

MOOT PROBLEM

1. In the year 1993, Mr. Tapan Manojbhai Shah (“**Mr. Tapan Manoj**”) moved to Mumbai from his home city of Ahmedabad and commenced his journey to broking superstardom. After initially having worked with a giant brokerage house where he learnt the ropes of the trade under the tutelage of various seasoned stockbrokers, he eventually applied for, and received from SEBI, his registration as a stock broker. Mr. Tapan Manoj, fondly known as TM sir by the employees at his new brokerage house Peterfat Trading Company Limited (“**PFTC**”), was widely regarded as a broker of stellar reputation, integrity and character. Various corporates, including large investment firms swore by his reputation, and only traded through him. Promoters of various listed companies also were often seen with Mr. Tapan Manoj at various glamorous parties frequented by movie stars, fund managers and politicians. It was widely known and believed, that any company Mr. Tapan Manoj recommended, would turn to gold, with stocks often observing a meteoric rise in price within a couple of years. PFTC, apart from being registered as a stockbroker, further procured, through its subsidiaries/group companies, registration as a depository participant, investment adviser etc.
2. It is at one such glitzy party in the year 2012, that Mr. Tapan Manoj met Mr. Kapil Varma, a multi-millionaire businessman and his spouse, Ms. Tishita Mehta a commodities trader of some standing. Mr. Kapil Varma, an alumnus of a premier engineering college, was widely regarded as a tech guru and visionary, which coupled with his familial wealth, had catapulted him to tremendous success. The trio immediately hit it off, due to shared interests in the Indian stock markets and the driven nature of their personalities and were a hip clique in their social circles. Mr. Kapil Varma and Mr. Tapan Manoj further shared a professional relationship with Mr. Kapil Varma appointing PFTC as his sole stockbroker. Further, Mr. Tapan Manoj, who wanted to enter the commodities markets, also invested heavily in Ms. Tishita Mehta’s commodities brokerage house, Tishita Commodities Private Limited (“**Tishita Commodities**”) and was inducted as a non-

executive director therein. In the year 2016, Mr. Tapan Manoj controlled about 25% of Tishita Commodities, which was flourishing, and generated huge volumes of commodities trades on the Indian commodities markets. Mr. Tapan Manoj, was also designated the head of the ‘other investments’ department in the company, which was in charge of proprietary stock/commodities investments.

3. In the year 2016, Mr. Kapil Varma, was seeking partners to support his venture into the Artificial Intelligence space, being carried out through a newly launched division dedicated to AI development in Techaatma Limited (“**Techaatma**”), a company that had for decades been a frontrunner in revolutionary tech development. Techaatma, had capitalised on its Promoter, Managing Director and CEO, Mr. Kapil Varma’s strong leadership, broad network and technical know-how and had come to be a market-leader in a diverse array of tech products, including but not limited to web-based app development, trading software, smart home systems, etc. The company had opened to a strong IPO in 2003 and had generated year on year profits until the year 2014, when strong competition in the sector, entry of high paying competing companies etc led to a slump in operations and consequently profits. Techaatma, was also mired by protests and strikes by its employees, protesting against non-payment of competitive salaries and benefits. Such circumstances led to Techaatma defaulting in certain loans to banks and other financial institutions, resulting in a massive downgrade in its credit ratings and banks and financial institutions refusing to finance the company. It is also during such time that personal tragedy struck Mr. Kapil Varma, with him and Ms. Tishita Mehta undergoing a protracted and acrimonious separation which finally culminated into a divorce by mutual consent in the year 2017.
4. While Techaatma found it difficult to source funds from banks and financial institutions, Mr. Kapil Varma, as a stop gap arrangement in order to commence the new AI department, had sought funding from certain banks and financial institutions through his personal holding company, The Local Brain Limited (“**The Local Brain**”), which was categorised as a promoter/promoter group entity in Techaatma, holding 26% shares therein. For the purposes of acquiring such loan, certain assets were posted as collateral with the banks and financial

institutions, and the loan obtained. Funds obtained vide such loan was infused into Techaatma by Mr. Kapil Varma in order to set up the AI division, which thereafter commenced operations in the year 2015. In the year 2016, Mr. Kapil Varma, however, found it increasingly difficult to service the loan taken from banks and financial institutions, and was in dire need of funds. The market was replete with rumours that the banks and financial institutions would either consider a restructuring package in relation to the loan or initiate insolvency proceedings.

5. Due to his strong belief in Mr. Kapil Varma and his vision, Mr. Tapan Manoj was keen to help him and Techaatma tide through difficult times. Mr. Tapan Manoj, for such purposes, ended up taking a loan for INR 100 cr from New India Finance (“NIF”), an NBFC registered with the RBI with which Mr. Tapan Manoj had a longstanding relationship. NIF, had provided funding to Mr. Tapan Manoj’s various endeavours in the past, including PFTC. To secure such loan, Mr. Tapan Manoj opted for NIF’s Loan-Against – Shares facility (“LAS”) and was required to place 3X security cover as collateral. Given Mr. Tapan Manoj’s strong personal investments and access to securities, Mr. Tapan Manoj posted such collateral with NIF, and acquired the loan. The LAS facility was for a tenure of 5 years, with an option to renew, and was captured in a LAS Facility Agreement between PFTC and NIF.
6. PFTC infused the said 100 crores into The Local Brain by means of a loan at the interest rate of 2% per annum and having a tenure of 10 years. For the purposes of such loan, a Loan Agreement was entered into between PFTC, The Local Brain and Mr. Kapil Varma, and provided for stipulations in relation to the loan. Various safeguards were also provided therein in addition to circumstances that constituted an event of default, and the consequences thereof. One such clause, was that The Local Brain assigned a call option to PFTC, which could be exercised upon the occurrence of certain condition subsequent, i.e. the share price of Techaatma increasing by 600% during the lifetime of the loan. Such call option would entitle PFTC to acquire equity shares aggregating to 99.99% of the fully diluted equity share capital of

The Local Brain at any time during the tenure of the loan in terms of the said Loan Agreement. Any such acquisition would result due satisfaction of any and all debt owed to PFTC. Extracts of the Loan Agreement containing key clauses are placed in **Annexure – A**.

7. Techaatma's AI division, since 2016, took off in a big way, and was a major contributor to its topline by 2021. Techaatma from time to time announced projects that it undertook to the stock exchanges, and there was significant investor interest in the stock. Techaatma's stock price further saw a manifold increase in price and volume traded from such period, and was being routinely recommended across social media channels such as telegram, WhatsApp etc. Finfluencers too, took to recommending Techaatma's scrip in a big way, touting it to be the next big multibagger with huge potential. In 2019, Techaatma launched the beta version of its AI-driven platform for video content creation. The product, through generative AI, transformed physical video production into an entirely digital process. Mr. Kapil Varma and Mr. Tapan Manoj both themselves took to social media from time to time to post about the company, the new product and its potential. Notably, Mr. Tapan Manoj, in his capacity as a stock broker of known repute, went on a series of television shows on financial news channels with the famous journalists from time to time, where he supported the notion that AI was the future of innovation in technology, and touted Techaatma to be the largest and most sophisticated producer of AI software by 2026. PFTC's research reports too, which were sent to clients from time to time, contained in-depth analysis of the stock including various forward-looking statements pertaining to Techaatma.
8. By December 2020, Techaatma had tided over its troubles and was once again on track with profits being posted for three straight quarters. Techaatma's stock had almost tripled in price since 2016, and various foreign portfolio investors and mutual funds had entered the scrip. There was increased trading activity in the scrip during such period, with enhanced volumes. Techaatma, for the purposes of exploring inorganic expansion to supplement its video content creation prowess, had completed acquisitions of various upcoming startups which

further added to investor interest in the company. In January 2021, Techaatma appointed a merchant banker to identify further potential targets to acquire. The adviser to the transaction identified Trebleclef Limited (“**Trebleclef**”) and Tagorestop Limited, both generators of AI based music production softwares, as potential acquisitions. By March 2021, Techaatma had formed an ‘Acquisition Committee’ to identify and approve targets, assist the Board of Directors in discharging its responsibilities relating to oversight of the company’s acquisition strategy in relation to the potential acquisitions etc. The said committee had three meetings in the month of April 2021, and was chaired by the MD & CEO of the company. The Committee vide its resolution dated April 29, 2021, decided to approach Trebleclef through its merchant banker to initiate talks of a merger. Upon realising the synergies that could be created post merger, Trebleclef, a newly listed company, was keen to harness the benefits accruing to the business from such merger and commenced preparation for the purposes thereof. In May 2021, the two companies appointed their respective legal advisers who were tasked with preparing definitive transaction documents. Similarly, registered valuers were also appointed to arrive at a fair swap ratio.

9. In June 2021, the re-payment of the first tranche of the loan amount in accordance with the Loan Agreement fell due. Mr. Kapil Varma, in spite of his best efforts, was unable to liquidate a three-storey building in Khar, Mumbai belonging to The Local Brain that he had proposed to sell to raise funds to repay PFTC due to ongoing litigation with its tenants. With no other avenue to service the loan, The Local Brain commenced liquidation of two other real estate assets situated in Pune and Goa and sold shares of Techaatma amounting to INR 10 crores through a series of transactions in the open market. The counter parties to the sale transactions on the platform of the stock exchange, were retail investors, fund houses, etc. By August 2021, The Local Brain was able to re-pay the first tranche of payments required under the Loan Agreement.

10. In the meanwhile, given the complexities of a merger between two listed companies, various valuation exercises were being carried out by the valuers so as to arrive at a fair value for the transaction. On November 3, 2021, the board of the Techaatma and Trebleclef both approved the merger, subject to regulatory approvals, and a swap ratio of 4:1. Upon announcement of the merger, the price of shares of Techaatma unexpectedly fell by 10% in terms of the closing price. The detailed price movement during the week of the disclosure was as follows –

<i>Date</i>	<i>Open Price</i>	<i>High Price</i>	<i>Low Price</i>	<i>Close Price</i>
01-Nov-21	201.55	205.10	198.06	203.40
02-Nov-21	203.40	207.10	202.15	205.20
03-Nov-21	205.20	209.90	184.68	184.68
04-Nov-21	184.68	185.10	184.00	184.00
05-Nov-21	184.00	187.15	186.10	186.00

11. Mr. Tapan Manoj, upon the merger being disclosed to the stock exchanges, once again took to social media to publish praises of Techaatma’s ‘key and strategic acquisitions. He further, during the course of his television appearances, spoke highly of the potential of the company while detracting its competitors. Pursuant thereto, and upon disclosure of the results for the quarter ended December 2021, which were extremely positive, the price of the scrip further increased resulting in the scrip recording a new all-time high.

12. In March 2022, SEBI initiated an investigation under Section 11 C of the SEBI Act in relation to trading by some suspected entities in the scrip of Techaatma in and around the time the disclosure pertaining to the merger was announced to the stock exchanges. SEBI, upon completion of such investigation, issued an Interim Order and show cause notice (“**SCN 1**” / “**Interim Order**”) to The Local Brain and Mr. Kapil Varma, alleging violations of Section 12 A (e) of the SEBI Act and Regulation 4 (1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”) in relation to the sale of shares by The Local Brain in June and July 2021. SEBI, vide such show cause notice, stated that Mr. Kapil Varma and The Local Brain were privy to unpublished price sensitive information pertaining to the merger of Techaatma and TrebleClef, and had sold shares in the open market while being in possession of such information. Vide the Interim Order, which was passed under Sections 11 (1), 11 B and 11 (4) of the SEBI Act, SEBI passed the following directions against Mr. Kapil Varma and The Local Brain –

- (a) Mr. Kapil Varma and The Local Brain were restrained from buying, selling, or dealing in securities, either directly or indirectly, in any manner whatsoever until further orders;
- (b) Mr. Kapil Varma and The Local Brain’s bank accounts were impounded to the extent of unlawful gains computed in the order and they were directed to deposit such amounts in an escrow account.

13. The Interim Order stated that the noticees may, within 21 days from the date of receipt of the order, file their reply/objections, if any, and indicate whether they desire to avail an opportunity of personal hearing on a date and time to be fixed on a specific request to be made in that regard. The Interim Order stated that the same was passed on account of extreme urgency in the matter as there was a high likelihood of further violations being committed by the Noticees. Mr. Kapil Varma and The Local Brain who were of the view that there were no violations of any applicable law in their conduct, appointed a reputed law firm to represent them in the proceedings before SEBI. Pursuant

to representations made by the Noticees in the proceedings, a confirmatory order came to be passed in the matter on March 29, 2023, confirming the directions contained in the Interim Order (“**Impugned Order 1**”). On May 1, 2023, the Noticees filed a joint appeal before the Hon’ble Securities Appellate Tribunal (“**SAT**”) in Mumbai impugning the Order dated March 29, 2023

14. In April 2022, during the course of routine diligence, NIF discovered that the loan provided to PFTC for working capital purposes pursuant to the LAS Facility Agreement, had instead, been diverted by it to The Local Brain. Upon such end-use of the funds lent being discovered, and given the recent Interim Order/SCN1 issued by SEBI which was in the public domain, NIF officials met with Mr. Tapan Manoj inquiring about the said diversion of the loan amount, the terms of the agreement pursuant to which such loan had been extended to The Local Brain, the recoverability of such loan, etc. In spite of being assured about the recoverability of the said loan amounts, and assurances as to servicing the second tranche of the loan, NIF escalated the issue to its board of directors, which in turn, decided to immediately recall the pending loan amounts and reported the same to SEBI as such use of funds by PFTC amounted to a breach of the LAS Facility Agreement.
15. SEBI, upon perusal of such report, commenced further enquiry into the matter, and within a period of 4 weeks thereafter, issued a show cause notice (“**SCN 2**”) to PFTC, The Local Brain, and Mr. Kapil Varma, alleging that by virtue of the Loan Agreement which contained onerous clauses, PFTC had in fact acquired indirect control over Techaatma. The show cause notice required PFTC to show cause as to why no direction to make an open offer is ought to be issued by SEBI in terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“**Takeover Code**”). The show cause notice further alleged that Mr. Kapil Varma and The Local Brain, by not disclosing the factum of the said Loan Agreement which essentially gave up control of Techaatma to PFTC, were in violation of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)

Regulations, 2015 (“**LODR Regulations**”). It was further alleged, that The Local Brain and Mr. Kapil Varma by not disclosing the Loan Agreement, were in violation of provisions of the SEBI Act read with provisions of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 (“**PFUTP Regulations**”).

16. The Noticees to the aforesaid show cause notice, through their legal advisers, conducted an inspection of documents, and vehemently denied all allegations and participated in the said proceedings. In spite of putting forth a vehement defence, a final order came to be passed against all the Noticees on March 29, 2023 (“**Impugned Order 2**”) holding them liable for the alleged violations. Notably, vide the said order, SEBI issued the following directions against PFTC –

- (a) PFTC was directed to make a public announcement to acquire shares of the target company in accordance with the provisions of the Takeover Code, within a period of 45 days from the date of the order;
- (b) PFTC was directed to, along with the offer price, pay interest at the rate of 10% per annum from the date when they incurred the liability to make the public announcement till the date of payment of consideration, to the shareholders who were holding shares in the target company on the date of violation and whose shares are accepted in the open offer, after adjustment of dividend paid, if any.

17. The said order further, while holding Mr. Kapil Varma and The Local Brain to be in violation of the LODR Regulations and the PFUTP Regulations, imposed a penalty of INR 1.5 crores for violation of the PFUTP Regulations and INR 50 lacs for violation of the LODR Regulations on them, payable jointly and severally. On May 1, 2023, the Noticees filed appeals before the Hon’ble Securities Appellate Tribunal (“**SAT**”) in Mumbai impugning the Order dated March 29, 2023.

18. In September 2022, SEBI issued yet another show cause notice (“SCN 3”), this time to Mr. Tapan Manoj, Tishita Commodities, Ms. Tishita Mehta and certain other entities, alleging violations of provisions of the SEBI Act read with provisions of the PFUTP Regulations and PIT Regulations. The SCN stated that the investigation department of SEBI, had initiated an investigation into the scrip of Techaatma on account of a sudden spurt in price/volume therein, which unearthed a series of manipulative trades entered in the scrip by Tishita Commodities commencing from the year 2019. The SCN alleged that Tishita Commodities, had during the investigation period, placed numerous buy orders in the scrip above the last traded price (LTP), thereby contributing significantly to the total market positive LTP in the scrip. Moreover, many such orders were for either single shares, or a miniscule number of shares and trades consequent to such orders placed were entered into with a set of connected entities, namely Bob Traders LLP, Rangun Traders LLP, one Mr. Brijesh Varora and Mr. Arnav Sampat. Order and Trade Log data for certain sample manipulative trades are placed as **Annexure – B**.¹

19. The SCN, based on the basis of KYC/UCC data, bank transactions, off - market transactions and MCA data, etc., stated the following connections amongst the aforesaid 5 entities:

S. No	PAN Details	Name	Connection Details
1.	2065AACB2	Tishita Commodities Private Limited	a. Entities at Serial No. 1 and 3 had a common additional director Narkesh Shah for the period April 1, 2016 to November 1, 2016. b. Entity at Serial No. 4 is the cousin of Ms. Tishita Mehta who is the majority shareholder/whole time director of Entity No. 1.
2.	2482NLUX1	Bob Traders Limited	
3.	7561ABBT4	Rangun Traders Limited	
4.	2685TRAD3	Brijesh Varora	

¹ Participants may refer to the order log/trade log data as an indicative sample in aid of their submissions.

5.	9875DCBA0	Arnav Sampat	<p>c. Entity at Serial No. 4 is the client of entity no. 1 and also has sizeable debit balance in the client ledger which suggests that it has been funded by the broker with respect to its commodities transactions.</p> <p>d. Director of entity no. 3 has the same address of the same residential complex as entity no. 4 i.e., Kingsway Towers, Kala Ghoda, Mumbai</p> <p>e. Entities at serial no. 2 and 3 have investments in quant algorithm computation start-up EQTiq Private Limited</p> <p>f. Entity Nos 4 and 5 follow the social media page of entity no. 1 and are friends with Ms. Tishita Mehta on the social media website, Pacebook.</p>
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20. The SCN, alleged that the connected entities had traded in tandem and in a concerted manner to artificially pump up the scrip of Techaatma during the investigation period. Their trades, in effect, resulted in the establishing of a New High Price (“NHP”) in the scrip. In support of its contention in relation to the charge of price manipulation, the SCN relied on the following analysis of the trades carried out by Tishita Commodities and other suspected/connected entities –

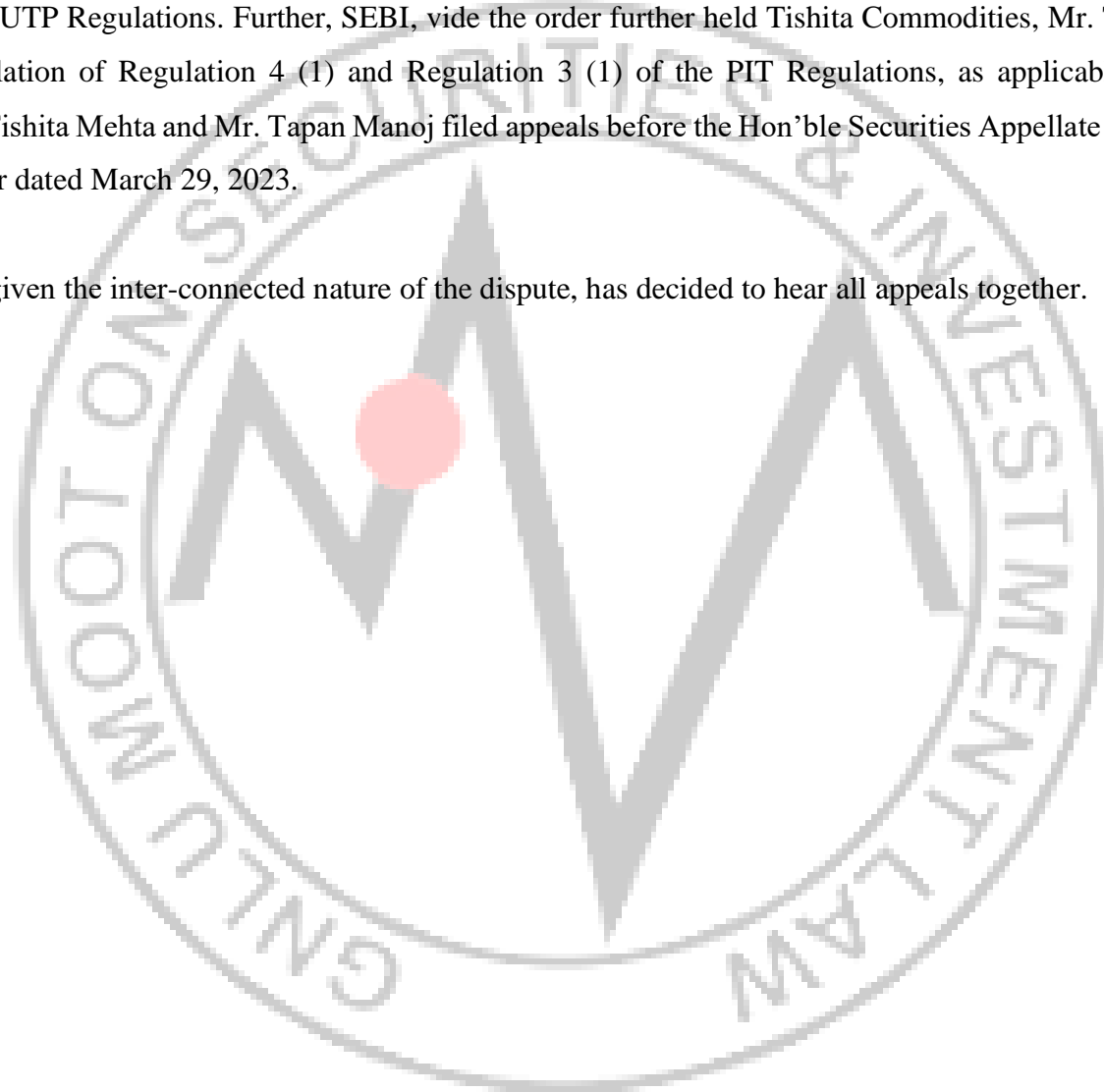
Name of the Buyer	All Trades			LTP Difference > 0			LTP Difference < 0			LTP Difference = 0		% of positive LTP to market positive LTP (Rs 26898.35)
	Net LTP	QTY Traded	No of Trades	LTP Impact	QTY Traded	No of Trades	LTP Impact	QTY Traded	No of Trades	QTY Traded	No of Trades	
Tishita Commodities	6000	2000000	25000	9000	550000	9500	-3000	650000	5500	800000	10000	33.46%

Private Limited												
Rangun Traders LLP	3000	500000	6300	4000	120000	300	-1000	150000	2000	230000	4000	14.87%
Bob Traders LLP	1500	300000	7700	2000	75000	200	-500	125000	3000	100000	4500	7.44%
Brijesh Varora	1000	100000	2700	1200	45000	200	-200	45000	1500	10000	1000	4.46%
Arnav Sampat	500	50000	420	700	10000	20	-200	30000	300	10000	100	2.60%
Total – Suspected Entities	12000	2950000	42120	16900	800000	10220	-4900	1000000	12300	1150000	19600	62.83%
Remaining Entities	- 11,000	11800000	110030	10,000	3000000	46719	-21,000	6000000	43311	2800000	20000	37.18%
Total Market	1,000	14750000	152150	26900	3800000	56939	-25,900	7000000	55611	3950000	39600	100%

21. The SCN, lastly alleged that it was Mr. Tapan Manoj who had created a manipulative artifice to increase the price of the scrip of Techaatma to make unlawful gains on behalf of PFTC. Apart from the above, the SCN also stated that all of Tishita Commodities’ trades in Techaatma were carried out while Tishita Commodities was in possession of unpublished price sensitive information pertaining to the Loan Agreement which was material in nature, thus rendering them in violation of the PIT Regulations. Additionally, in support of its contention insider trading, the SCN relied on Call Data Records (“**CDRs**”) between Ms. Tishita Mehta and Mr. Kapil Varma and Mr. Tapan Manoj, which displayed that during the course of the investigation period, and especially in and around the time when the Loan Agreement was entered into in 2016 and sometime thereafter again in the year 2019, there were various phone calls between Ms. Tishita Mehta and Mr. Kapil Varma, and between Ms. Tishita Mehta and Mr. Tapan Manoj. The Noticees, vide their legal representatives contested the show cause notice vehemently before SEBI. SEBI, however, vide an order dated March 29, 2023 (“**Impugned Order 3**”), rejected the contentions of the Noticees and passed a final order in the matter, inter alia, holding Mr. Tapan Manoj and Tishita Commodities to be in violation of

provisions of the PFUTP Regulations. Further, SEBI, vide the order further held Tishita Commodities, Mr. Tapan Manoj and Ms. Tishita Mehta to be in violation of Regulation 4 (1) and Regulation 3 (1) of the PIT Regulations, as applicable. On May 1, 2023, Tishita Commodities, Ms. Tishita Mehta and Mr. Tapan Manoj filed appeals before the Hon'ble Securities Appellate Tribunal (“SAT”) in Mumbai impugning the Order dated March 29, 2023.

22. The Hon'ble SAT, given the inter-connected nature of the dispute, has decided to hear all appeals together.



ANNEXURE – A

This loan agreement ("**Loan Agreement**") is entered into between **Peterfat Trading Company Limited**, ("**Lender**"), a company incorporated under the provisions of the Companies Act, 1956 having its registered office at Mumbai and **The Local Brain** ("**Borrower**"), a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Mumbai and **Mr. Kapil Varma**.

1. **Loan Amount and Interest Rate**

- 1.1. Lender agrees to lend to Borrower and Borrower agrees to borrow from Lender the principal amount of INR 1,00,000,000 (Indian Rupees One Hundred Crores) ("**Loan Amount**"), to be disbursed in one lump sum payment on the Effective Date.
- 1.2. The Loan Amount shall accrue interest at the rate of 2% per annum ("**Interest Rate**"), calculated on the outstanding principal amount, compounded annually.

2. **Loan Term**

- 2.1. The term ("**Loan Term**") of this Loan Agreement shall be for a period of ten (10) years commencing from the date this Loan Agreement is entered into.

3. **Repayment**

- 3.1. Borrower shall repay the Loan Amount together with all accrued and unpaid interest thereon in 2 equal tranches ("**Instalments**") commencing on 5 years from the date of disbursement ("**Tranche 1**"), and the second tranche after 5 years from the payment of Tranche 1 ("**Tranche 2**"), until the Loan Amount and all accrued interest have been fully repaid.
- 3.2. The Borrower shall have the right to prepay the Loan Amount, in whole or in part, without incurring any prepayment penalty or fee.
- 3.3. The Borrower shall be eligible for a discount on the Interest Rate of 1% if the Borrower repays the entire Loan Amount within 5 years from the date of this Loan Agreement being entered into.

4. **Call Option**

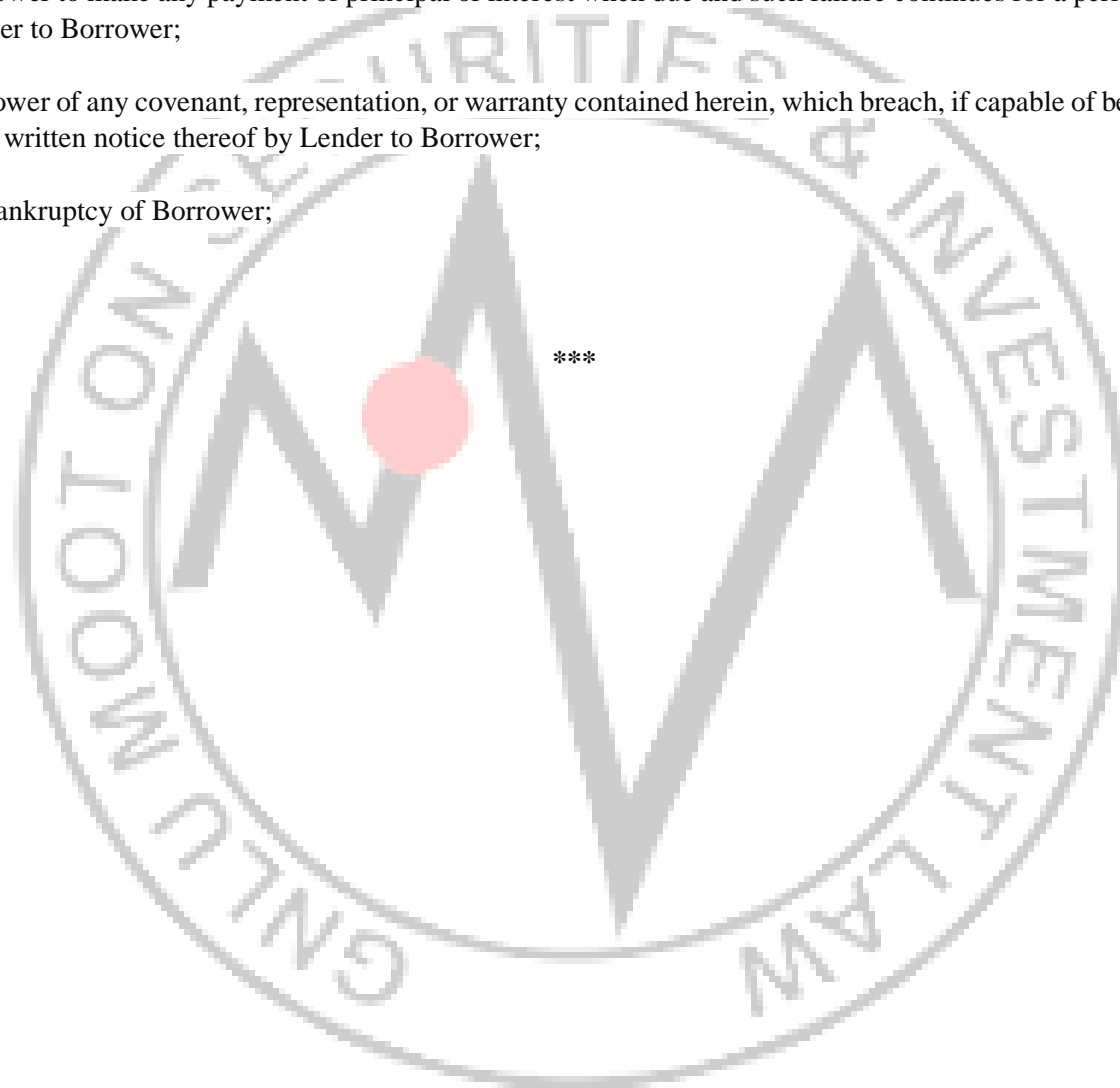
- 4.1. The Borrower shall assign call option in favour of the Lender which could be exercised in the event the equity share price of Techaatma Limited increases to the extent of 600% during the lifetime of the Loan Agreement.
- 4.2. The call option as contained hereinabove shall entitle the Lender to acquire equity shares aggregating to 99.99% of the fully diluted equity share capital at face value at any time during the tenure of the Loan.
- 4.3. Acquisition of equity shares in terms of Clause 4.2 as contained hereinabove would result due satisfaction of any remaining debt owed by the Borrower to the Lender.

5. Protective Covenants and Veto Rights

- 5.1. The following limited protective rights shall accrue in favour of the Lender and will require prior consent of the Lender:
 - 5.1.1. Issue or agreement to issue any equity shares of the Borrower
 - 5.1.2. Buyback of equity shares, reduction or alteration of the share capital of the Borrower
 - 5.1.3. Amending Charter Documents of the Borrower
 - 5.1.4. Acquisition by the Borrower through subscription, purchase or otherwise, of the securities of any other body corporate
 - 5.1.5. Borrower shall promptly notify Lender in writing of any proposed or ongoing developments, projects and initiatives in relation to the AI Division.
 - 5.1.6. The Borrower shall not undertake any development of new AI products, including but not limited to the development, acquisition, licensing, or deployment of AI technologies, products, or services, without the prior written approval of the Lender. Such approval shall not be unreasonably withheld, delayed, or conditioned.
 - 5.1.7. The Borrower shall provide the Lender with all relevant information, documents, and updates regarding development of the AI Division, as reasonably requested by Lender, to facilitate the evaluation process and ongoing monitoring.

6. The following events shall constitute an event of default ("**Event of Default**") under this Agreement:

- 6.1. Failure by Borrower to make any payment of principal or interest when due and such failure continues for a period of 20 days after written notice thereof by Lender to Borrower;
- 6.2. Breach by Borrower of any covenant, representation, or warranty contained herein, which breach, if capable of being cured, continues for a period of 20 days after written notice thereof by Lender to Borrower;
- 6.3. Insolvency or bankruptcy of Borrower;



ANNEXURE – B

S.NO	CLIENT NAME	CP CLIENT NAME	ORDER TIME	ORDER RATE	CP ORDER TIME	CP ORDER RATE	TRADE TIME	PREVAILING LTP	TRADE Price	TRADE QTY	ORDER QTY	CP ORDER QTY
1.	Tishita Commodities Private Limited	Rangun Traders LLP	11:17:06.	101.65	11:17:04.	101.65	11:17:06.	100	101.65	1	1	1
2.	Tishita Commodities Private Limited	Bob Traders LLP	11:14:13.	106	11:18:40.	106	11:18:13.	105.77	106	5	5	10
3.	Tishita Commodities Private Limited	Brijesh Varora	11:19:01.	121	11:17:58.	121	11:19:01.	120	121	8	8	12
4.	Tishita Commodities Private Limited	Arnav Sampat	11:31:16.	136	11:21:18.	136	11:31:16.	135	136	200	500	200
5.	Tishita Commodities Private Limited	Rangun Traders LLP	11:33:29.	152	11:31:41.	152	11:33:29.	151	152	5	10	5
6.	Tishita Commodities Private Limited	Bob Traders LLP	09:55:41.	180.05	10:01:41.	179.5	10:01:41.	179.5	180.05	1	10	1

7.	Tishita Commodities Private Limited	Brijesh Varora	12:05:17.	202	09:18:42.	202	12:05:17.	201	202	1	50	1
8.	Tishita Commodities Private Limited	Arnav Sampat	09:51:55.	216.50	12:44:06.	216.50	12:44:06.	215	216.50	1	2	1
9.	Tishita Commodities Private Limited	Rangun Traders LLP	12:45:46.	241	09:32:09.	241	12:45:46.	240	241	9	17	9
10.	Tishita Commodities Private Limited	Bob Traders LLP	13:18:26.	251	13:26:16.	251	13:26:16.	250	251	8	10	8
11.	Tishita Commodities Private Limited	Brijesh Varora	14:22:14.	267	09:23:51.	267	14:22:14.	255	267	10	15	10
12.	Tishita Commodities Private Limited	Arnav Sampat	10:27:59.	271	10:36:20.	271	10:36:20.	267	271	30	30	30
13.	Tishita Commodities Private Limited	Rangun Traders LLP	11:01:27.	292	10:55:11.	292	11:01:27.	290	292	5	5	40

14	Tishita Commodities Private Limited	Bob Traders LLP	11:24:39.	301	11:50:03.	301	11:50:03.	300	301	2	2	25
15	Tishita Commodities Private Limited	Brijesh Varora	11:52:32.	316	11:50:57.	316	11:52:32.	312	316	1	500	1

**CP – Counterparty, LTP – Last Traded Price

