



By the Faujis. For the Faujis.

Hum Fauji Initiatives

January 2025

WEALTH INSIGNIA

MONTHLY FINANCIAL NEWSLETTER 'BY THE FAUJIS. FOR THE FAUJIS.'

2025
HAPPY
New Year

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Dear Friends

A very Happy New Year to you and your loved ones!

I hope this holiday season has brought warmth, joy, and maybe a slice (or two) of that delicious Christmas cake. This is also the time of year when we're filled with hope, setting goals, and imagining the possibilities ahead.

Now, I know revisiting finances doesn't exactly top the list of exciting resolutions. It's certainly not as fun as planning a holiday or indulging in winter delicacies. But trust me, it's just as important.

Resolutions are funny things. By 1st February (or earlier!), most of us have quietly forgotten about them. But the ones that truly make a difference? They're the ones we stick to.

So here's my two pennies about a few simple ways to keep your financial resolutions alive this year:

- **Revisit your household budget:** *It's easy to overspend during the festivities, but let's promise to stick to a realistic budget this year.*
- **Check your emergency fund:** *Rainy days are inevitable—let's make sure we're ready for them.*
- **Tackle your debt:** *Even if you're managing it well, see if you can take a few extra steps to reduce or consolidate it further.*
- **Track last year's goals:** *Are you still on course for those big dreams like saving for a house or that much-looked-for expensive vacation or building an investment portfolio? If not, let's recalibrate.*
- **Review your estate and insurance plans:** *These might not seem urgent, but they matter more than we realise.*

If you need our help with any of the mentioned financial resolutions, feel free to reach out.

We very sincerely look forward to helping you out in whatever way we can and whenever we can.

The idea is not to overhaul everything in one day, but to take small, consistent steps toward a more secure future.

*Here's to a **year of growth, happiness, and meaningful resolutions we can keep.** Cheers to making 2025 count!*

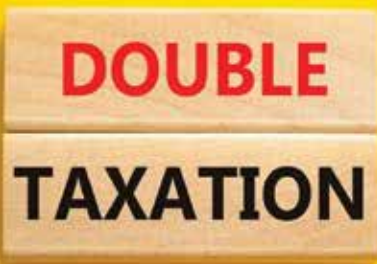
Warm regards,

**Col Sanjeev Govila (retd)
CEO, Hum Fauji Initiatives**

FINANCIAL MICRO BYTES FROM TEAM HUM FAUJI INITIATIVES

EARNING ABROAD?

HERE'S HOW TO MAKE TAX LAWS WORK FOR YOU!



**DOUBLE
TAXATION**

Imagine you, your child or your family member has just landed your dream job in Silicon Valley, London, or Dubai or any other desired location. Just as you're celebrating it with chai and samosas (pakora is also fine 😊), a thought hits you– "What about the taxation?"

From understanding residency rules to managing multiple tax systems, the challenges can be overwhelming. Let's simplify it.

● Figuring Out Your Tax Residency

First, determine your tax residency status. Are you an Indian resident, a resident of the country you're working in, or both? Your status affects where you'll be taxed, but Double Taxation Agreements (DTAAs) are there to prevent double payment between India and most of the other prominent countries!

● Foreign Earned Income Exclusion

You may qualify to exclude a portion of your foreign income from Indian taxes if you meet certain requirements. It's a useful benefit, but knowing the rules and limits is essential.

● Double Taxation? Not on Our Watch!

If you're already paying taxes abroad, the Foreign Tax Credit allows you to reduce your Indian tax bill. Just keep in mind there are limits to this credit.

● Planning for a Golden Retirement Abroad

Consider your long-term plans. You'll need to think about currency fluctuations, the portability of retirement savings, and any social security agreements that may apply. Remember to report your foreign income in your Indian tax returns. The UAE might be tax-free, but India still wants to know about your Dubai dirham!

Staying informed and seeking professional advice from trusted financial advisors like HumFauji Initiatives can make a world of a difference.

Contributed by Gautam Arora, Relationship Manager, Team Vikrant, Hum Fauji Initiatives

YOUNG, WILD, AND FREE BUT STILL YOU SHOULD HAVE A WILL

Living your best life often means enjoying the moment, chasing dreams, and savouring the freedom of youth. But did you know that creating a Will is a smart move for even the young and carefree too?



Think of a will as a **"future-proof"** plan. It's not about being morbid—it's about taking charge! A Will ensures your wishes are followed, whether it's about your favourite car, your prized sneaker collection, or even access to your social media accounts. Surprising, right?

Here's the kicker: you don't need to be rich or have kids to make a Will. Got a savings account, a cool gadget, someone you deeply care about or even what will happen to your social media accounts— FB, Insta, X, Tinder, even LinkedIn? That's reason enough.

Estate planning isn't just for the elderly or wealthy anymore. Young Indians with dreams, responsibilities, and growing assets can benefit immensely. A Will shields your loved ones from unnecessary hassle and guarantees that your intentions are honoured.

Life is unpredictable, but your decisions don't have to be. Taking the simple step of creating a Will today- this not only safeguards your future but also gives you peace of mind. So, while you're making memories, take a moment to plan for the ones you leave behind.

If you'd like assistance or a format to create your Will, feel free to approach us—we'll be happy to help!

Contributed by Aman Goyal, Relationship Manager, Team Vikrant, Hum Fauji Initiatives

PROTECT YOUR HOME, PROTECT YOUR FUTURE

Ravi, a middle-class homeowner in Mumbai, always felt safe in his cozy apartment. He never thought much about home insurance—until one fateful night.



A massive fire broke out in a neighbouring building, quickly spreading to his own. While Ravi and his family were unharmed, their home and belongings were destroyed. The loss was devastating, and Ravi soon realized that his savings wouldn't be enough to rebuild everything.

This tragic event opened Ravi's eyes to the importance of home insurance. He understood that, while we can't predict the future, we can take steps to protect ourselves and our families from the unexpected.

● Alarming Stats About Theft and Natural Disasters in India:

- In 2022, there were over 1.5 lakh cases of burglary and housebreaking in India.
- Kerala faced severe landslides in 2024, causing widespread destruction.
- Monsoon flooding in 2024 affected several states, destroying thousands of homes.
- Natural disasters like earthquakes and floods are becoming more frequent with global warming.

Why Home Insurance is Crucial?

For people like Ravi, home insurance offers a safety net that can make all the difference. It protects your home,



Contributed by Anjeeta Kumari, Financial Planner, Team Arjun, Hum Fauji Initiatives



● Key Benefits of Home Insurance:

- **Dwelling Coverage:** Protects your home’s structure from fire, floods, and earthquakes.
- **Personal Property Coverage:** Safeguards your belongings.
- **Liability Coverage:** Covers legal expenses if someone gets hurt on your property.
- **Additional Living Expenses:** Helps with temporary housing if your home is uninhabitable.

Ravi's story is just one example of how unforeseen events can strike at any moment. While we cannot predict disasters, we can take steps to protect ourselves. Home insurance is an essential tool in safeguarding your home, belongings, and future.

Don't wait for an unfortunate event to make you realize the need—*secure your home today and ensure peace of mind for tomorrow.*

Need help securing your home?

Reach out to our Products team at 89292 91078 to learn more about the best home insurance policies for you. Let us help you protect what matters most.



Contributed by Perna Pattanayak, Relationship Manager, Team Sukhoi, Hum Fauji Initiatives

FROM CRADLE TO COLLEGE

FINANCIAL IMPACTS OF STARTING A FAMILY

One of the best ways to begin the exciting adventure of parenthood is to plan for your child's future. Many couples wonder where and when to start; should they concentrate on the next few years, or is it already time to think about higher education?

Let's simplify things so that your child has a secure financial future.



● Stage 1: First Two Years– Laying the Foundation

While the early days are all about diapers and sleepless nights, it's also a crucial time to build a financial safety net. Start by creating an emergency fund with at least 6-12 months of expenses in a liquid mutual fund to ensure any medical emergencies. Begin SIP of ₹2,000-3,000 per month to instil the habit of disciplined investing.

● Stage 2: Early Childhood– Preparing for Pre-school

As your child grows, pre-school fees, toys etc can strain your budget. Manage these expenses with targeted investments. Start SIP of ₹5,000 in a balanced fund for 3-5 years.

● Stage 3: Schooling and Extracurriculars– Managing Growing Costs

School brings expenses like tuition, extracurricular activities, and trips. Begin savings with goal-specific funds, say SIP of ₹10,000 per month in a diversified equity fund starting from the first year to cover education and activity costs over 10-12 years. Keep a separate fund for expensive hobbies/interests.

● Stage 4: Higher Education– Building for the Future

Education costs rise 10-12% annually. Begin a SIP of ₹15,000-20,000/month in a child-specific mutual fund. This can grow to ₹30-35 lakh by age 18, covering undergraduate tuition (assuming 10% returns).

Every step of your child's journey requires preparation, and starting early makes all the difference and secure your child's future with confidence.

Contributed by Neeraj Kumar, Relationship Manager, Team Dhruv, Hum Fauji Initiatives

TOP CLIENT QUERIES OF THE MONTH

WHAT DID OUR CLIENTS ASK US IN THE LAST 7 DAYS?

QUESTION

I'm nearing retirement and will soon have my retirement corpus available. I want to keep a portion safe while still earning decent returns. Should I invest in Corporate Fixed Deposits or the Senior Citizens' Savings Scheme (SCSS) for better safety and liquidity?

OUR REPLY

As one approaches retirement, preserving the hard-earned corpus becomes paramount. However, it is also important to check whether it meets your particular requirements—please don't invest in avenues which are not for you or just because other people—your course mates, whatsapp influencers, general consensus are saying so.



At this stage, few common choices include: Corporate Fixed Deposits (FDs) and the Senior Citizens Savings Scheme (SCSS). Each option has unique benefits tailored to senior investors, so let's break down their essentials.

Criteria	Corporate Fixed Deposits (FDs)	Senior Citizens Savings Scheme (SCSS)
Tenure Flexibility	Offers flexible tenures from 12 to 60 months	Fixed tenure of 5 years, extendable indefinitely. Extension takes place at interest rates prevalent at the time of extension
Current Interest Rates	For the highest safety rated Corporate FDs, cumulative returns range from 7.5% (1 yr) to 9.5% (5 yrs)	Fixed at 8.2% per annum
Investment Limit	Generally, no maximum investment limit	Maximum investment capped at ₹30 lakh
Interest Payout Options	Allows monthly, quarterly, or annual payouts	Quarterly payouts only. No cumulative option even if you do not need any quarterly income.
Liquidity & Withdrawal	Easier premature withdrawals (varied penalties on interest may apply)	Stricter withdrawal rules with penalties on principal amount
Compounding Benefits	Offers cumulative options with periodic compounding	Quarterly interest payout without compounding implying that you get back only your principal amount on maturity
Ideal for Investors Seeking	Flexibility, higher returns, customizable payout options	Government-backed safety with moderate returns

For a balanced approach, consider dividing your funds: place a portion in SCSS for peace of mind and government-backed safety, and another in a highly-rated corporate FD for slightly higher returns and flexible payouts. This way, you gain the best of both worlds—a secure foundation and potential for extra income to enjoy your golden years.

● Need help designing a retirement strategy that matches your goals?

Reach out to our team of financial planners today, and let us help you build a retirement portfolio that blends safety, good growth, and flexibility of additions and withdrawal as per your convenience!

Contributed by Team Dhruv, Hum Fauji Initiatives





However, his “America First” approach might create challenges, such as trade tensions or higher tariffs. This could affect sectors like steel and automobiles, which depend on global trade.

Your portfolio is designed to handle such ups and downs. It’s diversified, meaning your investments are spread across different industries and types of assets. If one sector faces challenges, others in the portfolio can balance it out, keeping your investments stable and growing over time.

● What We’re Doing:

We keep a close watch on global events and adjust portfolios when needed. Your investments are well-prepared to handle any changes that Trump’s policies might bring. **And you have already seen over the years how we keep aligning portfolios to current market conditions, your life’s personal developments and the national and international economic scenarios.**

If you’d like to discuss your portfolio further, feel free, like always, to contact your financial planner at Hum Fauji Initiatives.

QUESTION

With Donald Trump returning to power, could his policies impact the Indian stock market? Is my portfolio well aligned to adapt to any changes, particularly in regard to sectoral allocations?

OUR REPLY

Donald Trump’s return might bring changes that impact the Indian stock market. His pro-business policies could boost the U.S. economy, benefiting Indian industries like IT, pharma, and textiles that export to the U.S.



Contributed by Team Sukhoi, Hum Fauji Initiatives

EXPLORE OUR DIVERSE RANGE OF OFFERINGS



Loans Against Mutual Funds

Stop redeeming your mutual funds—for short term needs unlock their value with a loan, let them grow, and save on taxes!



Key advantages:

- Quick Access to Funds
- No prepayment charges—can be closed after the first payment
- Low Interest Rates
- Flexible Repayments
- Borrow Based on Fund Value
- Potential Tax Benefits
- Preserve Your Investment Strategy



For More Details Contact Us: 8929291078



REVOLUTIONIZING DEFENCE

FINANCIAL LITERACY LECTURES FOR NOVEMBER 2024

This month, we've taken another giant step towards empowering our Jawans with financial knowledge. impactful lectures were conducted across diverse locations such as Jabalpur & Secunderabad and more.

NOVEMBER MILESTONES

TOTAL JAWANS EDUCATED SO FAR: 70,000 AND COUNTING!

Our commitment remains unwavering: to make every Jawan financially equipped for a brighter tomorrow.

SNEAK PEAK

INTO HUM FAUJI INITIATIVES



*Christmas Vibes,
Team Edition!*

With a little laughter, Secret Santa exchanges, and all the festive feels, our team turned Christmas into a joyous celebration of camaraderie and cheer. We wrapped up the year with smiles, surprises, and good vibes all around!



Celebrating 75th Raising Day in Nature's Embrace

For the 15th Raising Day celebration, Hum Faujians took the party outdoors to DNA Camp—where nature became the backdrop for team activities, fun moments, and unforgettable memories. Here's a sneak peek into this memorable celebration!



Our in-house training session focused on inflation and its various metrics, engaging the team in a lively discussion about economic indicators.

Continuous Learning at Hum Fauji Initiative



A memorable group photo after a dynamic workshop, celebrating shared knowledge and camaraderie with our enthusiastic team.



Mr. Rahul Shukla from Kotak eloquently tackled objections related to risk profiling, enhancing our understanding of client-centric financial strategies.



Celebrating Birthdays At HFI Bindu Ma'am and Team!!

November brought double the joy as we celebrated the birthday of our incredible COO, Bindu Ma'am, aka Lady Boss, along with our team members. Here's a glimpse of the celebrations, filled with cake, smiles, and team spirit. A big happy birthday to Ma'am and all our team members celebrating their special days.

HUM FAUJI INITIATIVES

MEDIA FEATURES



Personal loans provide instant financial assistance, making them attractive for expenses like wedding venue bookings, jewelry, or honeymoons. Wedding loans, as unsecured loans, require no collateral, offering quick access. However, these loans often come with high-interest rates, typically ranging from 10-20% depending on the borrower's credit score.

Our CEO, Sanjeev Govila, advises caution, suggesting couples save up or rely on family support instead. He highlights, "Borrowing for a non-productive expense can unnecessarily strain your finances."

For deeper insights, read the full article in Money Today.

<https://tinyurl.com/yeyvsjks>



As the year winds down, it's time to give your financial to-do list one final review. One crucial task? Rebalancing your investment portfolio.

Check how your current allocations stack up against your desired asset mix. If markets have surged or dipped, it's time to realign. "Harvest profits from overperforming areas and reinvest in lagging but promising sectors or instruments. Portfolio balance is the secret to staying calm in market storms," advises our CEO, Col Sanjeev Govila (Retd.).

Ready to make smarter financial moves? For detailed insights, check out the full article on Outlook Money.

<https://tinyurl.com/bd7a2vu>



**COL SANJEEV
GOVILA**

**CEO,
Hum Fauji Initiatives**



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