

# RBI 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)

Presented to:

**RZPX Private Limited**

Report By: Panacea InfoSec Pvt. Ltd.

Report Date: 19<sup>th</sup> October 2023

**Panacea Infosec Private Limited**

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

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## Revision Controls

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1.0	Final Report	19 <sup>th</sup> October 2023	Released for Validation. Prepared By - Panacea InfoSec Proofreader - RZPX

## 1. Executive Summary

To the management of RZPX Private Limited

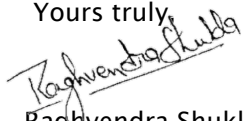
We have completed our engagement to assist RZPX Private Limited herein referred as RZPX Private Limited with evaluating and validating the compliance against data localization system audit guideline under “*RBI/2017-18/153, DPSS.CO.OD No. 2785/06.08.005/2017-2018*” notification. Our engagement was performed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

The engagement was focused on identifying the effectiveness of controls implemented at RZPX Private Limited to ensure compliance as per RBI 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 RZPX Private Limited during the assessment and interactions and assessment summary is based on covering entire transaction lifecycle and report writing is usage sampling of identified systems RZPX Private Limited 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,



Raghendra Shukla

PCI QSA, ISO 27001 LI & LA

Panacea Infosec Pvt. Ltd.

Cert-In Empaneled

Dated: 19<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.

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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 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 released the circular: **“RBI/2017–18/153, DPSS.CO.OD No. 2785/06.08.005/2017–2018”** 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 not later than October, 15th 2018. 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.

RZPX Private Limited has appointed Panacea InfoSec Private Limited under **“RBI/2017–18/153, DPSS.CO.OD No.2785/06.08.005/2017–2018”** 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 RZPX Private Limited.

Our procedure included the observations of the operations, auditee interview information and system review without performing further application-based testing to evaluate the operating effectiveness.

## 4. Audit Review Methodology

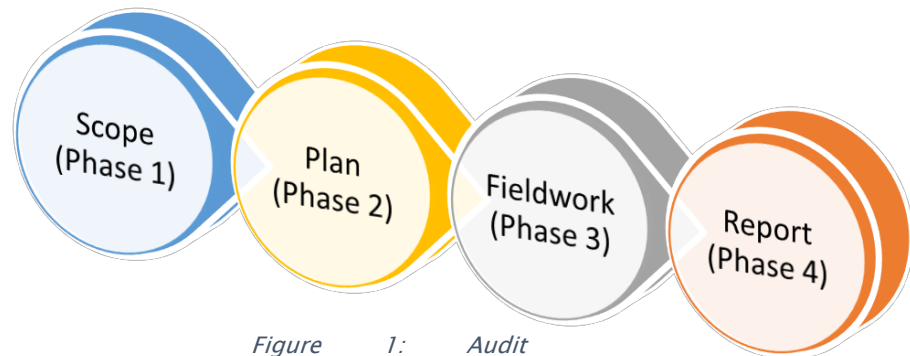


Figure 1: Audit Methodology

### 4.1. Phase 1: Scope

“RBI/2017–18/153, DPSS.CO.OD No. 2785/06.08.005/2017–2018” notification clarifies requirements for payment system data storage localization guidelines, defining the scope of assessment engagement involves in understanding how assessed entity’s operations align with the compliance requirements.

1. Data Classification
2. Data Access management
3. Data Storage
4. Service Providers of RZPX

### 4.2. Phase 2: Plan

We utilize our in-house developed questionnaires and request assessed entity for the information as per the list mapping to the RBI payment system data localization requirements. The assessor post conversation customizes the audit review agenda/plan and deliver detailed document to prepare the assessed entity for fieldwork i.e. Phase 3.

Our assessment involved focus on processing, handling, transmission, and storage of data. Our main elements of the assessment were people, process, and technology.

Listed below are some of the examples of people, process and RZPX Private Limited.

People	Process	Technology
1. Employees	4. Operations	7. Tools and Applications
2. Various departments such as IT, Compliance, Operations etc.	5. Structured Operating Procedures (SOP)	8. Controls for Data Protection and Information Security
3. Information Security & Compliance team	6. Communication	9. Data Transmission Channel

**Panacea Infosec Private Limited**

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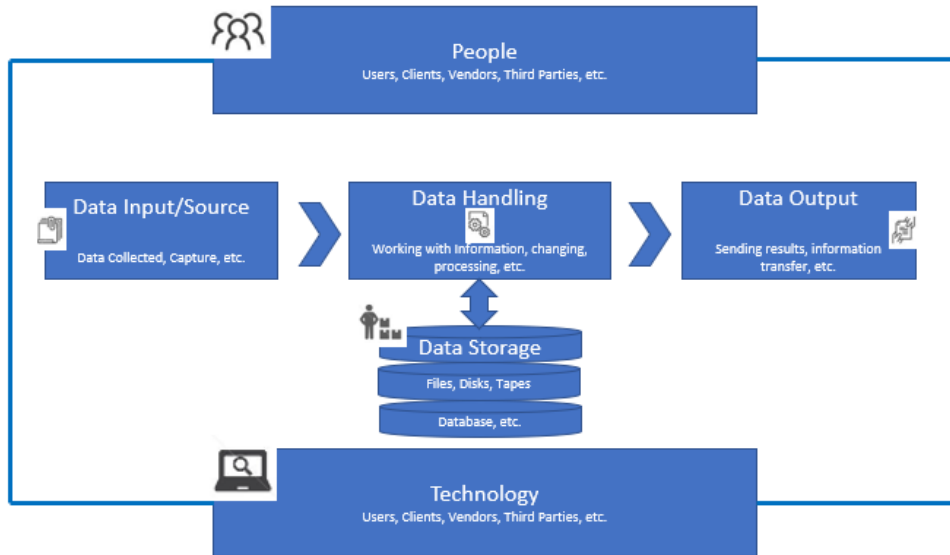
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### 4.3. Phase 3: Fieldwork

This phase consists of onsite/remote onsite interviews, walkthrough of relevant business processes and testing. Findings and observations are awarded to the assessed entity post the onsite/remote onsite assessment.



### 4.4. Phase 4: Report

Final step of the assessment is to present the detailed assessment compliance report to the assessed entity's management.