Gyanmanjari
Innovative University

Subject: Fintech Ethics & Risks – BBAFT15318

Type of course: Major (Core)

Prerequisite:
Students should have basic knowledge of Fintech.

Rationale:
This course aims to equip students to understand the ethical implications of financial technologies and also identify various risks associated with fintech innovations.

Teaching and Examination Scheme:

Teaching Scheme			Credits	Examination Marks			Total Marks
CI	T	P	C	SEE	CCE		
					MSE	ALA	
4	0	0	4	100	30	70	200

Legends: CI-Classroom Instructions; T – Tutorial; P - Practical; C – Credit; SEE - Semester End Evaluation; MSE- Mid Semester Examination; V – Viva; CCE-Continuous and Comprehensive Evaluation; ALA- Active Learning Activities.

4 Credits * 25 Marks = 100 Marks (**each credit carries 25 Marks**)
SEE 100 Marks will be converted in to 50 Marks
CCE 100 Marks will be converted in to 50 Marks
It is compulsory to pass in each individual component.

Course Content:

Sr. No	Course content	Hrs	% Weightage
1	**Introduction To Ethics in Fintech:** • Concept of Ethics in Fintech and its Importance • Ethical Considerations in Financial Technology • Regulatory and Compliance Frameworks for Fintech Ethics • Role of AI and Big Data in Ethical Decision-Making • Challenges in Ensuring Ethical Practices in Fintech	15	25
2	**Risk Management in Fintech:** • Introduction to Risk Management in Fintech • Types of Risks in Fintech (Operational, Cybersecurity, Financial) • Risk Assessment and Mitigation Strategies • AI and Predictive Analytics in Risk Assessment • Impact of Third-Party Service Providers on Fintech Risks	15	25
3	**Regulatory and Legal Framework for Fintech** • Overview of Fintech Laws and Regulations (Global and Local) • GDPR, Data Privacy, and Compliance in Fintech • Role of Regulatory Bodies in Financial Technology • Ethical Considerations in Digital Lending and Payments • Challenges in Ensuring Regulatory Compliance	15	25
4	**Ethical AI and Sustainability in Fintech** • Role of AI and Machine Learning in Ethical Fintech Practices • Bias and Fairness in AI-driven Financial Decision-Making • Sustainability and ESG (Environmental, Social, Governance) in Fintech • Fintech's Role in Financial Inclusion and Ethical Banking • Future Trends in Ethical Fintech	15	25

Continuous Assessment:

Sr. No	Active Learning Activities	Marks
1	**Bank Visit for Ethical Practices Observation:** Students will visit a nearby bank or ATM and observe how the bank ensures customer privacy and security (e.g., OTP for transactions, CCTV cameras, or separate counters for confidential services). They will write three ethical practices they observed and upload the PDF on the GMIU Web Portal.	10
2	**Digital Payment Scam Analysis:** Students will search one common digital payment scam (e.g., fake UPI links, phishing calls). They will write a brief explanation about the scam and how to avoid it. The document will be uploaded as a PDF on the GMIU Web Portal.	10
3	**Digital Payment Issues Survey:** Students will ask five people (friends or family) if they have faced any issues with digital payments (e.g., failed transactions, hidden charges etc.). They will write a one-paragraph summary of their findings and upload the PDF on the GMIU Web Portal.	10
4	**Privacy Settings check on a Fintech App:** Students will open a fintech app on their phone (e.g., Google Pay, PhonePe, Paytm) and check the privacy settings. They will note two settings that help protect user data and write a one-paragraph explanation on how those settings work. They will upload the PDF on the GMIU Web Portal.	10
5	**Security Features observation at an ATM:** Students will visit an ATM and identify various security features (e.g., card slot security, CCTV cameras, PIN protection). They will write a short note (2-3 sentences) on why these features are important and upload the PDF on the GMIU Web Portal.	10
6	**News Article Exploration on Fintech Fraud:** Students will find one recent news article about a fintech fraud case from a website or newspaper. They will write a brief summary and upload the PDF on the GMIU Web Portal.	10
7	**Attendance**	10
	Total	70

Suggested Specification table with Marks (Theory): 100

Distribution of Theory Marks (Revised Bloom's Taxonomy)					
Level	Remembrance (R)	Understanding (U)	Application (A)	Analyze (N)	Evaluate (E)	Create (C)
Weightage	30%	40%	0%	20%	10%	0%

Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from above table.

Course Outcome:

After learning the course, the students should be able to:	
CO1	Understand the fundamental principles of financial technology and the ethical considerations.
CO2	Evaluate cross-cutting risks in financial innovation.
CO3	Identify Regulatory and Legal Framework for Fintech.
CO4	Analyze Sustainability and Ethical AI in Fintech.

Instructional Method:

The course delivery method will depend upon the requirement of content and the needs of students. The teacher, in addition to conventional teaching methods by black board, may also use any tools such as demonstration, role play, Quiz, brainstorming, MOOCs etc.

From the content 10% topics are suggested for flipped mode instruction. Students will use supplementary resources such as online videos, NPTEL/SWAYAM videos, e-courses. The internal evaluation will be done on the basis of Active Learning Assignment.

Practical/Viva examination will be conducted at the end of semester for evaluation of performance of students in the laboratory.

Reference Books:

[1] Buku, M., and R. Mazer. "Fraud in Mobile Financial Services: Protecting Consumers, Providers, and the System." CGAP Brief, April 2017.

[2] Berg, T., V. Burg, A. Gombovi, and M. Puri. "On the Rise of FinTechs—Credit Scoring Using Digital Footprints." The Review of Financial Studies 33, no. 7 (July 2020),

[3] Kerse, M., and S. Staschen. Safeguarding Rules for Customer Funds Held by EMI and GSMA (CGAP Technical Note). Consultative Group to Assist the Poor, 2018.

[4] Zimmerman, J., and S. Baur. "Understanding How Consumer Risks in Digital Social Payments Can Erode Their Financial Inclusion Potential." CGAP Brief, March 2016.