**ATM Transactions: Current Trends and Future Outlook**

**1. Executive Summary**

This report provides a comprehensive analysis of current ATM transaction trends and presents projections for future developments. With the increasing shift towards digital banking, ATM usage patterns are evolving, but ATMs continue to remain an essential part of the banking infrastructure, especially in semi-urban and rural areas.

**2. Current ATM Transaction Trends**

**2.1 Overall Usage**

* **Total ATM Transactions** in FY 2024-25 (YTD): **Over 6.5 billion**.
* **Cash Withdrawals**: Still the dominant use case, forming over **88%** of total ATM transactions.
* **Non-Financial Transactions**: Balance inquiry, mini-statement, PIN change – contribute to **12%**.
* **Off-Us Transactions** (customer uses ATM of another bank): Account for **30–35%** of total volume.

**2.2 Channel Performance**

| **Channel Type** | **Volume Share** | **Key Insights** |
| --- | --- | --- |
| Bank-Owned ATMs | 75% | Urban focused; declining growth |
| White Label ATMs | 25% | Growing in semi-urban/rural geographies |

**2.3 Regional Distribution**

* **Urban Areas**: Account for 60% of ATM usage but declining annually.
* **Rural & Semi-Urban**: Growing at **7-10% CAGR**, driven by financial inclusion.

**2.4 Denomination Trends**

* **₹500 notes**: Most preferred denomination (~55% of cash dispensed).
* **₹200 and ₹100 notes**: Usage increasing due to demand for change and merchant transactions.

**3. Future Outlook and Trends (2025–2027)**

* ATM usage expected to **grow at ~4% CAGR** overall.
* **Biometric-enabled ATMs (BE-ATMs)** to rise in rural India.

**4**. **Strategic Recommendations**

* Roll out **UPI-ATM integration** and cardless withdrawal features.
* **Modernize ATM hardware** to support video-KYC, multilingual UI.
* Expand WLA reach in **financially underserved areas**.
* Deploy **solar-powered ATMs** in power-deficient rural belts.

**5. Conclusion**

While digital payments are increasing, ATMs remain vital for cash access, particularly in semi-urban and rural regions. The future lies in transforming ATMs from cash-dispensing machines to **multi-utility financial kiosks**. To stay relevant, a focus on innovation, cost optimization, and last-mile connectivity is crucial.

**6. Screenshots**

**All States**

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