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RBI Proposes 'Kill Switch' to Secure Digital Payments

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The Reserve Bank of India has proposed a set of new measures to enhance the safety of digital payments amid a sharp rise in online frauds. These proposals were outlined in a discussion paper released in April 2026, inviting public feedback.

What is the 'Kill Switch'?

One of the key proposals is the introduction of a "kill switch", a feature that would allow users to instantly disable all digital payment services (such as UPI, net banking, cards) in case of suspected fraud. This would help users prevent further unauthorized transactions in real time.

Other Key Proposals:

Apart from the kill switch, RBI has suggested multiple safeguards:

One-hour delay (cooling period) for high-value transactions above ₹10,000 to allow users to review or cancel suspicious payments

Additional authentication for vulnerable groups (senior citizens, disabled persons) for large transactions

Transaction limits and monitoring to curb mule accounts used in frauds

Option to enable/disable digital payment modes and set transaction limits

Whitelisting trusted beneficiaries to avoid delays in genuine payments

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Reason for the Move:

The proposals come in response to a rapid increase in digital payment frauds in India, driven by scams such as phishing, impersonation, and deepfake-based fraud. The instant nature of systems like Unified Payments Interface makes recovery of funds difficult once transferred.

Significance:

These measures aim to shift digital payments towards a “customer-controlled security model”, empowering users to act quickly during fraud incidents. If implemented, they will strengthen trust in India’s rapidly growing digital payment ecosystem.