



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

ICAI OHIO (USA) CHAPTER

Featured

- Preface: Message from ICAI President CA. Prasanna Kumar D.
- Perspectives from the IFAC Chief Financial & Admin. Officer
- Articles: Deep dives into current industry topics

“Our launch is a small step, but a giant leap for the ICAI USA presence”

**Climbing to
New Heights**

Connecting Professionals, Fostering Excellence

**The Inaugural Edition:
August 2026**

LEAD. GROW.

Table of Contents



Welcome to the inaugural edition of the ICAI Ohio (USA) Chapter Newsletter. We are delighted to present a curated collection of insights, milestones, and opportunities for our growing community of Chartered Accountants across Ohio.

- 01 PREFACE: MESSAGE FROM ICAI PRESIDENT
- 02 FROM THE FOUNDER CHAIRMAN'S DESK
- 03 MEET THE BOARD MEMBERS
- 04 MESSAGE FROM THE CONSULATE GENERAL OF INDIA NEW YORK
- 05 SPECIAL MESSAGES FROM DIGNITARIES
- 07 LAUNCH OF THE ICAI OHIO (USA) CHAPTER



FEATURED ARTICLES

- 09 ETHICS AND NATIONAL BUILDING
- 10 ACCOUNTING & TAX OUTSOURCING INDIA – NOT JUST A HUB, BUT HEAVEN
- 12 FCNR DEPOSITS IN INDIA: EVERYTHING NRIS/OCI NEED TO KNOW
- 15 THE U.S.-INDIA FINANCIAL CORRIDOR: LEVERAGING GIFT IFSC FOR GLOBAL INVESTMENT AND FINANCIAL OPPORTUNITIES

- 17 UPCOMING EVENTS & UPDATES
- 18 INVITATION TO WRITE ARTICLES



PREFACE: MESSAGE FROM THE PRESIDENT



Dear Professional Colleagues,

I am pleased to note that ICAI Ohio (USA) Chapter has come out with the inaugural edition of its Newsletter, and I am equally delighted to contribute this preface.

The formal inauguration of the Ohio Chapter on 26th July, 2026 marks a proud milestone in our ongoing journey towards strengthening the international footprints of the Indian accountancy profession. The grand inauguration of the Chapter, under the inspiring theme "Unite in America," showcased the rising global stature of our profession. We were honored to have Ambassador Binaya Srikanta Pradhan, Hon'ble Consul General of India, New York, grace the occasion as Chief Guest. The event was further enriched by the participation of Ms. Helen Partridge, Chief Financial & Administrative Officer of the International Federation of Accountants (IFAC), alongside representatives from leading trade bodies such as FICCI- America and global advisory leaders. Their presence reflected the deep institutional trust and collaborative spirit that the profession continues to foster with the global stakeholders.

With this launch, ICAI's global presence has expanded to 55 Overseas Chapters and 30 Representative Offices across the world. As the 15th ICAI Chapter in the United States, the ICAI Ohio (USA) Chapter further strengthens the Institute's global network alongside its 8 Representative Offices in the country. The establishment of the Chapter reflects the steady growth of the Indian Chartered Accountancy profession across international jurisdictions and reaffirms ICAI's commitment to building a well-connected global professional community.

Within this growing professional network, a Chapter Newsletter is much more than a chronicle of activities; it provides a platform for professional dialogue and exchange of ideas while keeping members abreast of the Chapter's initiatives and strengthening the bonds within the ICAI fraternity. I am confident that this Newsletter will serve as a valuable platform for knowledge sharing, professional collaboration and inspiration for members across Ohio and the wider United States.

I extend my heartfelt congratulations to the Managing Committee for its dedicated efforts in establishing and successfully launching the ICAI Ohio (USA) Chapter, thereby laying a strong foundation for our fraternity in the region. I wish the ICAI Ohio (USA) Chapter, its leadership team, and all its members continued success in their future endeavors.

Warm regards,
CA. Prasanna Kumar D
President (2026-27)

The Institute of Chartered Accountants of India (ICAI)



FROM THE FOUNDER CHAIRMAN'S DESK: CA SIDDHANTA GOEL

Building a Legacy: Unite in America

Dear Professional Colleagues,

Welcome to the inaugural edition of the ICAI Ohio Chapter newsletter! This is our very first official publication and direct communication to our members, marking the beginning of an exciting, shared journey as a unified professional community. We are grateful for the contributions from President, Past President(s) and other eminent writers on current topics impacting the professionals across the globe.

Reflecting on a Historic Milestone

Our formal inauguration on July 26, 2026, established a proud foundation for our fraternity. Guided by our launch theme, "Unite in America," the event showcased the rising stature and influence of the Indian accounting professionals on a global platform.

It was a distinct honor to host Ambassador Binaya Srikanta Pradhan, Hon'ble Consul General of India, New York, as our Chief Guest. The grand launch was further elevated by the participation of ICAI Leadership President CA. Prasanna Kumar D., Vice President CA. Mangesh Kinare, Secretary Dr. Jai Kumar Batra, and CA Mudit Vashisht ICAI International Affairs. alongside the esteemed blessings of past presidents including CA. (Dr.) Amarjit Chopra, CA. Nilesh Vikamsey, and CA. Ranjeet Agarwal. Special address by Helen Partridge, Chief Financial & Administrative Officer of the International Federation of Accountants (IFAC), alongside representatives from leading trade bodies like FICCI-America, IACC. Their presence highlights the deep institutional trust and collaborative spirit our profession commands on the global stage. Several overseas chapters sent their video messages for the ICAI Ohio (USA) Chapter inauguration day which again shows "Unite in America" theme.



Our Mission and Vision

Operating as a dedicated non-profit entity within the USA, the ICAI Ohio Chapter exists to serve Chartered Accountants and finance professionals. We are committed to fostering knowledge sharing, professional development, networking, and community leadership.

As modern corporate finance increasingly demands advanced data models, dynamic forecasting, and rigorous general ledger controls, our chapter aims to be a vital resource. Through targeted events, programs, and volunteer initiatives, we will continuously strengthen the connections between our members, students, employers, and the broader global ICAI community.

Looking Ahead

Our momentum is just building. ICAI Ohio Chapter will be organizing several webinars and CPE events for the benefit of members. Also, please mark your calendars for our upcoming joint regional meet and networking forum with the ICAI Michigan Chapter, scheduled for September 12, 2026. This collaborative event will be a fantastic opportunity to expand our professional networks, share industry best practices, and build bridges across state lines.

The ICAI Ohio Chapter will soon launch its website, Global Career E-Kit, and career counseling initiatives to support members and aspiring Chartered Accountants across the United States.

Acknowledging Our Leadership

Establishing this chapter has been a collective endeavor, and I want to extend my deepest gratitude to our exceptional Management Team for their hard work and dedication:

CA. Varun Kapoor, Vice Chairman
CA. Arup Mukherjee, Secretary
CA. Ruby Bahl, Treasurer
CA. Nilesh Sangoi, Board Member
CA. Mamta Jain, Board Member

I look forward to building a thriving, supportive, and dynamic community with all of you. Here is to a future of shared growth and professional excellence.

Wishing all members Happy 80th Independence Day - August 15th 2026

Warm regards,

CA. Siddhanta Goel
Founder Chairman,
ICAI Ohio (USA) Chapter



MEET THE INAUGURAL BOARD MEMBERS

ICAI Ohio (USA) Chapter Management Team



CA. Siddhanta Goel
Founder Chairman



CA. Varun Kapoor
Vice Chairman



CA. Arup Mukherjee
Secretary



CA. Ruby Bahl
Treasurer



CA. Nilesh Sangoi
Board Member



CA. Mamta Jain
Board Member



MESSAGE FROM THE CONSULATE GENERAL OF INDIA NEW YORK, USA

Binaya S. Pradhan



**Consul General of India
New York**

August 6, 2026

MESSAGE

It gives me pleasure to extend warm greetings and congratulations to the Institute of Chartered Accountants of India (ICAI), Ohio Chapter, on the inaugural edition of its newsletter.

The inauguration of the Chapter on July 26, 2026, marks an important milestone in the global presence of the Indian accounting profession. With ICAI's network now comprising 55 Overseas Chapters and 30 Representative Offices, the institution continues to promote professional excellence, ethical leadership, knowledge sharing, and international engagement.

Indian Chartered Accountants are widely respected for their competence, integrity, and contribution to businesses and economies worldwide. In the United States, Indian financial professionals play an important role across accounting, taxation, auditing, consulting, entrepreneurship, corporate governance, and financial services, while strengthening India–United States economic ties.

The Ohio Chapter will provide a valuable platform for networking, continuing education, mentorship, and collaboration with businesses, universities, policymakers, and community organizations. I commend Founder Chairman CA. Siddhanta Goel and congratulate the office bearers and Board Members for their vision and commitment.

I am confident that this newsletter will encourage professional dialogue, share knowledge, and highlight members' achievements. The Consulate General of India, New York, looks forward to supporting the Chapter's initiatives. I convey my best wishes for its success.


(Binaya S. Pradhan)

**CA Siddhanta Goel
Founder Chairman
ICAI Ohio Chapter
USA**

Consulate General of India
3 East 64th Street, New York, N.Y. 10065 (USA)

SPECIAL MESSAGES FROM DIGNITARIES



Helen Partridge, CPA
Chief Financial and Administrative Officer
International Federation of Accountants (IFAC)

It is a great privilege to contribute to the inaugural edition of the ICAI Ohio Chapter Newsletter and to congratulate the leadership, volunteers, and members who have made this important milestone possible. The launch of a new chapter is a significant accomplishment and reflects the vision, dedication, and commitment of professionals who understand the value of coming together to advance both their individual careers and the broader accountancy profession.

The establishment of the ICAI Ohio Chapter represents much more than the creation of another professional network. It signals the formation of a community dedicated to learning, collaboration, leadership, and service. Professional organizations thrive when their members actively engage, share knowledge, support one another, and work collectively to address the opportunities and challenges facing the profession. This new chapter has the potential to become an important platform for exactly those outcomes.

The accounting profession today stands at a remarkable point in its evolution. Around the world, organizations are navigating rapid technological advancement, increasing demands for transparency and accountability, evolving sustainability expectations, and unprecedented economic complexity. Artificial intelligence is transforming business processes and decision making. Sustainability reporting is becoming increasingly important to stakeholders. Organizations are expected to manage risks more effectively while maintaining trust and confidence among investors, regulators, customers, and the public.

In this environment, the role of professional accountants has never been more critical. Accountants are no longer viewed solely as guardians of financial information. They are strategic advisors, technology enablers, risk managers, leaders, and trusted partners in organizational decision making. The profession continues to evolve, and with that evolution comes tremendous opportunity. The most successful professionals will be those who embrace change, develop new skills, and help shape the future rather than simply react to it.

One of the profession's greatest strengths is its ability to connect people across borders through common values of integrity, professionalism, and excellence. Equally important is our commitment to diversity and inclusion. By welcoming different perspectives, experiences, and backgrounds, we strengthen decision-making, encourage innovation, and ensure the profession remains relevant and resilient for future generations.

I commend the leadership and volunteers whose vision and dedication have brought the ICAI Ohio Chapter to life. May this chapter serve as a vibrant platform for professional growth, meaningful connections, mentorship, and collaboration within both the local and global accounting community.

The future of the accounting profession will be shaped not by any one jurisdiction, organization, or individual, but by diverse professionals working together across borders in service of the public interest.

Let us continue to learn from one another, support one another, and collaborate globally so that our profession remains trusted, relevant, and impactful for generations to come.

Congratulations once again on this inaugural achievement. I wish the ICAI Ohio Chapter and its members every success in the years ahead.

Helen Partridge
Chief Financial and Administrative Officer
International Federation of Accountants (IFAC)



MESSAGE FROM THE PAST PRESIDENT



CA G. RAMASWAMY
PAST PRESIDENT, ICAI

Dear CA Siddhanta Goel,

Congratulations on your appointment as Founder Chairman of the ICAI Ohio (USA) Chapter.

In today's era of globalization and rapid technological transformation, ICAI is well positioned to emerge as a global champion, especially in the evolving field of AI and its far-reaching impact on the world economy. Under your leadership, I am confident that ICAI will further advance its vision and mission in the USA.

Please accept my heartfelt congratulations. I look forward to working together in the interest of the profession. Thank you for sharing the photograph of your award received from me as President of ICAI on 9th December 2011. I am truly proud of you.

Best wishes,
CA G. Ramaswamy
Past President, ICAI



CA. Siddhanta Goel ,Asst. General Manager (Finance), Volkswagen India Private Limited, receiving an Award for CA Professional Achiever- Manufacturing Sector at the ICAI Award 2011 on 9th December 2011 at Bangalore Palace, Bangalore

Launch of the ICAI Ohio USA Chapter

A New Beginning for Chartered Accountants Across Ohio, The ICAI Ohio USA Chapter was officially inaugurated, marking a proud moment for the Indian CA community in the state of Ohio.

July 26, 2026

OFFICIAL LAUNCH DATE

Inaugurated at a grand ceremony in Cincinnati, Ohio, bringing together CAs, professionals, and community leaders.



We are proud to announce the official launch of the ICAI Ohio USA Chapter - a landmark moment for Chartered Accountants across Ohio. This inaugural edition celebrates our founding, introduces our leadership, and outlines our vision for building a thriving professional community.



MOMENTS FROM THE INAUGURAL LAUNCH

A pictorial journey through the historic launch of the ICAI Ohio USA Chapter, celebrating community, leadership, and a new beginning.



Ethics And National Building

BY CA. (DR.) AMARJIT CHOPRA, ICAI PAST PRESIDENT

THE AUTHOR



CA. (Dr.) Amarjit Chopra
Past President ICAI

Ethics and Morals don't just contribute to nation building these define its culture. A nation is built by the deeds of its leaders, it's citizens and not by area or wealth. Only being developed in certain sectors does not help a nation becoming great and renowned. These could be temporary indicators but not permanent ones. Most important aspect is whether it's citizens are live happily and feel contented but at the same time have the hunger to take nation forward. Happiness index of a nation is more important than development and this is dependent upon how do we treat each other. Ethics and Morals build trust allowing society to work together better. Lower the trust more laws and more court cases we have.

Nation Building is different from mere growth. Whereas growth can be more in terms of GDP etc, nation building has more to do with character of people, values that they nurture and the happiness all around Growth certainly requires expansion of business leading to more employment but at times one of the undesirable effects is increase in inequalities of income and wealth Growth may require modernization which may result in to unemployment. In the name of speed the nation may adopt certain modern technical measures. But if it's consequence more unemployment then the leaders need to reconsider going in for such changes. One of the natural consequence of unemployment is discontentment which can lead to law and order problems. The whole world is witness to these realities and hence the need to ensure that benefits of modernisation or for that matter any change reach the last person in the queue. USA and Russia may be more developed but in terms of happiness Bhutan is ahead of them.

Values: These are derivatives of thoughts and inner desires mainly driven by our beliefs and cultural system and generally drive growth Covid period has highlighted need for values. There were number of employers who took upon themselves to ensure continued employment of people despite stress on their profitability.

On the other hand there were employers who terminated the employment on the pretext of Covid. Also there were employers who undertook to ensure the care of families of the deceased employees till the date of their retirement as a part of culture of their organizations. Tatas in India have been a fine example of corporate with this kind.

Values can be derived from families, religion, culture and society. Ethics are more self imbibed and at times imposed. Ethics can not be codified. An unethical act could be legal and an illegal conduct could be ethical. We have seen political parties allocating tickets to persons charged with various crimes. It may be unethical but it is permitted by law in certain jurisdictions. On the other hand a person in a car waiting on red light sees a person being knocked down on the other side jumps red light and takes the person to hospital and saves his life. In this case jumping the red light signal would have been illegal but ethical.

In the earlier days imparting education, medical facilities was more a part of societal values. But today both of them are big business. Degradation in values has hit every sphere of life including the bureaucratic, political and justice system. When people make money out of miseries of others that is what causes the unrest in the world.

Need of the hour is to imbibe values and ethics in the functioning of governments, business houses, professionals, judiciary, teachers, religious leaders, Sports Bodies, journalists and so on. If the world is to be a happy place to live the governments must ensure that they take care of the people at bottom of the pyramid. The citizens get the full value for the taxes they pay. The people are able to lead a decent life post retirement. Justice is economical and timely, education and medical facilities are economical and qualitative. Education does not merely focus on innovations, it also imbibes ethics and values in the new generation. Business houses do grow in balance sheet size as well creators of employment. They also take care of sound environmental, sustainability and governance measures. Professionals meet societal expectations and give advice which is in long term interest of the society rather than client alone. Religious leaders in creating an environment of harmony, peace and brotherhood rather than pitching one against another. And the administrators of Sports Bodies make sure that all those who deserve get a chance to represent at respective levels to earn laurels for themselves and their countries. Journalists are most important source of dissemination of fair news. Their conduct at present leaves lot to be desired. They need to be objective in their reporting so that people know what are the ground realities.

Needless to say that this is a big wish list. As Chartered Accountants we are required to conduct ourselves with,

- | | |
|--------------|------------------|
| -Integrity | -Excellence |
| -Objectivity | -Transparency |
| -Fairness | -Honesty |
| -Competence | -Confidentiality |

To my mind all these principles apply to every one without exception. Let us hope that in the times to come world is better place to live in.

Accounting & Tax Outsourcing India – Not Just a Hub, But Heaven

BY CA. SUNIL H. TALATI, ICAI PAST PRESIDENT

ABOUT THE AUTHOR



CA. Sunil Talati is a distinguished Chartered Accountant and former President of The Institute of Chartered Accountants of India (ICAI) (2007–08), becoming the first Chartered Accountant from Gujarat to hold the office. A Fellow Chartered Accountant, he is the Managing Partner of Talati & Talati LLP, with offices across India. With decades of leadership in the accounting profession, he has served in numerous prestigious roles, including Vice Chairman and Chairman of the Services Export Promotion Council (SEPC) under the Ministry of Commerce & Industry, Government of India, President of the All Gujarat Federation of Tax Consultants, and member of several government and professional bodies. A prolific author and speaker, CA Talati has written extensively on taxation and finance, co-authored the widely respected Ready Reckoner for nearly two decades, and has been a regular contributor to leading financial publications. His contributions to the profession have earned him widespread recognition as a respected leader, educator, and thought leader in the fields of accounting, taxation, and financial governance.

Ask a partner at a mid-sized US accounting firm, or for that matter any big C.P.A. firm, why they route work to India, and the answer is not that “it’s cheap.” Cheap labour is available in 6/7 other countries. What they’ll actually say and accept is: “I don’t have to worry about it.” That sentence is doing a lot of work, and it’s a better starting point for understanding this industry than the familiar story about cost and talent.

A finance function is one of the important areas of a business where a small error can become a regulatory, legal, or reputational problem. Outsourcing that function is not really a purchase of labour hours, nor is it body shopping. It’s a transfer of risk to whoever can absorb it most reliably. India’s rise looks less like a labour-cost story and more like an underwriting story: The Financial market has rewarded whoever could carry that risk consistently, at scale, across thousands of clients and jurisdictions. India has now proved to be positioned perfectly to do that. Cost is one of the most important criteria, but risk-carrying capacity, timely delivery, and perfection are now what is being given by Indian CA back to CPA in USA and other countries.

Doing More Work Than People Realise

Three shifts are quietly reshaping demand, and none of them get the attention they deserve in the usual telling of this story.

1) The first is the Global Capability Centre. GCCs are not outsourcing in the traditional sense. They are multinational finance and tax departments that happen to sit in Bengaluru, Pune or Hyderabad, Ahmedabad or Gurgaon, etc., instead of Ohio, New York, Chicago or Frankfurt. This changes the unit of analysis. The relevant comparison is no longer “Indian vendor vs. Western in-house team”; it’s now “Indian-based team vs. Western-based team,” and increasingly they’re the same team. A GCC blurs the line between outsourcing and simply building the finance function in India by default.

2) The second is regulatory fragmentation. Every country that adds a digital services tax, a new transfer-pricing disclosure, or an ESG reporting mandate is not shrinking the market for cross-border compliance expertise - it’s expanding it. Complexity is the raw material this industry runs on, and complexity is compounding faster than most in-house finance teams can hire against it.

3) The third is AI, and this is the one most commentary gets backwards. The assumption is that automation will hollow out outsourced accounting work. What’s actually happening is closer to the opposite: Automation is compressing the low-skill layer - basic data entry, first-pass matching-while expanding demand for the judgment layer built on top of it. A firm that used to bill fifty hours for reconciliation now bills five, but the person doing the remaining five hours needs to be sharper, not less skilled. Total headcount at the bottom of the pyramid may shrink; total value delivered per professional is going up.

Continued

Why India? Why Not Somewhere Else?

It's worth being specific about what India has that its nearest competitors don't, because "talent and cost" undersells it. The Philippines built a genuinely strong BPO industry on voice and transactional processing, but it doesn't have India's density of professionally qualified accountants- chartered accountants of I.C.A.I. sitting for a rigorous, internationally respected qualification, in numbers no comparable market produces. Eastern European hubs like Poland offer strong technical talent and EU time-zone proximity, but at a fraction of India's scale, and increasingly at labour costs that are no longer dramatically lower than India's own metro markets.

What India has that's genuinely hard to replicate is the combination: enough scale to absorb enterprise-level, multi-country mandates, enough technical depth to handle work that requires real judgment, and enough institutional infrastructure professional bodies, training pipelines, quality-control norms - that a client can move from a five-person engagement to a five-hundred-person one without switching providers or geographies. Competitors can usually match India on one of those dimensions but not all.

The Parts of the Story That Don't Flatter Anyone

An honest account of this industry has to include what's going wrong underneath the growth numbers, because ignoring it is how positions like this get lost.

- Wage inflation in Tier-1 hubs (Bengaluru, Mumbai, Gurugram) has been running well ahead of general inflation for skilled finance roles, quietly eroding the cost gap that still shows up in sales pitches.
- Attrition at the two-to-five-year experience band, exactly the professionals who've absorbed enough training to be genuinely useful remains a persistent drain, as Gulf, Canadian, and Australian employers actively recruit from the same pool.
- Automation is compressing the entry-level roles that used to be how junior staff learned the business before moving up, which creates a training pipeline problem five to ten years out if firms don't deliberately redesign how they build judgment in younger staff.
- Domestic competition among Indian firms for the same global mandates is compressing margins in ways that price competition from other countries mostly isn't.

A More Specific Bet on What Comes Next

If the growth is real but the strain points are also real, the more useful prediction isn't "India will keep winning" - It's about where the winning will concentrate. Expect the gap to widen between firms that specialise (deep international tax, ESG assurance, GCC-style embedded teams) and generalist bookkeeping and compliance shops competing mainly on price, which will feel the automation and margin pressure hardest. Expect Tier-2 cities - Ahmedabad, Jaipur, Coimbatore, Indore - to absorb more of the volume growth as Tier-1 costs keep climbing, the same way IT services outgrew Bengaluru two decades ago. And expect the firms that treat retention and internal career pathways as seriously as they treat client delivery to be the ones still standing when the next cost-driven competitor (and there will be one) shows up.

Short and Sweet | I love my India.

In a nutshell, why outsourcing of accounting, tax work and the work of even audit support should be done at India and no other country? I very strongly feel that following points and competence can match no other country or no other CA of the world.]

1. Cost effectiveness: The cost of an Indian Chartered Accountant compared to CAs or CPAs of all other countries is quite reasonable.
2. Time difference: The work is sent from Western countries at night; working the whole day there, the work is done from the morning in India and finished in the evening, by which time there is a morning then ready on their laptop and desktops the very next day.
3. The competence by way of knowledge: Not only the Indian accounting standard but IFRS and all other international accounting standards are mastered by Indian Chartered Accountants. Due to this knowledge & experience, Indian CAs can satisfy any outsourcing challenges and render perfect, errorless, ready material.
4. With International Taxation very much in vogue in India, hundreds of Chartered Accountants are well versed with International Taxation of various countries. Indian Chartered Accountants are well competent to comply and do the work of tax, which is not possible by several other countries' Chartered Accountants.
5. Perfectness, Preciseness and Timeliness:
This is where Indian Chartered Accountants win. Whatever they do, they are always conscious about the ethical standards and code of ethics in India. They are aware that any negligence on their part will in turn invite various stringent actions by ICAI, and therefore they are very cautious and, at the same time, confident to see that work delivery is 100% perfect with no chance of any error or complaint.

At the end, I would say not only Indian Chartered Accountants who are practicing in USA but across the globe in various countries have realized that if I send the work to India, it is not only favouring my own country but also getting the best work at the best price, in the best manner, in the best possible time. That's why India is heaven for outsourcing. Needless to say, that we at Talati and Talati LLP are also fortunate and competent to provide such services as we have been doing since last more than 10 years.



FCNR Deposits in India: Everything NRIs / OCIs Need to Know

THE AUTHOR



CA. MEET THAKKAR



QUICK HIGHLIGHTS:

- ◆ Foreign Currency Investment for NRIs / OCIs
- ◆ Protection Against Exchange Rate Risk
- ◆ Full Repatriation Benefits
- ◆ Tax-Efficient Returns

Background

For many Non-Resident Indians (NRIs) living outside India, maintaining financial ties with India remains an important part of their long-term financial planning. Whether it is supporting family, investing in real estate, building an investment portfolio, or planning an eventual return to India, NRIs often seek banking solutions that combine stability, flexibility and efficient management of foreign currency savings.

One of the key challenges while investing in India is exchange rate volatility. Even when an investment generates attractive returns in Indian Rupees, depreciation of the Rupee against the depositor's foreign currency may reduce the overall value of the investment when funds are repatriated.

Foreign Currency Non-Resident (Bank) [FCNR] Deposit addresses this concern by allowing eligible NRIs to maintain fixed deposits in designated foreign currencies with banks in India. Since both the principal and the interest remain denominated in the foreign currency, the depositor is protected against fluctuations in the Indian Rupee. For NRIs seeking capital preservation, predictable returns and unrestricted repatriation, FCNR(B) deposits continue to be one of the most attractive banking products available under the Indian banking system.

What is an FCNR(B) Account?

An FCNR(B) Account is a foreign currency-denominated term deposit offered by Authorised Dealer (AD) Category-I banks in India under the regulatory framework prescribed by the Reserve Bank of India (RBI). Unlike conventional fixed deposits maintained in Indian Rupees, FCNR(B) deposits are maintained in designated foreign currencies. Both the principal amount and the interest accrued remain in the same foreign currency throughout the tenure of the deposit, thereby eliminating exchange rate risk arising from INR fluctuations.

Eligible currencies presently include:

US Dollar (USD) Euro (EUR) Australian Dollar (AUD) Swiss Franc (CHF)
Pound Sterling (GBP) Japanese Yen (JPY) Canadian Dollar (CAD)

Currencies as permitted by the RBI.

FCNR(B) accounts can only be maintained as term deposits, generally for a period ranging from one year to five years.

Who Can Open an FCNR(B) Account?

FCNR(B) accounts may be opened by:

- Non-Resident Indians (NRIs)
- Overseas Citizens of India (OCIs)
- Persons of Indian Origin (PIOs)

Joint accounts may be maintained with another eligible NRI or, in specified circumstances, with a resident relative on a "former or survivor" basis, subject to RBI regulations.

Resident Indians are generally not eligible to open or maintain FCNR(B) accounts except in limited circumstances permitted under FEMA.

Why Do NRIs Choose FCNR(B) Deposits?

- Earn income in foreign currencies,
- Maintain savings outside India.
- Wish to invest in India without assuming INR exchange rate risk.
- Are planning long-term financial commitments in India.
- Intend to return to India in the future.



Key Benefits of FCNR(B) Deposits

1. Protection Against Exchange Rate Risk

The most significant benefit of an FCNR(B) deposit is protection against Indian Rupee depreciation.

Since both the principal and interest remain denominated in the chosen foreign currency, the value of the investment is not affected by fluctuations in the INR exchange rate during the tenure of the deposit.

2. Full Repatriability

Both the principal amount and the interest earned can be freely repatriated outside India without exchange control restrictions, making FCNR(B) deposits highly suitable for globally mobile individuals.

3. Attractive Foreign Currency Returns

Indian banks may offer competitive interest rates on FCNR(B) deposits depending upon the currency and tenure of the deposit. Interest rates are determined within the framework prescribed by the RBI.

4. Tax Efficiency in India

Interest earned on FCNR(B) deposits is generally exempt from income tax in India, provided the depositor qualifies as a non-resident under the Income-tax Act, 1961. Further, such interest is generally not subject to tax deduction at source (TDS), subject to fulfilment of applicable conditions. NRIs should also evaluate the tax treatment of such interest in their country of tax residence and obtain professional advice wherever necessary.

5. Loans Against FCNR(B) Deposits

Banks may permit loans against FCNR(B) deposits in accordance with RBI regulations, allowing depositors to access liquidity without prematurely breaking the deposit.

FCNR(B) vs NRE Fixed Deposits

Particulars	FCNR(B)	NRE Fixed Deposit
Deposit Currency	Foreign Currency	Indian Rupees
Exchange Rate Risk	None	Subject to INR fluctuations
Principal Returned In	Foreign Currency	Indian Rupees
Interest Paid In	Foreign Currency	Indian Rupees
Repatriability	Fully Repatriable	Fully Repatriable
Best Suited For	Preserving foreign currency wealth	Rupee-denominated investments

Understanding the RBI's USD-INR Swap Facility

- From time to time, the Reserve Bank of India introduces special USD-INR swap facilities to encourage banks to mobilise fresh FCNR(B) deposits.
- When an NRI places a foreign currency deposit with an Indian bank, the bank assumes an obligation to repay the principal and interest in the same foreign currency upon maturity. If the bank deploys those funds within India, it must manage the associated foreign exchange exposure.
- Ordinarily, banks hedge this exposure through the foreign exchange market, increasing their cost of funds.
- Under the RBI's swap facility, eligible banks can instead enter into a foreign exchange swap directly with the RBI at a predetermined cost. This significantly reduces the bank's hedging expenses.
- Although the facility is available only to participating banks, its benefits are often passed on to depositors through more competitive FCNR(B) deposit rates.
- Importantly, the depositor's relationship with the bank remains unchanged. The FCNR(B) deposit continues to be maintained in the designated foreign currency, with both principal and interest payable in that currency at maturity.

Relevance of GIFT IFSC

FCNR(B) deposits are governed by the RBI and are offered by Authorised Dealer banks across India. They are not an IFSC-specific banking product. However, International Financial Services Centre Banking Units (IBUs) operating in GIFT IFSC complement the FCNR(B) ecosystem by offering a wide range of foreign currency banking and treasury solutions designed for cross-border financial activities. Depending upon the institution, these services may include:

- Foreign currency deposits.
- Offshore banking solutions.
- Foreign currency lending.
- Treasury and liquidity management.
- Financing against eligible foreign currency deposits.
- Banking support for international investment structures established through GIFT IFSC.

Together, FCNR(B) deposits and GIFT IFSC banking services provide NRIs with greater flexibility in managing global financial assets.

How Does FCNR(B) Fit into an NRI's Overall Financial Strategy?

Managing finances across jurisdictions requires balancing liquidity, currency exposure, investments and long-term financial objectives. An FCNR(B) deposit should therefore be viewed as one component of a broader cross-border financial strategy.

Financial Objective	Appropriate Solution
Day-to-day banking in India	NRE / NRO Account
Preserve foreign currency savings	FCNR(B) Deposit
Invest in Indian securities	NRE Account / Investment Account
International wealth diversification	Overseas investment portfolio
Offshore banking and treasury management	GIFT IFSC Banking Unit (IBU)
Estate and succession planning	Appropriate legal and tax structuring

Rather than replacing other banking products, FCNR(B) deposits complement them by preserving foreign currency wealth while providing stable returns and flexibility for future financial needs.

Key Takeaways

- FCNR(B) deposits enable NRIs to maintain fixed deposits in designated foreign currencies with banks in India.
- Since both the principal and interest remain denominated in the foreign currency, the investment is protected from INR exchange rate fluctuations.
- Both principal and interest are freely repatriable.
- Interest generally enjoys favourable tax treatment in India, subject to applicable laws.
- RBI's swap facilities help banks reduce hedging costs, which may result in more competitive FCNR(B) deposit rates.
- FCNR(B) deposits complement NRE/NRO accounts and can form an integral part of an NRI's cross-border financial planning strategy.

Some practical considerations before investing

- Before opening an FCNR(B) deposit, NRIs should consider:
- Current interest rates offered by different banks.
- Currency in which the deposit will be maintained.
- Expected holding period.
- Liquidity requirements.
- Tax implications in India and the country of residence.
- Residential status if planning to return to India.
- Premature withdrawal conditions and applicable penalties.

Frequently Asked Questions

Can I open an FCNR(B) account while residing outside India?

Yes, Eligible NRIs may open FCNR(B) deposits with Authorised Dealer banks in India, subject to applicable KYC requirements and FEMA regulations.

Is my money exposed to Indian Rupee fluctuations?

No, Both the principal and interest remain denominated in the selected foreign currency throughout the tenure of the deposit.

Can I freely repatriate the deposit?

Yes. Both the principal and interest are fully repatriable.

Can I obtain a loan against my FCNR(B) deposit?

Yes, Banks may extend loans against FCNR(B) deposits in accordance with RBI regulations and their internal lending policies.

Conclusion

For NRIs seeking to preserve wealth in foreign currencies while maintaining a banking relationship with India, FCNR(B) deposits remain one of the most efficient and reliable financial products available. By eliminating exchange rate risk, offering full repatriability, providing favourable treatment in India and delivering predictable returns,

The US - India Financial Corridor: Leveraging GIFT IFSC for Global Investment and Financial Opportunities

BY CA. AMIT KUMAR KEDIA

THE AUTHOR



CA. Amit Kumar Kedia

Introduction

The economic relationship between the United States and India has evolved into one of the world's most significant bilateral partnerships. What began primarily as a trade relationship has expanded to include technology, infrastructure, financial services, venture capital, innovation, and capital markets. With a large and affluent Indian diaspora in the United States, there is increasing demand for efficient financial platforms that support cross-border banking, investment, wealth management, and risk management under globally accepted regulatory standards. India's establishment of the International Financial Services Centre (IFSC) at GIFT City represents a strategic response to this need by creating an internationally competitive financial ecosystem regulated by the International Financial Services Centres Authority (IFSCA). For U.S.-based NRIs, OCIs, foreign investors, and multinational institutions, GIFT IFSC serves as a gateway to participate in India's economic growth while accessing globally benchmarked financial products and services.

The United States is India's largest trading partner and one of its leading sources of foreign direct investment. Economic cooperation now spans technology, manufacturing, healthcare, renewable energy, financial services, and digital innovation. At the same time, Indian companies continue to expand their presence across the United States, deepening commercial and financial integration between the two economies. The Indian diaspora plays a crucial role in this relationship by driving entrepreneurship, investment, and cross-border capital flows. As wealth among U.S.-based NRIs grows, investors increasingly seek solutions that combine exposure to India's expanding economy with international diversification and regulatory certainty. GIFT IFSC has emerged as a platform designed to meet these objectives by integrating international financial standards with India's investment ecosystem.

Before the creation of GIFT IFSC, many India-related international financial transactions were routed through offshore centres such as Singapore, Dubai, London, Mauritius, and Hong Kong. This meant that substantial financial business connected to India was conducted outside the country. GIFT IFSC was established to bring these activities onshore by creating a globally competitive financial centre capable of attracting international institutions and facilitating cross-border transactions. Today, the ecosystem includes international banks, insurance companies, fund managers, broker-dealers, fintech firms, aircraft leasing companies, and other financial intermediaries. A key distinguishing feature is the single-regulator model under IFSCA, which supervises banking, capital markets, insurance, fund management, and related financial activities. This integrated approach promotes ease of doing business, harmonized compliance, faster approvals, and greater certainty for global investors.

Business Scope

GIFT IFSC offers a broad range of internationally benchmarked financial services, including international banking, capital markets, asset and portfolio management, Alternative Investment Funds (AIFs), Exchange Traded Funds (ETFs), insurance and reinsurance, global treasury operations, wealth management, pension products, and fintech services. The framework also provides several fiscal and regulatory incentives, such as tax benefits for eligible units, concessions on specified securities transactions, GST benefits for certain offshore services, and the ability to conduct transactions in foreign currencies. For specified FEMA transactions, the IFSC is treated as a deemed non-resident jurisdiction, providing additional flexibility for cross-border financial activities.

Banking Units

IFSC Banking Units (IBUs) form the foundation of the IFSC banking ecosystem. Unlike conventional domestic branches, IBUs operate primarily in foreign currencies and are designed for international banking and investment activities. For U.S.-based NRIs and OCIs, IBUs provide an efficient platform for foreign currency deposits, remittances, treasury services, trade finance, and investment-related banking. Since transactions are conducted in internationally traded currencies, investors can reduce exchange conversion costs and simplify global fund movements. Accounts may be maintained in U.S. Dollars, Euros, Pound Sterling, Japanese Yen, Swiss Francs, Canadian Dollars, Australian Dollars, Singapore Dollars, UAE Dirhams, and other major currencies. Leading global banks such as HSBC, JPMorgan Chase, Citi, Barclays, BNP Paribas, Deutsche Bank, MUFG, SMBC, and Standard Chartered operate through IBUs, alongside major Indian banks including SBI, HDFC Bank, ICICI Bank, Axis Bank, and Bank of Baroda. Opening an account generally involves KYC, AML verification, identity checks, and funding through approved international banking channels.

One of the most attractive products for NRIs remains the Foreign Currency Non-Resident (Bank) [FCNR(B)] deposit.

These deposits allow investors to maintain savings in designated foreign currencies without bearing INR exchange rate risk. The RBI's USD/INR forex swap facility has encouraged fresh FCNR(B) deposits with tenures of three to five years. Banks may also provide foreign currency financing against eligible FCNR(B) deposits, enabling investors to preserve deposits while enhancing investment capacity through prudent leverage.

Insurance & Re-Insurance

Beyond banking, GIFT IFSC has developed a sophisticated insurance and reinsurance ecosystem. As globally mobile investors increasingly hold assets across multiple jurisdictions, internationally structured insurance solutions have become an essential component of financial planning. The IFSC framework supports life insurance, term insurance, health insurance, annuities, corporate risk solutions, and international protection plans, some of which may be denominated in foreign currencies to reduce exchange rate risk. GIFT IFSC is also emerging as a reinsurance hub, with participation from institutions such as GIC Re, LIC, ICICI Lombard, HDFC International Life and Re, Lloyd's, Generali, Everest Re, PartnerRe, and other global reinsurers, thereby strengthening India's integration with international insurance markets.

Capital Markets

The capital market ecosystem within GIFT IFSC enables investors to access both Indian and international markets through internationally regulated exchanges and intermediaries. Available instruments include equities, ETFs, debt securities, depository receipts, derivatives, commodity products, and structured investments. For U.S.-based investors, the key advantages are access to multiple markets through a single regulatory framework, transactions in foreign currencies, internationally aligned standards, and diversification across asset classes while retaining exposure to India's long-term growth story.

Fund Management

Wealth management is another major pillar of the IFSC ecosystem. Modern wealth management extends beyond investment selection to include retirement planning, succession planning, tax efficiency, liquidity management, and global diversification. IFSCA-regulated Fund Management Entities (FMEs) may provide discretionary and advisory Portfolio Management Services (PMS). These services allow professional managers to construct customized portfolios based on an investor's goals, risk appetite, and investment horizon. Investment opportunities may include IFSC-listed securities, Indian and foreign equities, debt instruments, AIFs, and structured products. More than 200 FMEs are registered with IFSCA, including institutions such as HDFC AMC International, Franklin Templeton, ICICI Prudential, Jio BlackRock International, Kotak, Aditya Birla Sun Life, SBI Funds International, and Nippon Life India. Their presence reflects the growing maturity and credibility of the IFSC asset management ecosystem.

Global Asset Allocation

A significant advantage of GIFT IFSC is the ability to achieve global asset allocation through a single financial ecosystem. Investors can access IFSC-listed entities, mainland Indian companies through IFSC vehicles, overseas companies, foreign equities, REITs, InvITs, venture capital schemes, special situation funds, and other regulated products. This breadth of opportunity helps reduce concentration risk and improve long-term portfolio resilience. The investment process is relatively straightforward: open a foreign currency account with an IBU, register with an IFSCA-licensed intermediary, complete KYC requirements, select suitable products, and monitor performance through periodic reporting and professional advice.

Conclusion

In conclusion, GIFT IFSC has established itself as India's gateway for international financial services by integrating banking, insurance, capital markets, fund management, and wealth management within a unified regulatory framework. For U.S.-based NRIs, OCIs, and global investors, it offers an internationally competitive platform for cross-border wealth creation and financial management. As economic ties between India and the United States continue to strengthen, GIFT IFSC is well positioned to become the preferred financial corridor connecting global capital with India's evolving financial markets through efficient, transparent, and globally benchmarked financial solutions.

UPCOMING EVENTS & UPDATES

Mark your calendars! Here is a look at our upcoming events for ICAI Ohio Chapter members, associates, and invited speakers and guests.

SEP
12

ICAI Michigan & Ohio Joint Regional Meet & Networking Forum

Connect with fellow Chartered Accountants, finance professionals, and business leaders across Ohio and Michigan. This networking afternoon is a wonderful opportunity to build relationships, share experiences, and grow your professional circle within the ICAI Ohio & Michigan community. Lunch will be served. RSVP required limited seats available.

Date: Saturday, September 12, 2026

Time: 11:00 AM – 03:00 PM EDT

Location: Raj Palace Banquet Hall, Livonia, MI 48152. USA

Mode: For Paid Chapter members and by Invitation only



Recently Launched - Revamped CPE Website

A Smarter, Simpler, and More Connected Learning Experience Every for ICAI Member.

Visit: www.cpeicai.org

In case of any issues please reach out to any of the Board Members



DEC
16-18

World Forum of Accountants (WOFA)

Date: December 16-18, 2026

Location: Visakhapatnam, Andhra Pradesh, India

Register today and contact us in case of any assistance!



Invitation to Write Articles

ICAI Ohio Newsletter

Chartered Accountants and other subject experts, with academic passion and flair for writing, are invited to share their expertise through the Ohio (USA) ICAI Newsletter. The article may cover any topic relevant to the accounting world covering auditing, finance, laws, strategy, taxation, technology, artificial intelligence, sustainability, ethics, financial reporting and so on. While submitting articles, please keep following aspects in mind:

- The length of articles should be upto 500 - 1000 words.
- An executive summary of about 50 -100 words should accompany the article.
- Articles should be engaging, original and aligned with Newsletter guidelines. Every selected article is subjected to Plagiarism practices.
- Articles should not have been published or sent for publishing in any other print or electronic media.

Please send articles sharing your valuable insights and expertise to the Ohio (USA) ICAI Newsletter and help enrich the knowledge base of the accountancy profession. Attach photograph, editable soft copy of file, declaration of originality and assignment of copyright in the prescribed format along with the article. E-mails may be sent to team@icaiohio.org.

For detailed guidelines and formats of declaration of originality and assignment of copyright, visit:
https://www.icaiohio.org/post.html?post_id=2557





STAY CONNECTED

Follow ICAI Ohio Chapter

Website: www.icaiohio.org

LinkedIn: [linkedin.com/company/icaiohio](https://www.linkedin.com/company/icaiohio)

X handle: [@OhioICAI](https://twitter.com/OhioICAI)

Email: team@icaiohio.org

We are grateful to every member, volunteer, and wellwishers who made this inaugural edition possible. Your contributions, stories, and enthusiasm are the foundation of this growing community.

Thank you for being part of the ICAI Ohio community. We look forward to growing together through learning, networking, and service.



Connect With
ICAI Ohio (USA)

TEAM@ICAIOHIO.ORG

Together we learn,
network, and serve the
profession.

Scan the QR code to visit our website, join our LinkedIn community, or reach out to us directly. Stay informed about upcoming events, technical sessions, and chapter news.

Inaugural Edition | August 2026
ICAI Ohio (USA) Chapter Newsletter
Published by ICAI Ohio (USA) Chapter.
Chief Editor: CA Siddhanta Goel
Editor: CA. Harshada Gaikwad
Review: CA. Varun Kapoor

All rights reserved. Content is for informational purposes only.

WWW.ICAIOHIO.ORG

[X HANDLE: @OHIOICAI](https://twitter.com/OhioICAI)

[LINKEDIN.COM/COMPANY/ICAIOHIO](https://www.linkedin.com/company/icaiohio)