

## Media Release

# Robust consumption growth of 9.3% seen in H1 FY24 : CMS' Retail Consumption Trends

- YoY analysis of 11 B2C sectors in H1 FY24 reveals key patterns in consumer behavior in the organized retail segment.
- Higher GDP and softening inflation expected to catalyze retail consumption growth in Q3-FY24 aided by festival and wedding season.

**Mumbai, January 3, 2024:** CMS Info Systems has revealed key consumption trends in organized retail segment in the first half of FY24, through a comprehensive analysis spanning 11 consumer-facing sectors, such as large format retail, jewelry, FMCG, e-commerce, hospitality, and aviation, among others.

Retail Consumption Trends by CMS is a macroeconomic indicator of retail purchases based on the cash collected & processed from 52,000+ organized retail touchpoints across India. It provides a view into consumers' spending trends as seen in FY24 compared to FY23, which included the Cricket World Cup event, festival, and wedding season. The analysis takes a closer look at consumer preferences through the demographic lens, offering trends into consumer behavior in the country by measuring in-store and online retail purchases across various sectors.

In the B2C segment, retail consumption witnessed an annual increase of 9.3% in the key 11 sectors, during the April–September 2023 period. The FMCG and E-commerce sectors experienced an annual increase of 26.2% and 19.4% respectively, during Q2-FY24, reflecting rising consumer demand in these sectors amid easing inflation. The Aviation and Hospitality sectors saw annual growth of 29.7% and 12.8% in Q2-FY24 respectively, reflecting increased demand for travel, driven by large events such as the Cricket World Cup. The jewelry sector saw an annual growth of 7.1%, in contrast to a 4.6% decline in Q2-FY23, suggesting higher spending triggered by the wedding season and endorsing post-pandemic demand bounce-back. The large format retail sector experienced an annual increase of 7.8% in Q2-FY24, driven by factors such as rising incomes, urbanization, and changing consumer preferences.

From a demographic perspective, Metro cities which had grown the fastest from Q2-FY23 to Q1-FY24, were outpaced in H1 FY24 by SURU (semi-urban and rural), which saw the fastest consumption growth of 9.2% YoY, triggered by improved discretionary spending and demonstrating tailwinds in the rural economy.

CMS Cash Index™ (CCI) has proven to be a very powerful indicator to track commerce transactions by consumers and has been referred to by various policymakers as well," said **Anush Raghavan, President, Cash Management Solutions at CMS Info Systems**. "The surge in retail consumption parallels the 7.6% GDP growth in the Q2-FY24, boosted by easing inflation. Taking cues from these macroeconomic indicators, we expect a stronger consumption growth in Q3-FY24, especially in FMCG, e-commerce, and aviation sectors, he added."

These Retail Consumption Trends shed light on consumer behaviors and evolving consumer preferences while uncovering compelling patterns and trends that support India's retail consumption story.

### **About CMS Info Systems Limited:**

CMS Info Systems Limited (BSE: CMSINFO | 543441, NSE: CMSINFO) is a leading business services company providing logistics and technology solutions to banks, financial institutions, organized retail, and e-commerce companies in India with a presence across Cash Logistics, ATM Managed Services and Technology Solutions.

CMS businesses include ATM and Retail Cash Management, Currency Chest Automation, Bullion Logistics, Banking Automation Solutions, Brown Label ATM and Managed Services, Multi-vendor Software Solution, ATM Security Software, AI-based Remote Monitoring Services and Card Issuance, Management and Personalization.

CMS is India's largest cash management company based on the number of ATM points and retail pick-up points as well as one of the largest ATM cash management companies worldwide.

### **About CMS Cash Index™:**

The CMS Cash Index™ was created by CMS Info Systems in 2016, to track the infusion of cash back into the economy across various modes. Over time, this track of inflows and outflows of the currency has become a valid measure of the commerce and economic health of India. The CMS Cash Index™ is a weighted index consisting of two factors; the cash that goes into circulation via the ATM channels and the cash collected from the organised retail channels, both covered by CMS Info Systems across cities and towns in India.

### **Contact Information:**

#### **Media Relations Representative**

Smita Sengupta  
[smita.sengupta@cms.com](mailto:smita.sengupta@cms.com)  
+91-9769550799

Pushkar Gupta  
[pushkar@thegoodedge.com](mailto:pushkar@thegoodedge.com)  
+91-9323090909

#### **Investor Relations Representative**

Puneet Kokru  
[puneet.kokru@cms.com](mailto:puneet.kokru@cms.com)  
+91-22-6918-4015

Anuj Sonpal  
[cms@valoremadvisors.com](mailto:cms@valoremadvisors.com)  
+91-22-4903-9500

#### **Company Secretary & Compliance Officer**

Debashis Dey  
[company.secretary@cms.com](mailto:company.secretary@cms.com)  
+91-22-4889-7400