

Roll No



**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF MANAGEMENT
MID TERM EXAMINATION - NOV 2023**

Semester : Semester V - 2021

Course Code : COM3028

Course Name : Sem V - COM3028 - Crypto Currency and Its Uses

Program : BBA

Date : 3-NOV-2023

Time : 9:30AM - 11:00AM

Max Marks : 50

Weightage : 25%

Instructions:

- (i) Read all questions carefully and answer accordingly.*
- (ii) Question paper consists of 3 parts.*
- (iii) Scientific and non-programmable calculator are permitted.*
- (iv) Do not write any information on the question paper other than Roll Number.*

PART A

ANSWER ALL THE QUESTIONS

(5 X 2 = 10M)

1. List out two examples of a widely known cryptocurrency.

(CO1) [Knowledge]

2. What is the role of a blockchain in the world of cryptocurrencies?

(CO1) [Knowledge]

3. What is cryptocurrency?

(CO1) [Knowledge]

4. Define the term cryptocurrency exchange

(CO2) [Knowledge]

5. How does Ripple's consensus algorithm differ from Bitcoin's proof-of-work?

(CO2) [Knowledge]

PART B

ANSWER ALL THE QUESTIONS

(2 X 10 = 20M)

6. Over the years, cryptocurrencies have evolved from experimental concepts to a global financial phenomenon. The market witnessed significant growth, the emergence of alternative cryptocurrencies (altcoins), initial coin offerings (ICOs), and the development of smart contract platforms like Ethereum. The sector faced regulatory and scaling challenges and experienced remarkable developments, such as the rise of DeFi (Decentralized Finance) and NFTs (Non-Fungible Tokens). Cryptocurrencies have gained institutional recognition, and global regulatory frameworks continue to take shape, marking an ongoing transformative journey in the world of finance and technology. Explain the concept cryptocurrencies highlighting their unique features.

(CO1) [Comprehension]

7. Coinbase, one of the most prominent cryptocurrency exchanges and wallet providers, holds immense significance in the digital asset ecosystem. Renowned for its user-friendly interface and regulatory compliance, Coinbase serves as a gateway for millions of individuals to enter the world of cryptocurrencies. Its platform supports a wide range of digital assets and provides secure storage options. Additionally, Coinbase's initial public offering (IPO) in 2021 marked a historic milestone, solidifying its position as a bridge between traditional finance and the emerging blockchain economy. Coinbase's strong commitment to security, user education, and regulatory compliance makes it a pivotal player in shaping the mainstream adoption and acceptance of cryptocurrencies worldwide. Discuss the significance of cryptocurrency exchanges in the broader adoption and growth of the cryptocurrency market.

(CO2) [Comprehension]

PART C

ANSWER THE FOLLOWING QUESTION

(1 X 20 = 20M)

8. FTX, a rapidly growing cryptocurrency exchange, is known for its innovative business models within the digital asset space. It distinguishes itself by offering a wide range of trading products, including futures, options, tokenized stocks, and prediction markets, attracting both retail and institutional traders. FTX has also embraced a strong focus on the sports and entertainment industry, demonstrated by partnerships and naming rights for major sports teams and events. Its success stems from its ability to continually introduce new and unique trading opportunities, further diversifying revenue streams and shaping the evolving landscape of cryptocurrency exchanges. Discuss in detail about user-centric business models of cryptocurrency exchanges.

(CO2) [Application]