



Centurion
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Shaping Lives...
Empowering Communities...

School: Campus:

Academic Year: Subject Name: Subject Code:

Semester: Program: Branch: Specialization:

Date:

Applied and Action Learning

(Learning by Doing and Discovery)

Name of the Experiment : Build DeFi – AMM or Lending Prototype

Objective/Aim:

- To understand the working of Decentralized Finance (DeFi) protocols.
- To build and test a simple Automated Market Maker (AMM) or Lending/Borrowing prototype using smart contracts on a blockchain testnet.
- To observe how users can swap tokens.

Apparatus/Software Used:

- Remix IDE (for writing and deploying Solidity smart contracts).
- MetaMask Wallet (for connecting to Ethereum testnet like Sepolia).
- Solidity programming language.
- DeFi protocol code (AMM smart contract or lending smart contract).

Procedure:

1. Open Remix IDE then write the solidity code to create two tokens and compile it.

The screenshot shows the Remix IDE interface with the following code in the editor:

```
// SPDX-License-Identifier:MIT
pragma solidity ^0.8.20;

import "@openzeppelin/contracts/token/ERC20/ERC20.sol";

contract MyToken is ERC20{
    constructor(string memory name, string memory symbol) infinite gas 710800 gas {
        ERC20(name,symbol){
            _mint(msg.sender,1000000* 10** decimals());
        }
    }
}
```

The code defines a new ERC20 token named "MyToken". It includes a constructor that sets the name and symbol and initializes the token supply to 1,000,000 units with 18 decimal places. The Remix interface shows the code being compiled, with the status bar indicating "infinite gas 710800 gas".

Procedure:

2. After compilation go to the deploy section and write token name and symbol and deploye it and import that deployed token in MetaMask.

The figure consists of three side-by-side screenshots. The left and middle screenshots are from a deployment interface. Both show a 'Custom' button, a value input field set to '3000000 Wei', and a 'CONTRACT' dropdown set to 'MyToken - contracts/MyToken.sol'. Below these are fields for 'name:' (set to 'shruti') and 'symbol:' (set to 'SP'). At the bottom are buttons for 'Calldata', 'Parameters', and 'transact'. The right screenshot shows the MetaMask wallet interface. It displays an account balance of '0.1413 SepoliaETH' with a symbol 'SHRUTI'. Below this, a table lists tokens: SepoliaETH (No conversion rate available), SP (No conversion rate available), and SHRUTI (No conversion rate available, with a balance of 998,899,99999 SP).

3. Now write the smart contract for AMM and swap token then compile it .

```

✓ Compiled ▾ | 🔎 Home | ⚡ MyToken.sol | ⚡ AMM.sol ✘
4 import "@openzeppelin/contracts/token/ERC20/IERC20.sol";
5
6 contract AMM {
7     IERC20 public tokenA;
8     IERC20 public tokenB;
9     uint public reserveA;
10    uint public reserveB;
11
12    constructor(IERC20 _tokenA, IERC20 _tokenB) {
13        tokenA = _tokenA;
14        tokenB = _tokenB;
15    }
16    function provideLiquidity(uint amountA, uint amountB) external {
17        require(tokenA.transferFrom(msg.sender, address(this), amountA));
18        require(tokenB.transferFrom(msg.sender, address(this), amountB));
19        reserveA += amountA;
20        reserveB += amountB;
21    }
22    function swapAforB(uint amountA) external {
23        uint amountB = (amountA * reserveB) / (reserveA + amountA);
24        require(tokenB.transfer(msg.sender, amountB));
25        require(tokenA.transferFrom(msg.sender, address(this), amountA));
26        reserveA += amountA;
27        reserveB -= amountB;
28    }
}

```

4. After compilation go to the deploy section and give the contract address of that two token we previously created and click on transact and confirm transaction on MetaMask .Now our smart contract is successfully deployed.

The left screenshot shows the 'Deploy' section of the Remix IDE. It has two dropdown menus for tokens: '_tokenA' set to '0x7F4539308Ed5FAf3245001FE3' and '_tokenB' set to '0xD95783098157e00518Db9321'. Below these are buttons for 'Calldata', 'Parameters', and a large orange 'transact' button. Further down are options for 'Publish to IPFS' and a 'At Address' button with the address '0xD95783098157e00518Db'. The right screenshot shows a MetaMask confirmation dialog titled 'Deploy a contract'. It asks 'This site wants you to deploy a contract'. It shows 'Estimated changes' as 'No changes', 'Request from' as 'remix.ethereum.org', 'Network fee' as '0.0008 s SepoliaETH', and 'Speed' as 'Market ~16 sec'. At the bottom are 'Cancel' and 'Confirm' buttons.

```
Type the library name to see available commands.
creation of AMM pending...

view on Etherscan  view on Blockscout

✓ [block:8995690 txIndex:6]  from: 0x42e...1b8d1 to: AMM.(constructor) value: 0 wei data: 0x608...919ff logs: 0 hash: 0xeb8...87613
```

5. The AMM smart contract correctly handled liquidity addition for both tokens and Swap transactions were executed successfully, and token balances updated as expected. All transactions were confirmed on the Ethereum test network without errors.

- 1.The ERC-20 tokens (TokenA and TokenB) were successfully deployed and visible in MetaMask.
- 2.The AMM smart contract correctly handled liquidity addition for both tokens.
- 3.Swap transactions were executed successfully, and token balances updated as expected.
- 4.All transactions were confirmed on the Ethereum test network without errors

ASSESSMENT

Rubrics	Full Mark	Marks Obtained	Remarks
Concept	10		
Planning and Execution/ Practical Simulation/ Programming	10		
Result and Interpretation	10		
Record of Applied and Action Learning	10		
Viva	10		
Total	50		

Signature of the Student:

Name :

Signature of the Faculty:

Regn. No. :

Page No.....

*As applicable according to the experiment.
Two sheets per experiment (10-20) to be used.