

# 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** 

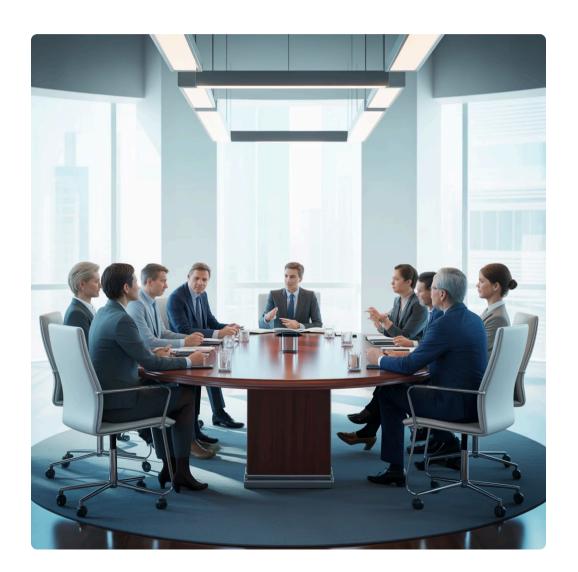
Enhanced reconciliations and custody safeguards



# 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

#### 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

#### Investment Operations Oversight

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

03

#### Third-Party Risk Management

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







#### **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

SOC 1 Type II Readiness

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

Faster Audit Cycles

2 Reduced remediation cycles through standardized documentation and governance frameworks.

Compliance Pillars

3 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.