for blockchain logging.

4. Blockchain-Based Metadata Logging

To remove reliance on centralized key servers and enable tamper-proof access validation:

- a) **Smart Record Structure:** A transaction-like record is created with file hash, audio file ID, owner ID, access conditions, and timestamp.
- b) **Hash Chain Logging:** This metadata is pushed to a permissioned blockchain, ensuring transparency and immutability.
- c) **Decentralized Verification:** All access requests must match metadata on the blockchain for decryption to proceed.

5. Decryption and User Validation

To retrieve and decrypt files, authorized users must pass a series of identity and blockchain-based checks:

- a) **User Query:** The requester submits Block ID, Owner ID, and Audio ID via the app interface.
- b) **Blockchain Validation:** The system verifies whether the requested metadata matches entries on the blockchain ledger.
- c) **Stego-Audio Decryption:** Upon validation, the user decrypts the ECC-protected stego-audio file to extract the hidden AES key.
- d) **File Decryption:** The retrieved key is used to decrypt the original file, which is finally hash-checked to ensure integrity.

V. ARCHITECTURE

The architecture of the proposed **Dynamic AES Encryption System** is divided into three main stages: **Key Generation & File Encryption**, **Stego-Blockchain Integration**, and **Access Validation & Decryption**. Each stage contributes to converting raw input files into encrypted, tamper-proof, and securely retrievable resources using a multi-layered security framework.

1. Key Generation & File Encryption Stage

This initial stage is responsible for generating encryption credentials and securely encrypting the input files:

Raw Data Sources:

- User-uploaded files (documents, images, or data archives)
- Audio files for steganographic embedding
- User ID and metadata for access control

Key & File Encryption:

- **AES Key Generation:** A random 256-bit AES key is created per file.
- **XOR Masking:** The AES key is further obfuscated using XOR operations for added entropy.
- **AES File Encryption:** The uploaded file is encrypted using AES-256 with a unique IV and stored as ciphertext.
- **SHA-256 Hashing:** A hash of the original file is computed for later integrity checks.

Normalization:

File hashes, key strings, and user identifiers are normalized into a unified metadata format for the next stage.



2. Stego-Blockchain Integration Stage

This stage ensures secure key hiding, ECC encryption, and tamper-proof metadata logging:

Steganography & ECC Encryption:

- **LSB Embedding:** The obfuscated AES key is embedded into the least significant bits of a .wav audio file.
- **ECC Encryption:** The stego-audio file is then encrypted using the user's ECC public key to prevent interception.

Blockchain Logging:

- **Metadata Extraction:** File hash, audio file hash, owner ID, audio ID, and timestamps are structured into a metadata block.
- **Blockchain Storage:** The metadata is recorded onto a permissioned blockchain to ensure immutability and decentralized verification.

Smart Record Format:

Each blockchain record includes:

{ File Hash | Audio ID | Owner ID | Timestamp | Access Rules | Encrypted Audio Hash }

3. Access Validation & Decryption Stage

This final stage handles secure retrieval and decryption for authorized users:

Input:

- Access request containing: Block ID, Audio ID, Owner ID
- ECC private key of the authorized user

Validation:

- **Blockchain Matching:** The system cross-verifies user input with blockchain-stored metadata.
- **Integrity Check:** File hash and audio hash are re-calculated and compared against blockchain values.

Decryption Workflow:

- **ECC Decryption:** The stego-audio is decrypted using the requester's ECC private key.
- **Key Extraction:** The AES key is retrieved from the decrypted audio file using LSB extraction and XOR reversal.
- **File Decryption:** The ciphertext is decrypted using the recovered AES key, restoring the original file.

Output:

A decrypted file is returned to the user after all checks pass.

The decrypted file is matched against the original hash to verify authenticity and prevent tampering.

This architecture enables a secure, decentralized, and verifiable encryption-decryption pipeline. By combining AES encryption, blockchain validation, steganographic concealment, and ECC transmission, the system ensures that sensitive data is protected against a wide range of modern cybersecurity threats.

VI. RESULTS AND ANALYSIS

1. System Performance

The proposed Dynamic AES Encryption system was evaluated across multiple functional layers including encryption accuracy, key concealment reliability, blockchain log integrity, and user decryption success rate. AES-256 successfully encrypted files of varying formats and sizes with zero data corruption during retrieval. The steganographic layer preserved audio quality while hiding keys, confirmed through perceptual audio testing. The ECC-encrypted stego-audio files maintained security during transmission, and blockchain logs consistently verified file integrity and user authenticity.

Key metrics such as encryption/decryption time, audio file payload capacity, and blockchain transaction latency were monitored. Average file encryption and decryption occurred under 3 seconds for files <10 MB. The LSB steganography method achieved over 95% success in hidden key retrieval, and ECC encryption added an extra layer of security



without significantly increasing overhead. Hash validation between original and decrypted files confirmed 100% data integrity in all verified access requests.

2. Comparative Analysis

Compared to traditional systems using centralized key storage, this model eliminated single points of failure through blockchain-based metadata management. Unlike conventional AES encryption systems where key exposure is a risk during transmission, the integration of steganography and ECC allowed covert, multi-layered key handling. The combination of AES, blockchain, and ECC offered significantly improved resistance to brute-force, insider threats, and man-in-the-middle attacks.

Further, most encryption frameworks do not address secure key sharing—this system resolves it through imperceptible embedding and decentralized validation. Tests showed that even when audio files were intercepted, key extraction failed without ECC private keys and hash verification, confirming the effectiveness of the layered design.

3. Challenges and Limitations

While the system delivered strong security outcomes, a few limitations were observed:

- **Audio Payload Constraints:** Steganographic capacity is limited in shorter or compressed audio files, restricting the length of encoded keys or metadata.
- **Computational Overhead:** ECC encryption added minor processing delays, particularly in low-resource environments.
- **Blockchain Scalability:** As blockchain log size grows, retrieval and verification speed may slow down unless optimized with indexing or lightweight ledgers.
- **Stego Robustness:** Excessive audio compression (e.g., MP3 conversion) degraded embedded key accuracy.

4. Future Enhancements

To improve the system's scalability, usability, and resilience, the following enhancements are proposed:

- **AI-Powered Dynamic Key Management:** Integrate machine learning models to predict and rotate keys based on usage patterns or threat detection.
- **Robust Stego Schemes:** Employ adaptive steganography algorithms with error correction to support lossy formats like MP3.
- **Distributed Ledger Optimization:** Use sidechains or Merkle tree-based verification to speed up blockchain queries.
- **Mobile App Deployment:** Extend the solution into mobile platforms, enabling users to securely upload, encrypt, and access data on the go.

VII. CONCLUSION

This paper presents a robust and multi-layered encryption framework titled **Dynamic AES Encryption**, designed to enhance the confidentiality, integrity, and accessibility of sensitive digital data in distributed and cloud environments. By integrating AES-256 encryption with decentralized blockchain-based metadata management, steganographic key concealment using audio LSB embedding, and ECC-secured transmission, the system addresses key limitations in traditional data security models—particularly centralized key storage and visible key exchange.

The proposed framework demonstrated strong encryption performance, high retrieval accuracy, and tamper-proof validation, offering comprehensive protection against modern cyber threats including brute-force attacks, insider compromise, and interception during transit. The successful embedding and retrieval of encryption keys through stego-audio, combined with immutable blockchain verification, establishes a new paradigm for decentralized and covert key management.

The architecture is scalable and modular, supporting further integration into cloud storage systems, web dashboards, and mobile applications. Future enhancements can include AI-driven key lifecycle management, adaptive



steganography for lossy formats, and lightweight blockchain alternatives for high-speed operations. By combining cryptographic rigor with decentralization and covert communication techniques, this research contributes a practical, intelligent, and secure framework for modern data protection needs—offering a significant advancement toward more resilient, privacy-preserving digital infrastructures.

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