

1. What is cryptography, and why is it important in blockchain?

Answer: Cryptography is the practice of securing information through encoding, making it accessible only to authorized users. In blockchain, cryptography ensures data integrity, confidentiality, and authentication of transactions.

2. Explain symmetric encryption with an example.

Answer: In symmetric encryption, the same key is used for both encryption and decryption. For example, in the Caesar Cipher, each letter in the plaintext is shifted a certain number of positions to produce the ciphertext.

3. Describe the Caesar Cipher. How does it work?

Answer: The Caesar Cipher is a simple encryption method where each letter in the message is shifted a fixed number of positions in the alphabet. For instance, shifting by 3 would change "A" to "D."

4. What are the differences between symmetric and asymmetric encryption?

Answer: Symmetric encryption uses a single key for both encryption and decryption, while asymmetric encryption uses a pair of keys (public and private) for secure communication.

5. How does the RSA algorithm work?

Answer: RSA is an asymmetric encryption algorithm that uses two keys: a public key for encryption and a private key for decryption. It relies on the mathematical difficulty of factoring large numbers.

6. What is the importance of hash functions in blockchain?

Answer: Hash functions convert data into a fixed-size string (hash) and are essential for ensuring data integrity. They make it almost impossible to alter data without detection.

7. Describe the SHA-256 hashing algorithm.

Answer: SHA-256 is a cryptographic hash function that produces a unique 256-bit hash for any given input, providing security for digital signatures and data verification in blockchain.

8. What is a Merkle Tree, and why is it used in blockchain?

Answer: A Merkle Tree is a data structure that arranges hashes in a tree-like format, enabling efficient and secure verification of data in large datasets. In blockchain, it helps validate large numbers of transactions efficiently.

9. Define cryptocurrency and explain its basic concept.

Answer: Cryptocurrency is a digital or virtual currency that uses cryptography for security, operating on decentralized networks like blockchain, where transactions are verified by network nodes.

10. What is Bitcoin, and how does it differ from traditional currency?

Answer: Bitcoin is a decentralized digital currency operating without a central authority, unlike traditional currency controlled by governments. Bitcoin transactions are secured and verified by a distributed network.

11. Explain the concept of a block in a blockchain.

Answer: A block is a collection of transactions and other data that, once verified, is added to the blockchain in a chronological sequence.

12. What is a blockchain? How does it ensure data integrity?

Answer: A blockchain is a distributed ledger of sequential blocks, each containing transactions. It ensures data integrity by making it computationally infeasible to alter a block without redoing all subsequent blocks.

13. Describe the term "immutable ledger."

Answer: An immutable ledger is a record that cannot be changed or tampered with, ensuring data permanence and trust in blockchain.

14. Differentiate between public and private blockchains.

Answer: Public blockchains are open to anyone and permissionless, while private blockchains restrict access to authorized participants and are usually permissioned.

15. How is consensus achieved in a blockchain network?

Answer: Consensus is achieved through mechanisms like Proof of Work (PoW) or Proof of Stake (PoS), where nodes agree on the validity of transactions to maintain a consistent ledger.

16. What is Solidity, and where is it used?

Answer: Solidity is a high-level programming language used to write smart contracts on the Ethereum platform, allowing for decentralized applications (DApps) on the blockchain.

17. Describe the basic structure of a Solidity contract.

Answer: A Solidity contract includes state variables, functions, and control structures within a structured layout to define the contract's logic and data.

18. What are state variables in Solidity?

Answer: State variables store data permanently in the Ethereum blockchain and define the contract's state.

19. Explain different function types in Solidity.

Answer: Functions in Solidity can be public, private, internal, or external, determining how and where they can be called within the contract.

20. What are reference types in Solidity?

Answer: Reference types include complex data structures like arrays, mappings, and structs, allowing for more flexible data storage and manipulation within contracts.

21. How are errors handled in Solidity?

Answer: Solidity uses error handling mechanisms like `require`, `assert`, and `revert` to manage and control error conditions during contract execution.

22. What is the difference between public, private, and internal visibility for functions?

Answer: Public functions can be accessed externally, private functions only within the contract, and internal functions within the contract and derived contracts.

23. Describe some special variables and functions available in Solidity.

Answer: Special variables like `msg.sender`, `msg.value`, and `block.timestamp` provide contextual data on transactions, while functions like `selfdestruct` can terminate contracts.

24. What is the Ethereum Virtual Machine (EVM)?

Answer: The EVM is a decentralized computer that executes smart contracts on the Ethereum blockchain, ensuring contract security and isolation from each other.

25. Explain the concept of accounts in Ethereum.

Answer: Ethereum has two types of accounts: externally owned accounts (EOAs) controlled by private keys and contract accounts, which store smart contracts and are triggered by transactions.

26. What is "gas" in Ethereum, and why is it needed?

Answer: Gas is the unit of computation cost for running transactions and smart contracts. It prevents resource misuse by requiring fees for network usage.

27. Describe the role of "Ether" in the Ethereum network.

Answer: Ether (ETH) is the native currency of Ethereum, used to pay for gas fees and as a store of value within the network.

28. What is a token in Ethereum, and how does it work?

Answer: A token is a digital asset created on Ethereum using smart contracts, often conforming to standards like ERC-20 or ERC-721 for interoperability.

29. Define a DApp (Decentralized Application).

Answer: A DApp is a decentralized application that operates on a blockchain or peer-to-peer network, allowing users to interact with smart contracts without centralized control.

30. What are the main steps in developing a DApp?

Answer: Steps include writing and deploying a smart contract, setting up a user interface, and connecting to the blockchain network.

31. How is a smart contract compiled and deployed?

Answer: A smart contract is compiled to bytecode, which is then deployed to the Ethereum network using a tool like Remix or Truffle.

32. What is Ganache, and how does it aid in blockchain development?

Answer: Ganache is a local blockchain simulator used for testing and development, allowing developers to create and manage accounts, deploy contracts, and test transactions.

33. Describe the process of transaction migration in Ganache.

Answer: Transaction migration in Ganache involves deploying smart contracts and tracking transactions within a controlled environment to verify code functionality.

34. What is Hyperledger, and how does it differ from public blockchains?

Answer: Hyperledger is a permissioned blockchain framework designed for enterprise use, offering controlled access, privacy, and scalability, unlike open-access public blockchains.

35. Explain some use cases where Hyperledger is beneficial.

Answer: Hyperledger is beneficial for supply chain management, trade finance, healthcare, and any industry needing private, permissioned transactions.

36. How does Hyperledger ensure data privacy and access control?

Answer: Hyperledger uses permissioned access, allowing only authorized parties to participate in the network and view transactions, ensuring data privacy.