

**MSc IT Fintech Semester 2 Examination****FTMSC 08****Fintech Eco. System****Time : 2-30 Hours]****June-2024****[Max. Marks : 70**

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**Attempt the following. (Each of 14 Mark)**

1. While payments are a major Fintech sector, discuss how Fintech is impacting other areas like wealth management or insurance. Give an example of a recent innovation that demonstrates this expansion.
2. How might the potential rollout of Central Bank Digital Currencies (CBDCs) impact existing Fintech solutions and business models, particularly in the payments sector?

OR

Analyze how Artificial Intelligence (AI) is being used to develop more sophisticated risk management tools in Fintech, especially for areas like lending or fraud detection. What are some ethical considerations surrounding AI-powered risk assessment?

3. Discuss the role of regulatory sandboxes in fostering innovation in Fintech. How can these sandboxes create a safe space for testing new technologies while managing potential risks?

OR

The regulatory environment for Fintech can vary significantly across different regions. How can Fintech companies navigate these differences to ensure compliance when expanding their operations internationally?

4. Explore the concept of Decentralized Finance (DeFi) and its potential to disrupt traditional financial intermediaries. What are the key challenges and opportunities associated with DeFi adoption?

OR

Explain the concept of embedded finance and how it's blurring the lines between traditional industries and financial services. Provide an example of a recent collaboration between a non-financial company and a Fintech player in the embedded finance space.

5. With the rise of Open Banking, how can Fintech companies balance the benefits of data-driven innovation with user privacy concerns? Discuss potential solutions for ensuring secure and responsible data practices.
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