

## Testwale Current Affairs PDF

Current Affairs search results for: "Global Fintech Fest"

### **1. Currency in circulation declines for the first time in 20 Year during Diwali week: SBI Ecowrap ( Nov. 4, 2022 )**

Currency in circulation declines

State Bank of India (SBI) in its latest research report **Ecowrap** published on 3 November 2022 has said that the currency in circulation declined by Rs 7,600 crore in the Diwali week this year. This was for the first time in the last **20 years** that the cash circulation has come down during Diwali festival season where there is generally a spike in discretionary spending.

However in 2009 there was a decline of Rs 950 crore but it was due to the economic slowdown in the country due to the global financial crisis. It was not considered by the report as it was an unusual occurrence.

#### **Reason for the decline of the cash circulation**

According to the report the main reason for the decline in cash circulation was the change in the Indian payment system from a cash led to smartphone led payment economy.

The innovation in fintech has led to development of interoperable payments systems like Unified Payment Interface (UPI), Wallets & Prepaid Instruments have made it simple and cheaper to transfer money digitally, even for those who don't have bank accounts.

The report always gives credit to the government initiative to push digital payment systems instead of cash.

#### **Future projections**

According to the report there has been a progressive decline in the share of currency in circulation in the country and rise in the share of digital payments.

The share of the currency in circulation in the payment system was 88% in 2015-16 which declined **to 20%** in 2021-22.

It is estimated to go down further to 11.15% in 2026-27.

Consequently, the digital transactions share is continuously increasing from 11.26% in 2015-16 to **80.4%** in 2021-22 and is expected to touch 88% in 2026-27

#### **What is currency in circulation?**

The currency in circulation represents the banknotes and coins in circulation, held by the general public and financial institutions, recorded at the face value.

**Banknotes** are the currency notes that are issued by the Reserve Bank of India. **One Rupee notes and Coins are issued by the Government of India.**

However not all the notes and coins issued are in circulation.

Some of the banknotes and coins are not in circulation like currency notes and coins held in the vault of the RBI, Banks have to maintain Cash Reserve Ratio requirements where currency is blocked etc.

## **2. CEA Nageswaran expects India to grow by 7% in this year and decade ( Sept. 21, 2022 )**

**According to the Chief economic Advisor, V Anantha Nageswaran, the India economy will grow at a sustained rate of 7% in 2023 and for the rest of the decade.**

He said this while he was virtually addressing the [Global Fintech Fest](#) in Mumbai on 20 September 2022.

### **IMPORTANT FACTS -**

- Nageswaran's forecast is lower than the estimate of 8-8.5% GDP growth rate in the 2022-23 provided by the government's economic survey in January 2022.
- RBI has estimated [7.2%](#) growth rate for India in 2022-23.
- **In 2021-22 the Indian economy grew by 8.7%.**

## **3. 3rd Global Fintech Fest to be held in Mumbai ( Sept. 16, 2022 )**

**The 3rd edition of the Global Fintech Fest will be held in Mumbai, Maharashtra from 19-22 September 2022.**

### **IMPORTANT FACTS -**

- The 3rd Global Fintech Fest will be held in a hybrid mode.
- The Global Fintech Fest is being organised by **National Payment Corporation of India** (NPCI), Payment **Council of India** and the **Fintech Convergence Council**.
- The theme for Global Fintech Fes 2022 is: '**Creating A Sustainable Financial World - Global | Inclusive | Green**'.

### ***What is Fintech :***

- It is composed of two words: Financial and Technology. It refers to the technological innovation in the design and delivery of financial products like saving accounts, loans, wealth management, investment in stock markets etc.