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# INDEPENDENT SERVICE AUDITOR'S ASSURANCE REPORT

To

The Board of Directors  
Ramco Systems Limited

## Scope

We have been engaged to report on Ramco Systems Limited's (hereinafter referred to as "Ramco" or "service organization") description in section 3 of its system for providing Magna Application services on a 'Software as a service' (SaaS) model to user entities from the delivery center located in Chennai, India throughout the period 1 April 2019, to 31 December 2019, ("description") based on the criteria for a description of a service organization's system in DC Section 200, 2018 Description Criteria for a Description of a Service Organization's System in a SOC 2® Report (AICPA, Description Criteria), (description criteria) and on the design and operation of controls stated in the description to provide reasonable assurance that Ramco's service commitments and system requirements were achieved based on the trust services criteria relevant to Security, Availability and Confidentiality set forth in TSP section 100, 2017 Trust Services Criteria for Security, Availability, Processing Integrity, Confidentiality, and Privacy (AICPA, Trust Services Criteria) (applicable trust services criteria).

Ramco uses subservice organization(s) namely (a) Amazon Web Services Inc. and (b) MicroSoft Corporation for cloud hosting services. The description indicates that complementary subservice organization controls that are suitably designed and operating effectively are necessary, along with controls at Ramco, to achieve Ramco's service commitments and system requirements based on the applicable trust services criteria. The description presents Ramco's controls, the applicable trust services criteria, and the types of complementary subservice organization controls assumed in the design of Ramco's controls. The description does not disclose the actual controls at the subservice organization. Our examination did not include the services provided by the subservice organization, and we have not evaluated the suitability of the design or operating effectiveness of such complementary subservice organization controls.

The description indicates that complementary user entity controls that are suitably designed and operating effectively are necessary, along with controls at Ramco, to achieve Ramco's service commitments and system requirements based on the applicable trust services criteria. The description presents Ramco's controls, the applicable trust services criteria, and the complementary user entity controls assumed in the design of Ramco's controls. Our examination did not include such complementary user entity controls and we have not evaluated the suitability of the design or operating effectiveness of such controls.

## Service Organization's Responsibilities

Ramco is responsible for: preparing the description and accompanying statement in section 2, including the completeness, accuracy, and method of presentation of the description and statement; providing the services covered by the description; selecting the applicable trust services category or categories and stating the related controls in the description; identifying the risks that would threaten the achievement of the service organization's service commitments and system requirements; and designing, implementing, and operating controls that are suitably designed and operating effectively to provide reasonable assurance that its service commitments and system requirements were achieved.

## Service Auditor's Responsibilities

Our responsibility is to express an opinion on the description and on the design and operation of controls related to the service commitments and system requirements stated in that description, based on our procedures. Our examination was conducted in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the description is fairly presented in accordance with the description criteria and the controls are suitably designed

and operating effectively to provide reasonable assurance that the service organization's service commitments and system requirements were achieved based on the applicable trust services criteria.

An assurance engagement to report on the description and the design and operating effectiveness of controls at a service organization involves performing procedures to obtain evidence about the disclosures in the service organization's description of its system and the design and operating effectiveness of controls. The procedures selected depend on the service auditor's judgment, including the assessment of the risks that the description is not presented in accordance with the description criteria and that controls are not suitably designed or operating effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to obtain reasonable assurance that the service commitments and system requirements stated in the description were achieved. An assurance engagement of this type also includes evaluating the overall presentation of the description.

We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

### **Service Auditor's Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### **Inherent Limitations**

The description is prepared to meet the common needs of a broad range of user entities and their auditors and may not, therefore, include every aspect of the system that individual user entity may consider important in its own environment. Also, because of their nature, service organization controls may not always operate effectively to provide reasonable assurance that the service organization's service commitments and system requirements are achieved based on the applicable trust services criteria. Also, the projection of any evaluation of the suitability of design or operating effectiveness of controls to future periods is subject to the risk that controls at a service organization may become inadequate or fail.

### **Opinion**

Our opinion has been formed on the basis of the matters outlined in this report. In our opinion, in all material respects,

- a) the description presents Ramco's system providing Magna application services on a 'Software as a Service' (SaaS) model that was designed and implemented throughout the period 1 April 2019 to 31 December 2019 in accordance with the description criteria;
- b) the controls stated in the description were suitably designed throughout the period 1 April 2019 to 31 December 2019 to provide reasonable assurance that Ramco's service commitments and system requirements would be achieved based on the applicable trust services criteria, if its controls operated effectively throughout that period and if the subservice organization(s) and user entities applied the complementary controls assumed in the design of Ramco's controls throughout that period; and
- c) the controls, which were those necessary to provide reasonable assurance that Ramco's service commitments and system requirements were achieved based on the applicable trust services criteria, operated effectively throughout the period from 1 April 2019 to 31 December 2019, if complementary subservice organization controls and complementary user entity controls assumed in the design of Ramco's controls operated effectively throughout that period.

### **Description of Tests of Controls**

The specific controls tested, and the nature, timing and results of those tests are listed in Section 4 of this report.



### **Intended Users and Purpose**

This report and the description of tests of controls in section 4 are intended only for Ramco, user entities who have used Ramco's system for providing Magna application services on a 'Software as a Service' (SaaS) model and their auditors, who have sufficient knowledge and understanding of the following:

- The nature of the service provided by the service organization
- How the service organization's system interacts with user entities, business partners, subservice organizations, and other parties
- Internal control and its limitations
- User entity responsibilities and how they may affect the user entity's ability to effectively use the service organization's services
- The applicable trust services criteria
- The risks that may threaten the achievement of the service organization's service commitments and system requirements and how controls address those risks

This report is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'KPMG'.

KPMG

July 30 2020