Hum Fauji Initiatives

August 2025

HUM FAUJI®

OUR VALUES. YOUR TRUST.

By the Faujis. For the Faujis.

WEALTH INSIGNIA

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

Dear Friends

As we step into the 78th year of our nation's Independence, I find myself reflecting not just on India's incredible journey, but also on how far we as a community have come.

Fifteen years ago, Hum Fauji Initiatives was established with a simple but strong belief: that those who serve the nation deserve clean, unbiased, expert financial guidance tailored just for them.

Since then, we've seen dreams take flight, retirements secured with peace, and generations beginning their journey toward financial freedom and abundance.

We are celebrating August 2025 as Financial Independence Month. This celebration is inspired by countless heartfelt conversations where you all have come to us asking for more. And based on those conversations, ***we are doing something we've never done before.***

*We're extending our services to a wider circle—**your extended family.** Yes, your siblings, their spouses, and even their children can subscribe to our services.*

You've always trusted us with your financial wellbeing.

Now, you can refer your extended family to us, *ONLY for this month. Let them access the same care, guidance, and personalised support that you've experienced.*

Because true financial freedom isn't complete until it's shared with the people we care about.

This one-time window is open ***only from August 1st to August 31st, 2025.***

Let us extend to more and help your siblings begin their journey towards clarity, confidence, and abundance.

Wishing you and your loved ones a joyful and Happy Independence Day.

Here's a heartfelt thanks to you all for being a part of our extended Hum Fauji family.

Warm regards,

Col Sanjeev Govila (retd)

CEO, Hum Fauji Initiatives

BECAUSE DUTY NEVER WAITS
YOUR CHILD'S FUTURE SHOULDN'T EITHER

As an armed forces officer, you live by one unshakable truth: duty comes first. Whether you're stationed at the border or deployed at a moment's notice, your actions are swift and selfless. There's no room for delay, because the country depends on you.

But amid this unshakable commitment to the nation, there's another mission waiting quietly at home—your child's future.

Just like early hours in any operation are critical, the early years in your child's life are the perfect time to start planning their financial future. Starting early isn't about having a lot of money—it's about giving your money the gift of time.

Think of it like sowing a seed. The earlier you plant it, the deeper its roots, the stronger it grows. Similarly, even small investments made early can grow into a substantial fund—thanks to the power of compounding.

Whether it's for education in India or abroad, supporting their dreams of entrepreneurship, or giving them a safety net—early action gives your child options, not limitations.

Start Age	Regular Investment every month (SIP)	Investment Period	Corpus at Age 20 @ 12 % average per year
2 Years	₹ 25,000 **(increased by 10% evey year)**	18 Years	₹ 3.4 Crores
10 Years		10 Years	₹ 81.8 Lakhs
16 Years		4 Years	₹ 17.5 Lakhs

Let's look at a simple example:

That's the power of starting early.

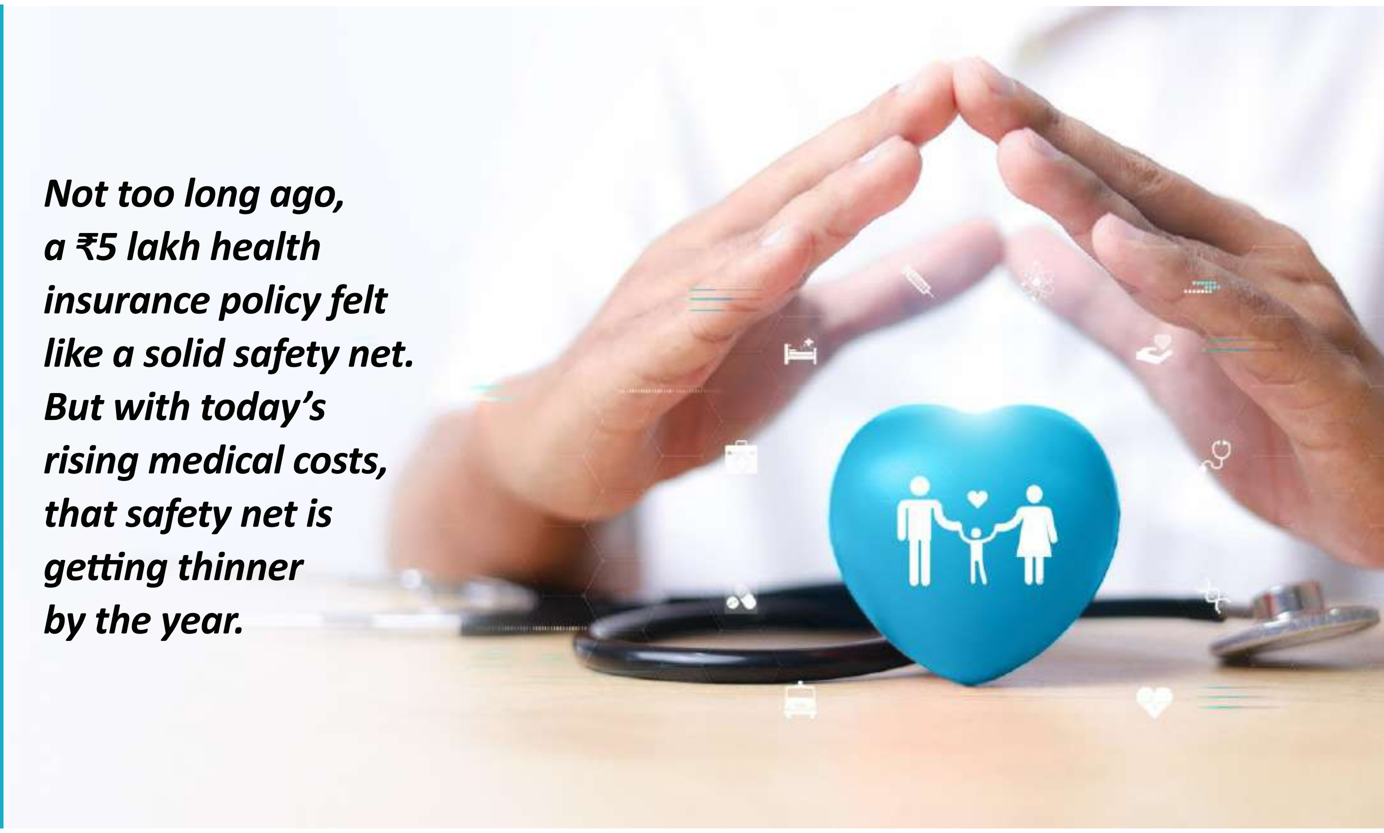
Your own life is marked by uncertainty—postings, field duties, deployments, and often being away from your family. But the right financial plan brings certainty to your child's future, no matter where duty calls you.

The best part? You don't need to start big. A small, disciplined SIP in mutual funds can quietly grow into a powerful support system for your child—without burdening your current lifestyle.

You already protect the country. Now let your money protect your child's dreams.

(Contributed by Abhilash Rana, Relationship Desk, HNI Desk, Hum Fauji Initiatives)

IS ₹5 LAKH HEALTH INSURANCE ENOUGH ANYMORE? THINK AGAIN.



Not too long ago, a ₹5 lakh health insurance policy felt like a solid safety net. But with today's rising medical costs, that safety net is getting thinner by the year.

Just look at the numbers:

Heart bypass surgery: ₹9.8 lakhs (2013) → ₹34+ lakhs (2024)
Cancer treatment: ₹13.5 lakhs → now ₹28–50.8 lakhs
(Source: PolicyBazaar)

This is medical inflation in action — rising even faster than regular inflation or your income. Even routine treatments like infections or joint surgeries can cost ₹3–7 lakhs in private hospitals. One hospitalisation can easily wipe out your entire cover and more.
Two illnesses in the same year? You're seriously dipping into your savings.
Here's what you can do:

- Upgrade to ₹15–25 lakh policies — many are now budget-friendly
- Add a super top-up — an extra cover that activates after your main policy is used up
- Explore tailored plans for seniors, maternity, diabetes, and more.

Your insurance should be strong enough to stand by you — not just exist on paper. Medical costs won't wait. Review and upgrade your cover today. A slightly higher premium now can save you from massive hospital bills later.

(Contributed by Neeraj Kumar, Relationship Manager, HNI Desk 1, Hum Fauji Initiatives)

HOW TO USE GIFT AND TRUST STRUCTURES FOR TAX-EFFICIENT TRANSFERS

Passing on wealth is not just about sharing your success. If done wisely, it can also save taxes and protect your family's future. In India, two smart ways to do this are Gifting and Trusts.

1. Gifting – Completely Tax-Free to Certain Relatives

Under Section 56(2)(x) of the Income Tax Act, gifts made to certain relatives (as specifically defined under tax laws) are fully exempt from tax, regardless of the amount.
For example:

- You can gift any amount to your closed relatives (as defined in the law), and it will be completely tax-free for them.
- But gifts over ₹50,000 to friends or distant relatives will be fully taxable in their hands.

Important: If you gift money to your spouse or minor child, any income earned from that gift (like interest or rent) may be clubbed back into your own income for tax purposes

2. Trusts – Secure Your Family's Future

A Trust is a legal tool that helps you manage and protect your assets for your family:

- Create a trust for a disabled child or dependent family member for lifelong financial security.
- Use a trust for succession planning, to avoid disputes and ensure smooth wealth transfer.

When structured properly, Gifts and Trusts offer more than tax benefits. They provide long-term peace of mind and financial security for your loved ones.

(Contributed by Anchal, Financial Planner, HNI Desk, Hum Fauji Initiatives)

TOP CLIENT QUERIES OF THE MONTH
WHAT DID OUR CLIENTS ASK US?

WHO FILES ITR OF THE DECEASED AND HOW?

QUESTION

Can I file the Income Tax Return (ITR) for my deceased parent and claim a refund of the TDS deducted on their income? If yes, what's the process? Do I need to inform the Income Tax Department separately?

OUR REPLY

The loss of a loved one is emotionally difficult, but certain legal responsibilities—like settling their tax matters—must still be handled. A common concern is whether one can file an ITR for a deceased parent or family member and claim any TDS refund.

Yes. As per Section 159 of the Income Tax Act, 1961, a legal heir can file the ITR for the deceased for the relevant financial year and claim any eligible TDS refund.

Process:

01 Register as Representative Assessee on the Income Tax portal

02 Upload documents:

- ★ Death certificate
- ★ Legal heir proof
- ★ PAN details of deceased and heir
- ★ Declaration form

03 Once approved, file the ITR and claim the refund. The refund will be credited to the legal heir's pre-validated bank account.

No physical intimation is needed—the process is 100% online.

Remember: Filing the ITR is not just a formality—it ensures your loved one's financial matters are properly closed and rightful refunds are not lost. Seek professional help if needed, but don't delay this important step.

(Contributed by Team Vikrant, Hum Fauji Initiatives)

QUESTION

Being an Army officer, I'm covered under ECHS. Is there still any real benefit in taking a health insurance policy for myself and my family?

OUR REPLY

- ***Limited Hospital Network:*** *ECHS hospitals aren't always available everywhere, especially during emergencies or when you're traveling. A personal health insurance policy widens your treatment options with cashless access to a larger network of hospitals.*

- ***Rising Medical Costs:*** *Modern treatments, advanced procedures, and private room facilities may not always be fully covered under ECHS. A separate health policy acts as a financial cushion. Faster Settlements: While ECHS has its processes, private health insurance usually ensures quicker approvals and claim settlements during emergencies.*

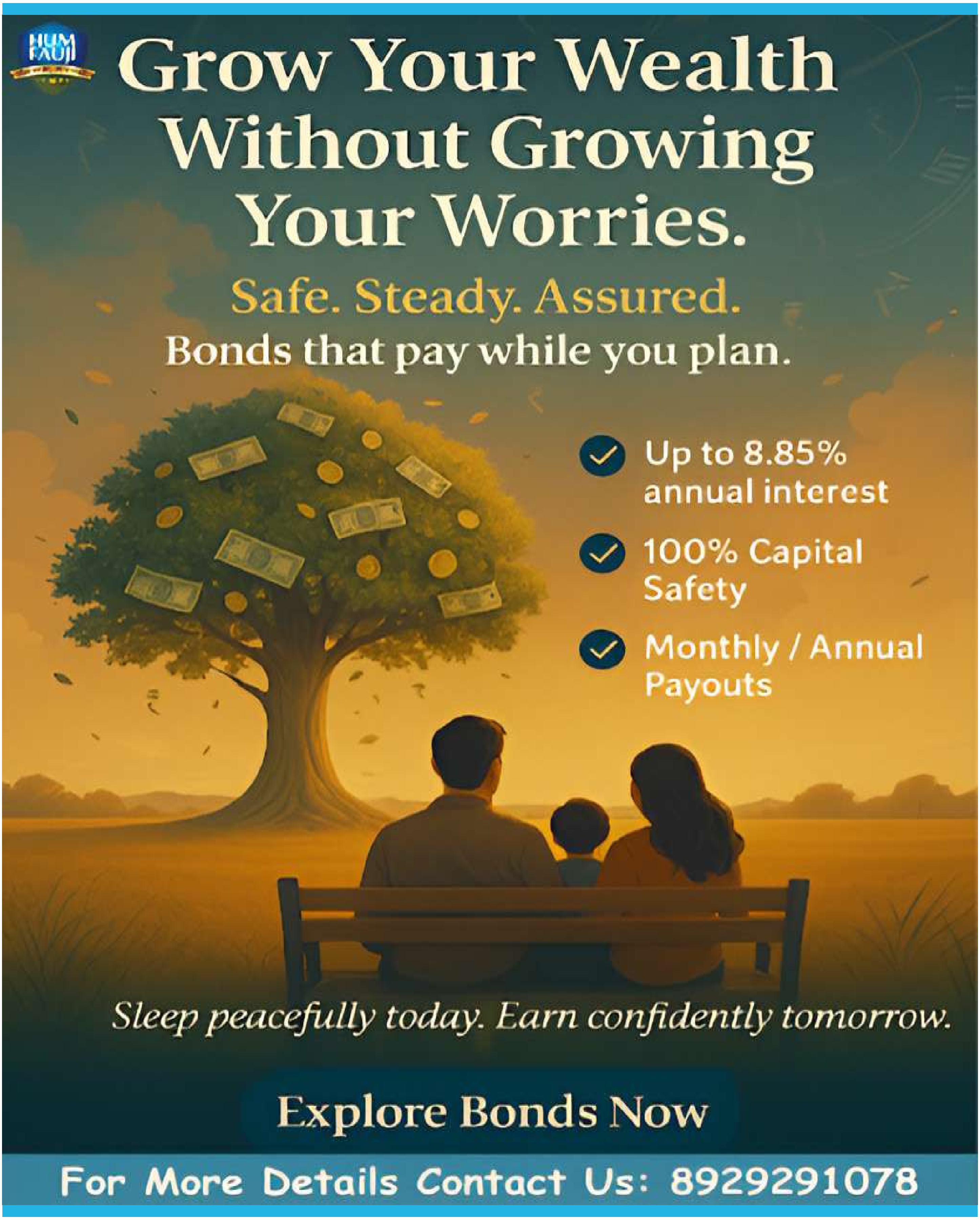
- ***Family Protection:*** *Your spouse and dependent children are covered under ECHS, but standalone family health policies can offer higher coverage limits and flexibility as your family's healthcare needs evolve.*

- ***Tax Savings:*** *Premiums paid on health insurance also qualify for tax deductions under Section 80D under the old regime.*

Consider health insurance as an additional layer of protection—not a replacement for ECHS. Together, they provide comprehensive, anytime-anywhere health security for your family.

(Contributed by Team Sukhoi, Hum Fauji Initiatives)

EXPLORE OUR DIVERSE RANGE OF OFFERINGS



YOUR GUIDE TO TAX PLANNING

TURN INVESTMENT LOSSES INTO TAX SAVINGS

CAPITAL LOSS OFFSETTING – A SMART TAX STRATEGY FOR FY 2025–26

Do you think investment losses are all bad? Think again.

While most investors worry about red marks in their portfolio, savvy ones turn those losses into tax-saving opportunities using Capital Loss Offsetting.

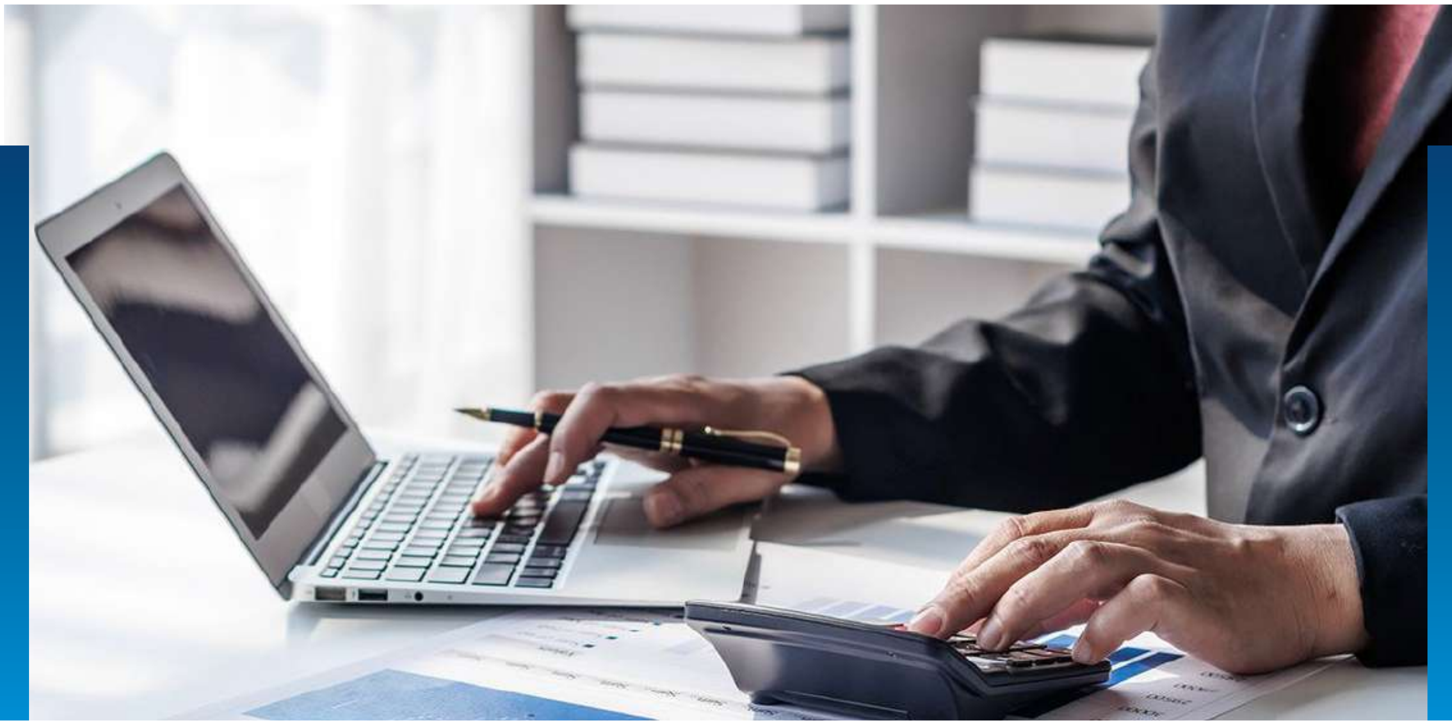
What's Capital Loss Offsetting?

If you sell capital assets (like shares, mutual funds, bonds, or property) at a loss, the Income Tax Act allows you to offset those losses against capital gains—reducing your taxable income.

The Set-Off Rules – Who Can Offset

Type Of Loss	Can be Set Off Against
Short-Term Capital Loss (STCL)	Both STCG and LTCG
Long-Term Capital Loss (LTCL)	Only LTCG

- Cannot be set off against salary, interest, or business income.
- Only applies to capital gains.



Real-Life Scenarios

Case	Loss	Gain	Set-Off	Result
STCL vs LTCG	₹75,000	₹1,50,000	Allowed	Up to ₹1.25 L LTCG exempt. No Tax
LTCL vs STCG	₹1,10,000	₹1,50,000	Not Allowed	Full ₹1.5L to be taxed. ₹1.1L LTCL to be carried forward

No Gains This Year? No Problem!

Losses can be carried forward for 8 years—but only if you file your ITR on time (by 31st July 2026). Late returns = No carry forward.

Pro Tips

- Harvest losses before 31st March.
- Avoid wash sales – don't immediately repurchase the same asset.
- Keep records – of every buy/sell transaction.

Losses That Don't

- **Crypto assets (VDAs) –** No set-off or carry forward allowed.
- **Speculative trades (like intraday) –** Only against similar gains, carry forward for 4 years.
- **Personal-use assets –** Like cars or jewellery, not eligible.

FAQs

Can I offset mutual fund losses against property gains?
Yes, if both are capital assets. (LTCL ↔ LTCG only.)

Can I set off capital loss against salary?
No. Set-off applies only within capital gains.

Filed return late?
Loss carry-forward disallowed.

Hum Fauji Initiatives Tip

Don't let portfolio pain go to waste. Plan exits with tax in mind and consult your advisor to make the most of every rupee—gains or losses.

SNEAK PEEK

INTO HUM FAUJI INITIATIVES

Proud Moments. Powerful Motivation.

Grateful to be felicitated by Canara Robeco — recognitions like these reaffirm our purpose and energize us to aim higher. Every milestone we cross is a celebration of the trust we've built and the journey ahead.

Work Hard. Party Harder. Repeat.

At HFI, we’re built on two solid principles — giving it our all at work and knowing exactly how to celebrate the wins. When the team bonds over both hustle and high-fives, momentum follows naturally. Because when you enjoy the ride, the results speak for themselves.

HUM FAUJI INITIATIVES MEDIA FEATURES

When Financial Planning Becomes a Family Responsibility

"I've seen it time and again—families struggling because one partner had no idea where the money was or what to do in a crisis." – Col Sanjeev Govila (Retd), CEO, Hum Fauji Initiatives.

In his candid article for Outlook Money, Col Govila shares why it's not enough to just plan your finances - you must also share them. From investment details to login credentials and nominee updates, transparency with your spouse isn't just wise, it's vital.

Don't wait for a crisis to realize what's missing.

Read the full piece here:
https://surli.cc/vuwgcb

COL SANJEEV GOVILA (RETD.)

CEO,
Hum Fauji Initiatives

Switch or Stay?
How to Get a Better Home Loan Deal

A small rate difference (0.25%–0.5%) doesn't always mean you need to jump ship. If your lender offers a fair conversion fee, and you prefer convenience and minimal paperwork, especially with a short tenure left it might be smarter to renegotiate than refinance.

Col Sanjeev Govila (Retd), CEO, Hum Fauji Initiatives, breaks down the decision-making process in his detailed article.

For insights that could save you lakhs over time, **read the full piece here: https://surl.lu/amxupm**

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