

# **RBI and NPCI Payment System Data Storage – System Audit Report (SAR)**

**As Per Notification Number**

**(RBI/2017–18/153, DPSS.CO.OD No. 2785/06.08.005/2017–2018 and  
NPCI/UPI/OC–87/2020–21)**

**Presented to:**

**Razorpay Software Pvt. Ltd.**

**Report By: Panacea InfoSec Pvt. Ltd.**

**Report Date: 18<sup>th</sup> October 2023**

**Panacea Infosec Private Limited**

**“Empaneled by CERT-In for providing Information Security Auditing Service”**

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## Table of Contents

<b>Document Information</b> .....	3
<b>Author Information</b> .....	3
<b>Version History</b> .....	3
<b>1. Executive Summary</b> .....	4
<b>2. About Panacea InfoSec</b> .....	5
<b>3. Assessment Objective and Criteria</b> .....	6
<b>4. Audit Review Methodology</b> .....	7
4.1. Phase 1: Scope.....	7
4.2. Phase 2: Plan.....	7
4.3. Phase 3: Fieldwork .....	8
4.4. Phase 4: Report.....	8
<b>5. Assessment Report</b> .....	9
5.1. Contact Information .....	9
5.2. Date and Timeframe of Assessment .....	9
5.3. Business Description and Project Scope: .....	9
5.4. Auditee members .....	11
5.5. Assessment Coverage .....	12
5.6. Data Infrastructure Details .....	13
5.7. Payment Data Flow and Application Architecture .....	14
5.8. Service Providers and Other Third Parties' Details.....	18
<b>6. Assessor workbook – RBI and NPCI Payment System Storage Parameters</b> .....	22
6.1 Indicative Checklist for Data Localization System Audit Report.....	38
6.2 Annexure 1 .....	43
6.3 Annexure 2.....	64

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## Author Information

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Report Date	18 <sup>th</sup> October 2023

## Version History

Version	Details	Date	Remark
1.0	Final Report	18 <sup>th</sup> October 2023	Draft Released for Validation. Prepared By - Panacea InfoSec Proof Reader - Razorpay

## 1. Executive Summary

To the management of Razorpay Software Pvt. Ltd.:

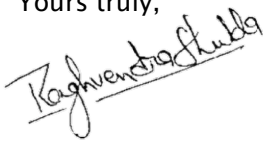
We have completed our engagement to assist Razorpay Software Pvt. Ltd. herein referred as Razorpay with evaluating and validating the compliance against data localization system audit guideline under “*RBI/2017-18/153, DPSS.CO.OD No. 2785/06.08.005/2017-2018*” and “*NPCI/UPI/OC-87/2020-21*” notification. Our engagement was performed in accordance with our standard scope of work (SOW).

The engagement was focused on identifying the effectiveness of controls implemented at Razorpay to ensure compliance as per RBI and NPCI data localization requirements based on storage of payment system data at the time of our engagement.

Our detailed assessment reporting is followed in “*Assessor Workbook*”. The report has been prepared based upon information provided by Razorpay Software Pvt. Ltd. during the assessment and interactions and assessment summary is based on covering entire transaction lifecycle and report writing is usage sampling of identified systems. Razorpay Software Pvt. Ltd. agrees to hold us harmless and indemnify us against any claims, damages, proceedings, charges or other liabilities resulting from, or arising out of, our representations here in the preparation of the report. Kindly refer the section 6.1 for detailed classification of payment data. We appreciate the co-operation and assistance provided to us during engagement.

The details of assessment and observations if any can be found below in Section 6.

Yours truly,



Raghvendra Shukla  
PCI QSA, SWIFT CSP, ISO 27001 LI & LA  
Panacea Infosec Pvt. Ltd.  
Cert-In Empaneled  
Dated: 18<sup>th</sup> October 2023

## 2. About Panacea InfoSec

Panacea InfoSec is a PCI QSA, PCI QPA, PCI 3DS, PCI SSF, SWIFT Assessor and a CERT-IN empaneled company for providing information security auditing services, Panacea InfoSec is fast emerging as a trusted name in Information Security, with a clientele including BFSI, IT & ITES, Retail, Ecommerce, Payment Gateways & Processors, Aviation, Hospitality, and other verticals, not only in India but in 41 countries worldwide. Panacea's team has audited more than 30 banks worldwide and is proud to be associated with prestigious names like Bank of Maharashtra, India Post Payments Bank, Standard Chartered Bank, National Bank of Kuwait, BENEFIT, Majid Al Futtaim, Equity Bank and Interswitch-Kenya.

Almost all PSB reward programs, such as State Bank Rewards, PNB Rewards, IOB Rewards and HDFC Infinia are certified by Panacea. Panacea is also the QSA & Security Consultant for big brands such as Genpact, Wipro, Aegis, Tech Mahindra, Mahinda Comviva, NIIT, Dnata, InterGlobe, PayU, MobiKwik, Domino's Pizza, YUM Restaurants, PVR, Jabong, VOX Cinemas etc. We understand the nature of business and the hurdles needed to develop a security conscience culture within an organization. Having built several security programs and matured organizations' security posture, Panacea InfoSec is one of the leading security consulting firms in the nation. Instead of being "just another vendor", Panacea InfoSec prides itself on establishing a long-term relationship with our customers by establishing trust and making sure we are only offering services that will enhance the security of our clients.

Our team is made up of highly skilled and technical leaders in security that can communicate to the business in a way that everyone understands. Our goal isn't to provide just a penetration test or a risk assessment, but to ensure that the company progresses in a maturity model towards successfully defending against attacks. Successful security programs are built with the idea that the entire organization promotes security.

Panacea InfoSec is vendor agnostic, we do not resell any software or hardware and will always recommend the best solution for the organization. In most cases, technology does not solve the systemic problems of a security program. Instead, it just requires a shift in prioritization. Technology should always be used as an enhancement to an already functioning security program, which may automate and increase the ability for improvement. Panacea InfoSec firmly believes that a security program can be run efficiently without massively large budgets. Panacea InfoSec staff and consultants have vast experience in providing a full range of information security services ranging from Payment Industry, PCI DSS/HIPAA/ISO 27001/SSAE/SOX etc. consulting, intrusion detection, incident handling, regulatory compliance, penetration testing and application assessments. Our professionals provide industry-leading expertise to help organizations meet their evolving information security needs.

Panacea InfoSec is well positioned to help organizations establish the correct strategies to arm themselves against the ever-growing and ever-present cyber threat.

**Panacea Infosec Private Limited**

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### 3. Assessment Objective and Criteria

Reserve Bank of India (RBI) has issued a notification regarding “Statement on Developmental and Regulatory Policies” dated 5th April 2018 and National Payment Corporation has also issued a circular dated 12<sup>th</sup> May 2020 which sets out various developmental and regulatory policy measures for strengthening regulation and supervision; broadening and deepening financial markets; improving currency management; promoting financial inclusion and literacy; and facilitating data management.

Further to the notification RBI and NPCI released the circular: “**RBI/2017-18/153, DPSS.CO.OD No. 2785/06.08.005/2017-2018**” and “**NPCI/UPI/OC-87/2020-21**” focusing payment system data storage, RBI mandated all Authorized Payment Systems / All Scheduled Commercial Banks including RRBs / Urban Co-operative Banks/State Co-operative Banks / District Central Co-operative Banks /Payment Banks / Small Finance Banks and Local Area Banks to store the entire data relating to payment systems operated by them in a system residing Indian law boundaries. Payment system data should include the full end-to-end transaction details / information collected / carried / processed as part of the message / payment instruction wherein the foreign leg of the transaction, if any, the data can also be stored in the foreign country.

Razorpay has appointed Panacea InfoSec Private Limited under “**RBI/2017-18/153, DPSS.CO.OD No.2785/06.08.005/2017-2018**” and “**NPCI/UPI/OC-87/2020-21**” notification i.e. Indian Computer Emergency Response Team (Cert-In) empaneled auditors to submit System Audit Report (SAR) for completion of payment system data storage regulatory compliance.

Panacea InfoSec review was focused on identifying gaps in compliance based on payment system data storage enacted at the time of our review. The purpose of our validation activities was primarily to understand the payment system data localization control implementation at Razorpay.

We appreciate the co-operation and assistance provided to us during engagement wherein we observed the overall status of Razorpay Software Pvt. Ltd.