

AVERAGE CASH DISPENSED UP AT ₹1.30 CR IN FY25

Cash Withdrawals from ATMs on Rise

Our Bureau

Mumbai: Cash withdrawals from automated teller machines (ATM) have continued to rise, with some states seeing as much as 8% growth in ATM usage, said a report by cash management and logistics firm CMS Info Systems. Average cash dispensed per ATM by CMS, which accounts for about 42% of the cash dispensation market, has gone up from ₹1.02 crore in FY17 to ₹1.30 crore in FY25. Bihar, Delhi, UP and Himachal Pradesh witnessed the highest growth in cash dispensed through ATMs, the report said.

Consumer durables, multi-brand outlets and FMCG have witnessed the highest consumption growth in terms of average cash-led purchase per retail store, the report said.

The findings of the study suggest coexistence of cash and digital payments that serve different needs.

“Some of these states see strong remittance inflows—a pattern that revived significantly during and after the pandemic. While the trans-

fer of funds may be digital, the last mile is often still cash, especially in rural and semi-urban areas,” said Anush Raghavan, president, Cash Management Solutions, CMS Info Systems. “Add to that sustained government initiatives and financial inclusion efforts, and what we’re seeing is the evolution of a balanced, formal economy—one where cash and digital don’t compete, but



coexist seamlessly to serve different needs.”

Between 2014 and 2024, several enablers have aligned to propel cash economy through a robust cash infrastructure, which has been instrumental in the making of a consumption economy, central bank economists wrote.

“In this decade, currency in circulation (CIC) rose 157%, the number of ATMs increased by 32%, and bank branches expanded by 36%—indicators of cash’s enduring relevance, despite disruptions such as demonetisation and the surge in contactless payments during the lockdown,” RBI paper said.