



By the Faujis. For the Faujis.

WEALTH INSIGNIA

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

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Dear Friends

I hope the tax season is progressing smoothly for you and your advance tax obligations are well on track. This is also a good time of the year to pause briefly and review your financial plans before the new financial cycle begins.

*You may also like to be informed that **SEBI has recently introduced changes to mutual fund categories** to improve transparency, reduce overlap between schemes, and make investing more aligned.*

Some solution-oriented schemes like Children's and Retirement Funds will be merged with similar categories, and new life-cycle funds have been introduced that automatically adjust risk over time. We have included a brief summary on these changes in this edition of the newsletter, which you may find useful to go through.

The world around us continues to remind us that uncertainty is a constant whether it is geopolitical tensions, economic cycles, or unexpected global developments.

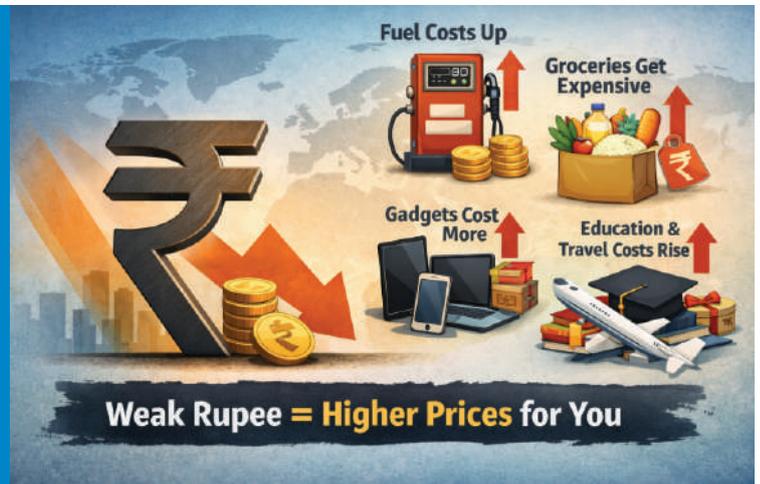
*While such events can and will create short-term market volatility, they also reinforce an important principle: **long-term perspective matters far more than short-term noise**. Staying disciplined, diversified, and focused on long-term goals has always been the most reliable way to navigate uncertain times.*

As always, our team remains available to guide you through these changes and help ensure your financial plans remain aligned with your life goals.

Warm regards,
Col Sanjeev Govila (retd)
CEO, Hum Fauji Initiatives

MONTHLY FINANCIAL NEWSLETTER BY THE FAUJIS. FOR THE FAUJIS.

**NOT INFLATION ALONE:
HOW A WEAK RUPEE
PUSHES UP THE COSTS
YOU PAY**



You walk into a store and notice prices are up again. Naturally, you blame inflation - and that's fair. But there's another quiet force working behind the scenes: a weak rupee. It doesn't shout. It quietly slips into your bill.

What Does a “Weak Rupee” Really Mean?

In simple terms, the rupee now buys fewer dollars.

If ₹80 once bought \$1 and today it takes ₹91, that extra ₹11 doesn't vanish. It travels - straight into the prices you pay.

How It Affects Everyday Life

India depends heavily on imports. When the rupee weakens, imported goods cost more.

You feel the impact here:

- **Fuel:** Crude oil is bought in dollars → higher petrol and diesel prices
- **Food:** Imported cooking oil, pulses, and fertilizers get costlier
- **Electronics:** Smartphones, laptops, and appliances see price hikes
- **Foreign education & travel:** Fees, flights, and living costs rise sharply

A simple way to think about it

Imagine shopping with a shrinking wallet. You buy the same things, live the same life - but the total at checkout keeps rising.

- Inflation pushes prices up from within the economy.
- A weak rupee pushes costs from outside, through imports.

Key Takeaways

- Not every price hike is pure inflation
- A weak rupee quietly raises everyday expenses
- Knowing this helps you budget, invest, and plan better

Bottom line: When the rupee loses strength, your household budget feels the strain. Invest well and in real GROWTH investment avenues so that you make up for this weakness of your Rupee by prudent financial planning.

(Contributed by Prerna Pattanayak, Relationship Manager, Team Sukhoi, Hum Fauji Initiatives)

RIDING THE METAL RALLY WITHOUT LOSING BALANCE

Over the past year, gold and especially silver have delivered exceptional returns. Silver's rally has been particularly striking, turning a traditionally defensive asset into a top performer. Such strong gains naturally attract attention and often create FOMO - the fear of missing out amongst investors that they may miss out if they do not act quickly.

But here's where caution matters.



Precious metals serve an important role in diversification, offering protection against inflation and global uncertainty. However, they are not meant to dominate a portfolio. The recent rally has quietly altered portfolio weights. Allocations that were once balanced may now be much higher than originally planned. What began as diversification can gradually turn into concentration risk.

This is where discipline is tested. Strong performance tempts investors to add more after prices have already risen. Chasing recent winners may feel comforting, but it often means taking higher risk at the wrong time.

Market rallies come and go, but disciplined portfolios endure. Reviewing asset allocation after a strong run reflects maturity. By staying focused on long-term strategy rather than short-term excitement, investors can benefit from the metal rally without allowing it to disrupt their financial plan.

As a rule, commodities should form around 10% of a well-diversified portfolio. Within this, gold is best viewed as a long-term strategic asset, while silver should be treated as a tactical allocation only - and considered only if the investor's risk profile permits. Importantly, gold and silver should always have separate, clearly defined allocations.

The real victory isn't chasing every rally - it's staying balanced.

(Contributed by MF Alam, Lead Research Analyst, Hum Fauji Initiatives)

PLANNING A HOME? EXPLORE OUR COMPLETE HOME LOAN SERVICES

A home is more than four walls and a roof. It's where families grow, routines settle, and long-term security begins. Whether it's your first home, an upgrade, or a property you already own, the way it is financed can quietly shape your financial comfort for decades.



That's where the right guidance matters.

At **Hum Fauji Initiatives**, home loans aren't treated as paperwork - they're treated as a long-term financial decision. From choosing the right lender to ensuring smooth disbursement, end-to-end support is provided so the journey feels clear, not overwhelming.

How We Support You at Every Step

- 01 **Buying a House:** Whether the property is ready-to-move or under construction, assistance is provided in selecting the right home loan company, securing extremely competitive interest rates for you after searching through a large number of home loan companies, and managing legal checks and documentation for the highest loan eligibility.
- 02 **Home Renovation:** Upgrading an existing home? Renovation loans help fund repairs, interiors, or extensions - often at lower interest rates than personal loans and with flexible repayment options.
- 03 **Loan Against Property (LAP):** Existing residential or commercial property can be leveraged to raise funds for business needs, education, or long-term goals - offering higher eligibility and longer tenures.
- 04 **Home Loan Balance Transfer:** Already servicing a home loan? Switching to a better rate can reduce EMIs and improve cash flows. The entire transfer process is handled seamlessly by us.

Key Points to Be Taken Care Of:

- ◆ Eligibility assessment (age, income, credit score, property)
- ◆ Multiple lender tie-ups by us to get you the best rates in the country.
- ◆ End-to-end coordination - from sanction to disbursement
- ◆ Transparent documentation and timely execution

The goal is simple: make home financing smooth, efficient, and aligned with long-term financial well-being.

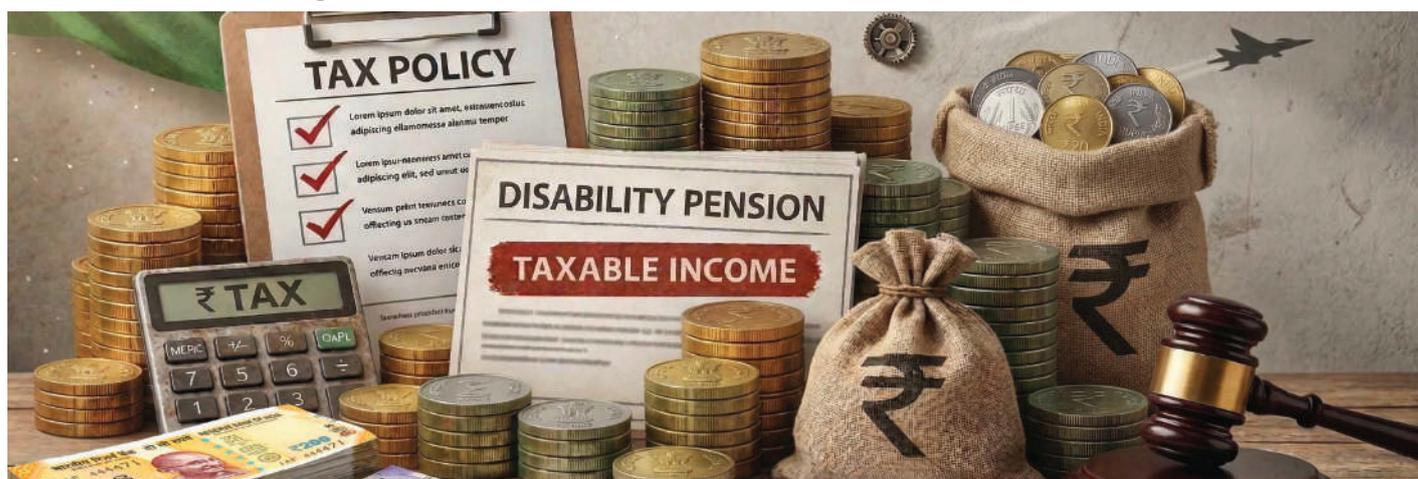
(Contributed by Riya Bhandari, Relationship Manager, Team Arjun, Hum Fauji Initiatives)

DECODING THE NEW DISABILITY PENSION TAX FRAMEWORK

The uniform may come off one day - but policies never stop changing.

A recent proposal in the Union Budget 2026 has sparked discussion across the veteran community - and here's the important clarity:

This is currently a proposal under the Finance Bill 2026. It will become law only after getting passed by the Parliament and receiving Presidential assent.



If passed, from 1 April 2026, the tax benefit on disability pension will depend on how retirement happens:

- ✓ If serviceman is invalidated out due to disability, the pension remains tax-exempt.
- ✗ If retirement happens on completion of service (superannuation), but disability a pension is received, the entire pension will be taxable.

In short, it's no longer just about disability - it's about the mode of retirement.

Why This Matters

For servicemen with disability, the proposed distinction could:

- Increase taxable income
- Reduce annual net pension
- Alter long-term retirement calculations

Beyond numbers, it touches sentiment - because for faujis, financial policy is closely linked with dignity and recognition.

What Should Be Done Now?

Policy proposals demand preparedness.

- Stay informed
- Recalculate retirement income
- Reassess tax exposure
- Optimise investments for efficiency

Financial clarity is the new battlefield - and preparation remains the strongest defence.

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

TOP CLIENT QUERIES OF THE MONTH

WHAT DID OUR CLIENTS ASK US?



QUESTION

During a recent portfolio review, there was a recommendation to rebalance exposure to gold and silver. Could you share your outlook on these metals, the preferred investment options, and the ideal allocation strategy?

OUR REPLY

Gold and silver have delivered strong performance recently. Below is our view on these metals and how they fit within a portfolio.

Outlook

Gold: Gold continues to serve as a long-term stabilising asset. During phases of geopolitical uncertainty, potential interest-rate easing, or equity volatility, gold typically helps cushion portfolios. Central bank accumulation globally also provides structural support to prices.

While returns may moderate after the recent rally, the medium- to long-term outlook remains constructive.

Silver: Silver is more volatile than gold and price swings tend to be sharper due to its industrial demand component the current speculative trading. We do not consider silver a core portfolio holding. Any allocation, where suitable, remains limited and closely monitored.

Preferred Investment Route

Exposure is recommended through **Gold ETFs or Gold Mutual Funds**. These eliminate storage and purity concerns, offer liquidity and transparency, and allow staggered investing through SIPs. Gold MFs have the added advantage of accumulating slowly through SIPs with small incremental money.

Ideal Allocation Strategy

Precious metals are meant for protection and diversification, not aggressive return generation.

- ★ Total metals allocation: ~10–15% of portfolio
- ★ Major share in gold (core allocation)
- ★ Minimal silver exposure, aligned to risk appetite

The focus remains disciplined asset allocation, controlled risk, and long-term wealth creation.

(Contributed by Team Dhruv, Hum Fauji Initiatives)

QUESTION

Retirement and Bank FDs go Hand-in-Hand - but are they doing enough for you? What other options deserve a place in your retirement portfolio?



OUR REPLY

For decades, bank fixed deposits (FDs) have been a retirement staple - offering certainty and regular income. But retirement today is very different. Longer life spans, much more aspirations from life, rising expenses, and inflation quietly reduce the real value of fixed returns.

The biggest risk in retirement isn't market volatility - it's outliving your savings. While FDs provide stability, their post-tax returns often fail to keep pace with inflation. That's why retirement planning needs more than just FDs. There's no single formula that fits everyone. The right mix depends on how much a retiree depends on their corpus for monthly expenses.

- ★ **For retirees fully dependent on their savings**, a higher allocation to quality debt instruments - such as bonds, RBI floating-rate bonds, and debt mutual funds - can offer better compounding than traditional FDs, while keeping risk and taxes controlled. Even here, a small exposure to equity helps protect against inflation.
- ★ **For retirees with pension or additional income**, a balanced approach works well. A mix of equity and debt, including hybrid mutual funds, can provide stability today and growth for tomorrow.
- ★ **For retirees with lower expense needs**, equity-oriented mutual funds can play a larger role, helping the corpus grow over time through compounding.

In retirement, safety matters - but growth matters too. A thoughtful combination of FDs, bonds, and mutual funds ensures your savings continue working for you, rather than slowly losing value on the sidelines.

(Contributed by Team Vikrant, Hum Fauji Initiatives)

REVOLUTIONIZING DEFENCE



Sound financial understanding is essential for long-term stability, and our Investor Awareness Programs (IAPs) continue to equip soldiers with the knowledge needed to make confident financial choices.

During February, multiple IAP sessions were conducted across key locations, focusing on practical money management, disciplined investing, and future-focused financial planning.

Stations Covered & Outreach

- ▶ **Total Outreach in February:** 866 personnel
- ▶ **Sessions Conducted:** 9 IAP lectures
- ▶ **Overall Reach:** 90,222 jawans educated through 722 IAPs
- ▶ **Locations:** Ahmednagar, Kamptee, Jabalpur & Wellington

Every interaction strengthens financial literacy at the unit level, supporting greater personal security and peace of mind for soldiers and their families.

The active participation and thoughtful questions from the jawans reflected a growing awareness of the importance of structured financial planning.

Planning an IAP for your unit?

Partner with us to bring focused financial awareness sessions to your personnel.

EXPLORE OUR DIVERSE RANGE OF OFFERINGS

Hum Fauji Initiatives Now Launches



HOME LOAN SERVICES

In Collaboration with Leading Banks & NBFCs

Why Choose Us?

- We work for YOU.
- Compare offers from multiple banks.
- Best terms, Lowest rates.
- Complete peace of mind

What We Offer:

-  Lowest Interest Rates
-  Faster Processing & Disbursement
-  Comprehensive Loan Solutions (Home Purchase, Renovation, LAP)
-  End-End Support
-  No Charges to You From Our Side

Absolutely Free!

Planning a Home Loan? Reach Out to Us!

Transparent, Smooth, & Personalized Experience



Hum Fauji Initiatives

Call: 8929291078 

Website: www.humfauji.in

SEBI'S REGULATORY UPDATES

SEBI has introduced important changes in mutual fund categories to improve transparency, reduce overlap between schemes, and make goal-based investing more structured. Here's what investors should know:



➤ Solution-Oriented Schemes Discontinued

Children's Funds and Retirement Funds will now be merged with similar schemes having comparable risk and asset allocation.

What this means for you:

Your investments remain safe, but the scheme name or category may change to align with new regulations.

➤ Introduction of Life Cycle Funds

New goal-based funds with a predefined investment glide path have been introduced, investing across equity, debt, commodities, and ETFs.

What this means for you:

These funds automatically adjust risk levels over time, making long-term goal planning simpler.

➤ Sectoral Debt Funds Introduced

A new debt fund category will invest around 80% of assets in a specific sector.

What this means for you:

Investors can now take focused exposure within fixed income, though diversification becomes important.

➤ Higher Equity Exposure Requirements

Dividend Yield, Value, Contra, and Focused Funds must now maintain at least **80% equity exposure** (earlier 65%).

What this means for you:

These funds will carry clearer equity positioning and potentially higher market-linked volatility.

➤ Stricter Portfolio Overlap Rules

Funds must limit portfolio overlap with other schemes to 50%, reviewed quarterly.

What this means for you:

Better diversification — different funds are now expected to behave more distinctly.

➤ Value & Contra Funds Together Allowed

AMCs can now offer both Value and Contra funds, subject to overlap limits.

What this means for you:

More investment choices without unnecessary duplication.

➤ Sectoral & Thematic Funds Classified Separately

These categories are now formally distinguished.

What this means for you:

Improved clarity when selecting specialised investment themes.

These changes aim to make mutual funds simpler to understand, more transparent, and better aligned with investor goals.

SNEAK PEEK

INTO HUM FAUJI INITIATIVES

Cricket Fever at Hum Fauji Initiatives

With the ICC T20 World Cup fever on, the boys from our team had a cricket moment of their own. The boys took to the ground for a quick game, turning a regular break into a burst of energy, cheers, and a few spirited batting shots. Safe to say, the excitement was real because when cricket is in the air, the game finds its way everywhere.

Catch a glimpse of the fun!



Work Hard. Celebrate Together.



Our parties are a way of celebrating the energy of the month - the hits, sometimes the misses, and the spirit that keeps the team moving forward together. They remind us that when we work hard as a team, every moment becomes worth celebrating. And of course, the fun games add their own excitement, giving everyone a chance to unwind, open up, and maybe even walk away with some fabulous goodies.

Take a peek!



HUM FAUJI INITIATIVES MEDIA FEATURES

Life insurance mis-selling: Review benefit illustration, premium table

Life insurance can be an important financial protection tool, but it is often misunderstood because of the way some products are sold. As our CEO, Col Sanjeev Govila (Retd) emphasises, policyholders must carefully review the benefit illustration, premium schedule, and policy terms before committing. Many plans, especially endowment policies and ULIPs are sometimes presented as alternatives to fixed deposits or as offering “guaranteed” returns. In reality, insurance products are long-term contracts with charges, lock-ins, and surrender conditions that can significantly affect returns. Consumers should insist that all promises made during the sales process are clearly documented, compare the product with other financial options objectively, and ensure that the policy genuinely aligns with their protection and financial goals rather than being driven by sales pitches.



Read the full article here: <https://shorturl.at/Qctgv>



COL SANJEEV GOVILA (RETD.)

CEO,
Hum Fauji Initiatives

Financial Doctrine This Republic Day For Those Who Defend The Nation

Every Republic Day, we celebrate the courage, discipline and sacrifice of the men and women who wear India’s uniform. But it is also important to recognise a quieter challenge many defence personnel face — managing personal finances in a life built around duty, transfers, and uncertainty. In this article, Col. Sanjeev Govila (Retd) reflected on how simple, disciplined financial systems can protect long-term stability and help those who defend the nation build secure futures for their families.

Read the full article here: <https://shorturl.at/vpPDU>





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Visit at : 1st & 2nd Floor, Bimal Plaza, Sector-11, Dwarka, New Delhi-110075