

# Assurance & Oversight Frameworks

## India-Based Outsourcing Firm – U.S. Client Compliance Readiness

Navigating cross-border compliance for accounting, bookkeeping, and investment operations serving U.S. clients under stringent regulatory requirements.



# The Business Context

An India-based provider of outsourced accounting, bookkeeping, and investment operations recently onboarded U.S. clients operating under stringent regulatory regimes including SOC 1 (SSAE 18), SOX 404, and privacy laws like CCPA/CPRA.

The firm needed to demonstrate robust internal controls, transparent governance, and compliance with cross-border data transfer rules under India's DPDP Act, 2023 to maintain trust and meet contractual obligations.



# The Compliance Challenge



## SOC 1 Type II Readiness

Processes impacting financial reporting including GL, AP/AR, reconciliations, and fund accounting.



## SOX 404 Linkage

Enable U.S. auditors to rely on outsourced processes with proper documentation.



## Investment Operations

Safeguards aligned with SEC custody requirements and adviser best practices.

# Additional Compliance Hurdles

1

## Third-Party Risk Management

TPRM for critical vendors reflecting U.S. interagency guidance and lifecycle oversight requirements.

2

## Cross-Border Privacy

Balancing CPRA service-provider obligations with India's DPDP negative-list regime for data transfers.

3

## Operational Scalability

Maintaining service quality and audit readiness while expanding client operations.

# Our Integrated Solution

We implemented a comprehensive assurance and oversight framework addressing all compliance dimensions:



## Structured Governance

Board-approved policies and clear escalation paths



## SOC 1 Controls

ICFR-mapped objectives and readiness testing



## Investment Oversight

Enhanced reconciliations and custody safeguards

# Governance & Policy Framework

## Structured Governance

- Board-approved outsourcing policy with clear roles and escalation paths
- Vendor lifecycle oversight procedures
- Compliance program uplift for investment-ops clients
- Annual reviews and designated compliance leadership





# Control & Risk Management

01

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## SOC 1–Aligned Controls

Control objectives mapped to ICFR themes with readiness testing for design and operating effectiveness. Documentation for SOC 1 Type II attestation and SOX reliance.

02

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## Investment Operations Oversight

Enhanced reconciliations, valuation checks, and custody safeguards aligned with SEC expectations for adviser operations.

03

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## Third-Party Risk Management

Lifecycle model covering plan, due diligence, contract, monitor, and exit phases with performance dashboards and remediation workflows.

# Privacy & Data Compliance



## CPRA Compliance

Service-provider clauses meeting California privacy requirements with proper data handling protocols.



## DPDP Adherence

Breach reporting and consent management aligned with India's Digital Personal Data Protection Act, 2023.



## Cross-Border Transfers

Templates for SCCs/IDTA and Transfer Impact Assessments for EU/UK data flows.



## Audit-Ready Documentation

RCMs, evidence binders, exception logs, and KPI dashboards for client transparency.



# Measurable Impact



1

## SOC 1 Type II Readiness

Achieved full readiness, enabling U.S. auditors to place reliance on outsourced processes.

2

## Faster Audit Cycles

Reduced remediation cycles through standardized documentation and governance frameworks.

3

## Compliance Pillars

Strengthened investor confidence with robust reconciliations, reporting safeguards, and privacy posture.

# Key Takeaways



## SOC 1 Type II is Critical

Essential for U.S. clients relying on outsourced accounting and fund administration to meet audit requirements.



## Dual Privacy Regimes

Compliance now spans CPRA and DPDP, requiring proactive contract and process updates.



## TPRM Maturity Differentiates

Clients expect lifecycle governance aligned with U.S. standards for vendor management.



## Documentation Discipline

Audit-ready evidence and KPI dashboards accelerate onboarding and build client trust.