

## RBI Proposes 1-Hour Pause For High-Value UPI Payments: What It Means For You

UPI users may need time to adjust, but industry leaders believe that the time gap in payment will feel safer and more reliable in the long run.



For certain high-value UPI and bank account transfers, RBI wants to introduce a cooling-off period.

India's digital payments story is built on one promise: speed. Send money, and it reaches the other side instantly. However, the Reserve Bank of India (RBI) now wants to introduce a pause -- up to one hour.

For certain high-value person-to-person Unified Payment Interface (UPI) and bank account transfers, it wants to introduce a cooling-off period of up to one hour before the transaction actually goes through. The idea is to give users a chance to stop a bad transaction before it's irreversible. [Follow Live Updates](#)

"At the moment a payment is made, the money moves instantly, leaving almost no room to correct a mistake," says Prakash Ravindran, Co-Founder & CEO of InstiFi. According to him, the pause may be short, but that gap gives users time to think, verify and, in many cases, prevent a loss.

The RBI's move is targeted. Everyday payments -- like paying a shop or scanning to pay a merchant -- are expected to stay instant. The delay applies mainly to high-value transfers between individuals, where the stakes are higher and fraud risks greater.

## RBI's Rationale Behind The Move

- Merchant payments will remain instant
- Low-value transactions will stay untouched
- Trusted recipients can be whitelisted
- This is not a blanket slowdown. It is targeted friction.
- A system designed for reversal, not just speed
- The proposal introduces something UPI never really had-a reversal window.

Right now, speed works against the user. The moment money is sent, it is gone. However, if RBI implements the time-gap, it might take some time for users to get used to the change. According to the National Payments Corporation of India, UPI in India processed over 22.6 billion transactions in March 2026 alone. This figure shows the scale of UPI's penetration in India's financial system.

### 'Not Slow, Just At Controlled Speed'

Industry stakeholders see this as part of a broader shift in digital payments: from pure speed to "controlled speed" -- fast, but with built-in guardrails.

"Not all transactions carry the same level of risk," says Amit Kumar, CTO and Director of Easebuzz. He points out that a large share of fraud money is in transactions above Rs 10,000, and much of the fraud is human-driven -- people being misled rather than technology being broken. A short cooling-off window, he says, offers a "golden hour" to reassess and stop fraudulent transfers before they happen.

Some experts also say that a pause alone isn't enough. Amit Relan, CEO and Co-Founder of mFilterIt, argues that true trust must start much earlier in the user journey -- from account opening to real-time intelligence that spots risks long before a payment is initiated. For him, the future lies in AI-driven checks and behavioural signals that protect users quietly and seamlessly.

For everyday users, especially those who are new to digital payments, this rule could bring peace of mind. Pranav Koomar, Founder and CEO of PlusCash, says the added scrutiny will help users, particularly in large or first-time transactions, to step back and think before confirming payments. While it may reduce instant convenience for some, the trade-off is greater security.

Cyber threats are evolving quickly. As Sanjay Katkar, Joint Managing Director at Quick Heal Technologies, highlights, most scams today rely on social engineering -- convincing users to send money themselves, often under pressure. With millions of cyber threats detected every month, adding a time buffer could help users spot suspicious activity before funds leave their accounts.

Cooling periods, paired with smarter tech and better awareness, could improve trust across the ecosystem. Users may need time to adjust, but many industry leaders believe that a

payments system that lets you pause and reconsider will feel safer and more reliable in the long run.