Circular Trading Identification

Circular trading is a fraudulent transaction where the original and final destination of commodity is same.

Data

Sample dataset has been created for the analysis and detection of circular trading. The dataset looks like:
- TransactionID
- SellerID
- BuyerID
- Amount(INR)
- Date

Algorithm

1. Read data
2. Initially all the transactions are suspicious
3. Checking whether the buyers are also the sellers in suspicious transactions
4. Recording that particular transaction as circular transaction where buyer is selling something.
5. Now the recorded circular transactions are suspicious for next iteration.
6. Repeat steps 2-6 till the number of suspicious and circular transactions are same.
7. Stop

Flow Chart