ESOP 2026
Employee Share Ownership Plan

Capgemini

Capgemini Employee Share Ownership Plan

LOCAL SUPPLEMENT FOR INDIA

You are invited to invest in the shares of Capgemini SE by subscribing to units of an employee shareholding fund, a Fonds Commun de Placement d'Entreprise ("FCPE"), under the Capgemini Group Employee Share Ownership Plan 2026 ("ESOP 2026"). Below is a summary of ESOP 2026 and the specific terms applicable to employees in India, including the principal tax and social security consequences arising from your participation in ESOP 2026.

For a complete description of ESOP 2026, please refer to the Employee Information Brochure, the Key Information Document "ESOP Leverage P 2026" compartment of the "ESOP CAPGEMINI" FCPE provided together with this supplement, and available on https://esop.capgemini.com.

Please note that the decision to participate in ESOP 2026 is yours, considering your situation and any independent advice you may require. Please also note that ESOP 2026 and its terms will not form part of your employment relationship with your Employer. Neither your Employer nor Capgemini SE will give you investment advice concerning ESOP 2026. You are encouraged to consult Capgemini SE's Registration Document and any interim financial reports containing important information on its activities, strategy, financial results, and certain risks associated with its business and investment in Capgemini SE shares.

This ESOP 2026 relies on the exemption from publishing a prospectus provided for in Article 1.4(i) of the EU Regulation 2017/1129/EC.

General description of ESOP 2026

Eligibility

All current employees of Capgemini Group companies in India, including the employees of the direct or indirect majority-owned (Indian) subsidiaries of Capgemini SE, the French parent company of the Capgemini Group, are eligible to participate in ESOP 2026, provided they have completed a minimum employment period of three (3) months in the Capgemini Group since January 1, 2025, up to November 13, 2026 (date of the closing of the revocation period), and who has also been employed with Capgemini Group companies in India (including the direct or indirect majority-owned (Indian) subsidiaries of Capgemini SE) for at least one day between November 10 and November 13, 2026.

Reservation/Subscription Period

The reservation/subscription period begins on September 11, 2026, and ends at 5:00 p.m. **on September 30, 2026** (inclusive). During the reservation/subscription period, you can submit subscription orders for Capgemini SE shares (through the compartments of the "ESOP Capgemini" FCPE[1]).

[1] "ESOP Capgemini" FCPE (Fonds Commun de Placement d'Entreprise) is an employee shareholding vehicle (commonly used by French companies) through which employees can own Capgemini SE shares. As such, you will be issued units of the ESOP Capgemini" FCPE corresponding to the shares you subscribe to, which will be held on your behalf by the FCPE.

Subscription/Revocation Period

The subscription price for the Capgemini SE shares will not be known during the reservation/subscription period. Capgemini SE will set the subscription price on November 5, 2026.

The revocation period begins on November 10, 2026, and ends at 5:00 p.m. on November 13, 2026 (inclusive). You can cancel or revoke your subscription order in its entirety during the revocation period. Partial cancellation, however, is not possible. Upon the expiration of the revocation period, the outstanding orders shall become final, irrevocable, and binding on you.

Subscription Price

The CEO of Capgemini SE will set the subscription price and communicate it to you on November 5, 2026, via postings in your workplace and on the dedicated ESOP 2026 website (https://esop.capgemini.com).

The subscription price for Capgemini SE shares will be at a discount of 12.5% from the 'reference price'. The reference price will be determined based on the arithmetic average of the daily volume-weighted average of the Capgemini SE share price over the 20 consecutive trading days ending on November 3, 2026. As a result, the subscription price will equal the reference price, less a 12.5% discount.

You will pay for your investment in Indian Rupees (INR/Rs./₹). For your investment purposes, the amount of your payment in Indian Rupees will be converted into euros (€) by your Employer because Capgemini SE shares are listed in euros (€). The exchange rate used to determine the amount of your investment in euros (€) will be communicated to you before the revocation period. In all circumstances other than those referred to above, exchange rates may affect the value of your investment as the market governs it and is not guaranteed. The amount in euros (€) corresponding to your investment in Rs./₹ will be invested in Capgemini SE shares via the FCPE on the date of the capital increase. Any variation between the exchange rate determined by Capgemini and the exchange rate in effect on the date of the actual remittance of funds abroad will not affect the amount of your investment.

Important Note: During the life of your investment, the value of Capgemini SE shares subscribed through the FCPE will be affected by fluctuations in the currency exchange rate between the euro (€) and Rs./₹ As a result, if the euro strengthens relative to the Indian Rupee, the value of the shares expressed in local currency will increase. On the other hand, if the value of the € weakens relative to Rs./₹, the value of the shares expressed in Rs./₹ will decrease. Afterwards, exchange rate fluctuations between the € and Rs./₹ can positively or negatively impact your investment.

Method of Payment – What payment methods are available for my Subscription?

The following payment methods are made available to subscribe to Capgemini SE shares:

- Deduction by a single disbursement from your monthly salary for December 2026, or
- Availing of the finance facility offered by your Employer and repayment in four (4) equal monthly instalments deducted from your salary, commencing from December 2026[2] .

The payment method must be specified in the Reservation/Subscription Form.

Financing by Employer

Your Employer will offer you financing for the full subscription price upon request. Financing would be in the form of a short-term 'interest-free' loan, which would be repayable/recoverable from you over four (4) months through the monthly payroll commencing from December 2026.

Although the financing is interest-free, a notional interest amount will be computed under the Income-tax Act, 2025. This notional interest will be treated as a perquisite and will be taxable in your hands until the loan is repaid. If you leave employment before fully repaying the loan, your Employer will be entitled to deduct any unpaid contribution, together with any applicable costs, from your payroll or salary at the time of full and final settlement.

[2] As per the Companies Act, 2013, where your employer company is a public limited company (including a private company which is a subsidiary of a public company), your employer can provide finance facility/assistance to its employees to subscribe to Capgemini SE shares (under ESOP 2026), provided shareholders' approval has been obtained. Accordingly, under ESOP 2026, wherever relevant, the shareholders' approval has been obtained by your employer in accordance with the law.

Default of Payment Case

If you fail to repay the salary advance on time through payroll deductions or at the time of full and final settlement, you will be required to make the outstanding payment by bank transfer, together with any applicable taxes. If you fail to make such payment, your Employer shall have the right, upon your default, to sell the number of units/shares required to recover the salary advance and any related expenses, without prior notice to, or approval from, you and without any right of indemnity. Such sale of units/shares may have tax consequences for you, which you shall be responsible for bearing (see representations and undertakings in the Reservation/Subscription for further details).

Maximum & Minimum Subscription Amount

During the reservation/subscription period (**September 11 to September 30, 2026**), you will be able to submit your subscription orders to subscribe to Capgemini SE shares (through the compartments of the "ESOP Capgemini" FCPE) for a maximum of 2.5% of your estimated gross annual salary for 2026. However, if you did not subscribe during the reservation/subscription period, you may still subscribe during the subscription/revocation period (November 10 to 13, 2026), in which case your subscription order shall be limited to 0.25% of your estimated gross annual salary for 2026. Gross yearly salary is defined as your Annual Total Cash Compensation (including Variable Pay at target for 2026).

Your responsibility is to ensure that the investment does not exceed the limits above, calculated for the 2026 calendar year (January 1, 2026, to December 31, 2026). In making the calculation, you must estimate the remuneration you expect to receive by the end of the year. Therefore, we suggest estimating your remuneration without including variable pay components and other benefits that are not guaranteed. If your subscription amount exceeds the limit, it may be reduced accordingly.

The minimum subscription amount is **Rs. 11,000.**

(Indian) Foreign Currency Exchange Control

All Indian resident individuals who are employees or executive directors of Indian participating companies are permitted to acquire foreign securities under ESOP (Employee Stock Ownership Plan) or other employee benefit schemes without any monetary limit. However, the maximum subscription amount per employee for ESOP 2026 is given above.

Please note that your participation in ESOP 2026, including your contributions, must comply with applicable Indian laws, including the Foreign Exchange Management Act, 1999, and the rules and regulations issued thereunder, as amended from time to time. The remittance of the subscription amount by your Employer on your behalf under the Liberalised Remittance Scheme[3] (**LRS**) must be within the limit of USD 2,50,000 or otherwise be in accordance with and subject to the applicable exchange control laws and regulations in force. Your Employer may not be aware of your other remittances under the LRS; hence, you are solely responsible for ensuring that your subscription is within the limit of USD 2,50,000. You agree to be solely responsible for any breach of the Foreign Exchange Management Act, 1999, and the rules and regulations issued thereunder. If it is later found that such remittance has led to a breach of the prescribed limit, i.e., USD 2,50,000 per tax year (or otherwise), you will be responsible for repatriating the excess funds to India and shall, of your own accord, apply for compounding.

Your local Employer will handle all matters related to foreign exchange under ESOP 2026 in accordance with applicable laws and regulations. To participate in ESOP 2026, you have authorised your Employer to make a relevant application or file it with the appropriate authority on your behalf to implement ESOP 2026. Additionally, you may need to complete and submit any documents as required by law, regulation, or relevant authorities in connection with ESOP 2026.

Subject to the terms of ESOP 2026, you may transfer/sell Capgemini SE shares acquired under ESOP 2026, provided the proceeds are repatriated immediately upon receipt and, in any case, not later than 180 days from the date of sale.

When you redeem your investment, your Employer will file the claim with the relevant governmental authorities (if required) and follow all procedures requested by the banks, which may delay payment of your proceeds. Since your capital gain from ESOP 2026 may be affected by the foreign exchange rate between the Indian rupee and the euro, your proceeds in Indian rupees may be materially impacted by fluctuations in the foreign exchange rate resulting from such a payment delay.

Please refer to the Tax Note for the applicability of the tax collected at source ("TCS"). TCS will apply if your international/overseas transfers (including ESOP 2026) under the LRS exceed Rs. 10,00,000 for the tax year 2026-27.

[3] The Liberalised Remittance Scheme of foreign exchange control regulations allows an Indian resident employee to buy securities of a foreign company for an amount not exceeding USD 2,50,000 in a tax year (i.e., 1st April of one calendar year to 31st March of the following calendar year). This limit is the aggregate amount an employee can remit in a tax year (April to March) and includes their remittances towards all permissible current and capital account transactions.

Securities Notices

This document and the offer made herein are addressed only to Capgemini Group employees eligible to participate in the ESOP 2026. No Indian securities law or other filing or reporting requirements apply to this ESOP 2026.

Custody of your Units/Shares

Your units/shares will be subscribed to and held on your behalf by a collective shareholding vehicle, known as a Fonds Commun de Placement d'Entreprise (FCPE), which is commonly used in France for the custody of shares held by employee investors. The FCPE will make the subscription to Capgemini SE shares on your behalf. You will be issued units of the FCPE corresponding to the shares you have subscribed to and held on your behalf by the FCPE. Thus, for each amount invested corresponding to the subscription price of one share, you will receive one unit of the FCPE. The units of FCPE will not be listed on a stock exchange and are not transferable to a third party. The units can be redeemed only in the manner provided herein.

Dividends

You will not be entitled to receive any dividend on the units you hold through the FCPE "ESOP Capgemini" in exchange for units of the "ESOP Leverage P 2026" Compartment.

Voting Rights

The Supervisory Board of the FCPE will exercise the voting rights attached to your Capgemini SE shares on your behalf.

Early Exit Events - Under what circumstances can I request early redemption?

In consideration of the benefits granted under ESOP 2026, your investment must be held for a five-year lock-up period ending on December 17, 2031, except in the case of early exit events listed below, wherein you may request the redemption of your units before the end of the five-year lock-up period:

- the termination/resignation/superannuation of the employment contract,
- the disability of the employee (resulting in a permanent disability to exercise professional activity), and
- the death of the employee.

It is clarified that in the event of a change of Employer (within Capgemini Group), where the new Employer is an entity that has participated in or is participating in the ESOP in a country under the same structure as India, i.e. the FCPE's « ESOP Leverage P » compartments, it shall not constitute an early exit case. On the other hand, a change of Employer (within Capgemini Group), where the new Employer is an entity that has participated in or is participating in the ESOP in a country under a different structure or in a non-participating country, may constitute, upon Capgemini SE's sole decision, an early exit case. In addition, at Capgemini SE's sole discretion, early redemption may also apply if your Employer ceases to be a Capgemini SE subsidiary.

In these circumstances, you (or your personal representatives/executors) would need to request an early redemption/exit, as it is not automatic. In the event of death, your nominee, as recorded with the Employer under the statutory regulations (PF, etc.), shall be entitled to request redemption. The above summarizes the current early-exit provisions permitted under French law. However, it would be helpful if you did not conclude that an early exit event applies unless you have described your specific situation to your Employer in the prescribed form and your Employer has confirmed that it applies, subject to you providing the requisite supporting documents. While processing your request for an Early Exit Event, your Employer will make an independent decision at its discretion, which shall be final and binding. For further information on the early exit events and/or the redemption procedure, please contact your Human Resources Department.

If you submit an early exit request, the FCPE manager will execute your request after your Employer has validated it and transfer the value of your investment to you. Please refer to the relevant FCPE information notice regarding the timing of executing early exit requests.

Redemption

Your investment becomes available for redemption upon the expiry of the 5-year lock-up period (ending on December 17, 2031) or earlier in the event of an early exit, as set out above. At the end of the lock-up period, you will be notified of the expiration, the availability of your investment, and the redemption process.

Just before the lock-up period expires, you may either request the redemption of your investment (1) in cash payment or (2), wherever permitted, elect to transfer the units into another FCPE offered within the employee group savings plan (Capgemini Classic).

Labour Law Disclaimer

Please note that this ESOP 2026 is provided to you by the French company, Capgemini SE, not your Indian Employer. The decision to include a beneficiary in this or any future ESOP 2026 is taken by Capgemini SE at its sole discretion. ESOP 2026 does not form part of your employment agreement and does not amend or supplement such an agreement. Participation in ESOP 2026 does not entitle you to future benefits or payments of a similar nature or value or entitle you to any compensation if you lose your rights under ESOP 2026 due to the termination of your employment. Benefits or payments you may receive or be eligible for under ESOP 2026 will not be considered in determining the amount of any future benefits, payments or other entitlements that may be due to you (including in employment termination cases).

Change of Date or Cancellation/Termination

Please note that the dates provided in the documentation regarding ESOP 2026 are indicative and may change at any time by Capgemini SE. Furthermore, at its discretion, Capgemini SE may also choose to cancel ESOP 2026.

Further Information

- The securities offered for sale under the 2026 ESOP have not been recommended by any governmental securities commission or regulatory authority, nor has any authority confirmed the accuracy or determined the adequacy of this document or any other materials being distributed or made available to you.
- You understand that your investment value is tied to Capgemini SE's share price changes. Therefore, you risk the amount of your personal contribution invested in the ESOP 2026 and understand the importance of diversifying your investments. Neither Capgemini SE nor your Employer nor any of its subsidiaries, directors, officers, or employees provide financial, investment, tax, or other advice related to ESOP 2026.
- Capgemini SE or your Employer shall not be liable for any act done or omitted to be done in connection with ESOP 2026 except for its willful misconduct or as expressly provided by the law.
- Although a general tax summary is provided as part of this Country Supplement, neither Capgemini SE nor your Employer offers any tax advice. Therefore, you should consult your tax advisor for advice regarding the tax consequences of participating in ESOP 2026.
- ESOP 2026 is subject to the laws of the Republic of France and shall be interpreted in accordance with these laws. These laws have been chosen to apply because Capgemini SE is a company organised under French law. In the event of any dispute regarding the interpretation, validity, or application of ESOP 2026, the relevant parties will strive to find a mutually amicable solution. However, if such a solution cannot be found, the dispute shall be heard by a competent court in France.
- You should contact your local Plan Officer with any questions regarding this offer. Their details appear on https://esop.capgemini.com.

Tax information for employees resident in India

This document aims to answer some of your questions about the consequences of income tax and social charges for participating in the Capgemini Group Employee Share Ownership Plan 2026 ("ESOP 2026").

This summary sets forth general principles that are expected to apply to employees who (i) are residents of India under the tax laws of India and the Convention between India and the French Republic for the avoidance of double taxation signed on September 29, 1992, as amended ("Treaty"), and (ii) are entitled to the benefits of the Treaty; and who would continue to remain, residents of India, until their rights to the units in ESOP 2026 will have ended. The tax consequences listed below are described under Indian and French tax laws, tax practices, and the Treaty, all of which are applicable as of the date.

Please note that this Country Supplement is based on the laws in force as of July 15, 2026. These laws, practices, and the Treaty are subject to change, which may affect your tax position. For more specific and definitive personal advice and to take care of any possible changes in the personal tax legislation, it is recommended that you consult your tax advisors regarding the tax consequences of subscribing to Capgemini SE shares through the compartment "ESOP LEVERAGE P 2026" of the Fonds Commun de Placement d'Entreprise ("FCPE") "ESOP CAPGEMINI".

This summary is given for informational purposes only and should not be relied upon as being either complete or conclusive. While every effort has been made to provide precise information, the employing company ("Employer") does not take responsibility for its accuracy.

This tax note should be read in conjunction with the brochure and other materials distributed to you, which are available at https://esop.capgemini.com. Please note that the TCS (Tax Collected at Source) provisions described below apply to individuals who have made outward remittances from India exceeding Rs. 10,00,000 during the tax year 2026-27.

Upon subscription

I. Will I be required to pay any tax or social security charges at the moment of subscription?

(i) Taxation in France - at the time of Subscription

Provided your investment is held through the FCPE "ESOP CAPGEMINI" in exchange for units of the "ESOP Leverage P 2026" Compartment, you will not be subject to tax or social charges in France.

(ii) Taxation in India – at the time of Subscription

In the hands of Employees:

Your investment in Capgemini SE shares will be contributed and held in a collective employee shareholding vehicle (FCPE) called FCPE "ESOP CAPGEMINI" in exchange for units of the "ESOP Leverage P 2026" Compartment.

Share price discounts available at the time of subscription will be subject to taxation as a perquisite in your hands. Therefore, for the tax year 2026-2027, at the time of allotment, you would be liable to pay tax on the difference between the fair market value ("FMV") of Capgemini SE shares (which will be determined by a Category I Merchant Banker) and the subscription price paid. Accordingly, such amount shall be treated as "perquisite" income and taxable in your hands under section 17(1) of the Income-tax Act, 2025.

The valuation of perquisite is calculated on the difference between:

(i) the "fair market value" of the shares on the specified date (under the Indian tax regulations), as determined by a "category I merchant banker" registered with the Securities and Exchange Board of India[4]; and

(ii) the subscription amount paid by you.

Consequently, a share valuation certificate issued by a category I merchant banker would be required to determine the FMV of the Capgemini SE share on the date of issue/allotment of shares. The difference between the FMV of the Capgemini SE share and the subscription amount you paid will be treated as perquisite income and taxed at the applicable tax rate. Your Employer will procure such a share valuation certificate.

Since Capgemini SE shares are offered at a 12.5% discount, the proposed discount on the FMV of Capgemini shares would be treated as a perquisite under Section 17 of the Income-tax Act, 2025, and, as a result, would form part of your compensation and be liable to be taxed in your hands as income under the head "Salaries". The tax rate would depend on your total income and be taxed slab-wise as applicable to you (for applicable tax rates, please refer to the table under the Section "**Upon Redemption**").

Illustration:

Fair Market value of 1 Capgemini SE share	Rs. 100.00
Subscription price paid by you @ 12.5% discount	Rs. 87.50
Discount	Rs. 12.50

The discount of Rs. 12.50 will be treated as "perquisite" income and added to your taxable salary.

Your Employer will not incur any tax liability in connection with your purchase of Capgemini shares. However, your Employer will withhold tax as per the applicable slab rates (and applicable tax regime) from you and remit such taxes withheld to the tax authorities. In addition, wherever applicable, your Employer may be required to collect the Tax Collected at Source ("**TCS**") from you on remittances made under the Liberalised Remittance Scheme[5] ("**LRS**") and deposit the tax with the tax authorities[6].

Please note that TCS on LRS applies to all outward remittances under LRS exceeding Rs. 10,00,000 per person per tax year (see footnote 6 below). Effective April 1, 2026, the applicable TCS rate is 20% on the portion of remittances above RS. 10,00,000. If your total remittances under the LRS in the tax year 2026-27 (together with the remittance under the ESOP 2026) do not exceed Rs. 10,00,000, you will not be subjected to TCS. However, if your remittances exceed Rs. 10,00,000 and if TCS applies, TCS will be collected/recovered by your Employer from your January 2027 payroll (in a single instalment) and deposited with the tax authorities (through the Authorised Dealer/banker (AD)), appearing as a credit in your Form 168 (formerly Form 26AS).

The TCS collected can be offset against your final tax liability, payable at the end of the year[7]. If you have no such tax liability, you can claim a refund at the end of the year. Please consult your tax advisor. The Employer will not bear these taxes.

When subscribing through the FCPE, you would not incur any social tax consequences.

If your Employer finances the subscription price for an amount of Rs. 200,000 or more, notional interest will be calculated on the interest-free/concessional loan. This notional interest will be treated as a perquisite, taxable in your hands under the head "Salaries". Accordingly, the perquisite value arising from the interest-free/concessional loan will be taxable, and your Employer will be required to withhold tax on such amount at the applicable rate.

In the hands of the Employer:

There will be no separate liability on the Employer to pay any tax other than withholding taxes as mentioned above.

Apart from the above, currently, there are no social security taxes or other charges payable.

II. Will the interest-free loan be taxable?

Under section 17(1)(e) of the Income-tax Act 2025 read with Rule 15(5a) of the Income-tax Rules, 2026, perquisite includes the value of any benefit or amenity granted or provided free of cost or at a concessional rate.

Under the Income-tax Rules, an interest-free loan or a loan provided at a concessional rate qualifies as a perquisite. Therefore, the benefit, concession or amenity extended by the Employer to you (if you so opt) would take the form of a perquisite and be liable to tax in your hands.

Valuation of Perquisite (in the form of an interest-free loan)

Since financing by the Employer would be free of interest, the Indian tax law requires a charge of a notional rate of interest on the loan amount, which would be treated as a perquisite granted to you and subject to tax. However, no perquisite value will be charged if the aggregate loan amount is less than Rs. 2,00,000.

Under the Income-tax Rules, 2026, the value of the benefit to the employee resulting from the interest-free or concessional loan equals to or above Rs. 2,00,000) for any purpose by the Employer shall be determined as the sum equal to the interest computed at the rate charged per annum by the State Bank of India as on the first day of the relevant tax year[8] in respect of loans for the same purpose advanced by it, on the maximum outstanding monthly balance as reduced by the interest, if any, actually paid with respect to the amount above Rs. 2,00,000.

[4] The merchant banker will consider the listed price of Capgemini SE shares on the Euronext Paris (the Paris stock exchange) on the specified date, as per the Indian tax regulations (i.e., date of subscription or any date within 180 days prior to the date of subscription), as one of the considerations.

[5] Under the LRS scheme, a resident person can remit funds outside India up to US$ 2,50,000 without prior permission from RBI for the tax year from 1st April to 31st March. This scheme is available only to individuals.

[6] From April 1, 2026, the Tax Collection at Source (TCS) for outward foreign remittance under LRS (for purposes other than education or medical treatment) is 20% (beyond the threshold of Rs. 10,00,000). Employers must seek guidance from the bank on the implementation and recovery mechanism.

[7] Under the Income-tax Act, the provisions dealing with the deduction of TDS on salary income are now amended to factor in any TDS or TCS credit available to employees when computing the amount of tax to be deducted from their salary income.

The rate charged by the State Bank of India for this type of loan is 15%[9] per annum (subject to change from time to time). As the value of perquisite in the hands of the employee would be the difference between the interest rate charged by the State Bank of India and the rate offered by the Employer (in the present case, since the Employer will not charge interest), the value of perquisite will be 15% on the maximum outstanding monthly balance. Since the perquisite value on account of an interest-free/concessional loan would be taxable in your hands, the Employer would be required to withhold tax at the appropriate rate on such perquisite value.

You would have no Social Security tax consequences if you received financing from your Employer.

Illustration:

1. Sameer takes a loan of Rs. 1,80,000 from his Employer on December 1, 2026, to subscribe to Capgemini shares. Here, no amount is taxable as the loan amount is less than Rs. 2,00,000 (provided this loan (or other outstanding interest-free loans taken by Sameer) does not exceed, in the aggregate, Rs. 200,000).
2. Sameer takes a loan of Rs. 3,00,000 from his Employer on December 1, 2026, to subscribe to Capgemini shares. The loan is repayable through monthly payroll deductions over 10 months. The perquisite is taxable because the loan amount exceeds Rs. 2,00,000.

Perquisite calculation: The perquisite value for the tax year 2026-27 is calculated as follows:

On 01-December-2026, Sameer received an interest-free personal loan of Rs. 3,00,000, repayable to his Employer in four (4) instalments. Repayment is made via payroll deduction on the last day of each month, with the first loan instalment due

Interest-Free/Concessional Loan to Employee - Valuation of Perquisite - Financial Year 2026-27		
SBI Interest as of 01.04.2026	15%[10]	
Actual Interest Charged by Employer (in Rs.)	0	
Loan Outstanding on 01.12.2026 (Rs.)	3,00,000	
Monthly Repayment instalment (Rs.)	75,000	
Month	**Maximum amount outstanding on the Last Day of the Month (Rs.)**	**Perquisite Value[11] (Interest as per SBI rate) (Rs.)**
Dec-26	2,25,000	2,813
Jan-27	1,50,000	1,875
Feb-27	75,000	938
Mar-27	0	-
Total Interest / Perquisite Value (Rs.)		5,626
Less: Recovered (Rs.)		0
Valuation of Perquisite (Rs.)		5,626

For tax year 2026-27, the perquisite value added to Sameer's income is Rs. 5,626, and taxes will be recovered on this perquisite value at the applicable slab rates.

During the life of the Plan

III. Will I be required to pay any tax or social security charges on dividends?

Under ESOP 2026, you will not be entitled to receive a dividend from the units/shares. Therefore, you do not benefit from dividends paid to the FCPE "ESOP CAPGEMINI".

(i) Taxation in France

No withholding tax will be levied in France in the absence of distribution to employees by the FCPE "ESOP CAPGEMINI" of the dividends received from Capgemini.

(ii) Taxation in India

Your investment will be held through the FCPE "ESOP CAPGEMINI" (in exchange for units of the "ESOP Leverage P 2026" Compartment), and you will not be entitled to dividends. Hence, no Indian tax will be levied during the lock-up period.

[10] SBI rate of interest (provisional) as of 1st April 2026 (for personal loans). To be reconfirmed by the Employer with the bank.

[11] Perquisite value = Maximum Outstanding Monthly Balance (Closing Balance) x 15% / 12.

IV. Will I be required to pay any wealth tax on the units I own?

It is not applicable, as the Wealth Tax Act has been abolished.

V. What are my reporting obligations concerning the subscription, holding and redemption of the FCPE units, and paying dividends?

If you are a resident and ordinarily resident as per the provisions of the Income-tax Act, 2025, you will be taxed on your global income in India, subject to any benefits available under the Treaty between India and France. Therefore, you must disclose your investment under ESOP 2026 in Capgemini SE during the holding period (starting from the year of subscription), receipt of dividends (if any, after the lock-up period) and the capital gains earned at the time of redemption in your income tax return (Form ITR-2) in the relevant tax year.

Tax Reporting in your Income Tax Return ("ITR")

Under Indian tax law, resident taxpayers are required to disclose all foreign assets held at any time during the relevant tax year in their income tax return. Accordingly, when filing your return in Form ITR 2[12], you must report the Capgemini SE shares/units you hold, along with any foreign-sourced income earned from them. This reporting obligation applies irrespective of the value of the assets or income received from them.

In addition to disclosing the value or cost of the Capgemini shares, you are required to report the income earned (in INR/Rs.) from such shares, the nature of the income, and the head of income under which it is offered to tax.

You must provide details of these foreign assets in **Schedule FA** (Details of Foreign Assets and Income from any source outside India) of the ITR form. You are also required to complete **Schedule Foreign Source Income (FSI), Schedule AL**[13] , and **Schedule Tax Relief (TR)**, as applicable. These schedules require disclosures such as:

- Taxpayer identification number in the foreign jurisdiction (if applicable)
- Type and amount of foreign income earned
- Foreign taxes paid, if any
- Indian tax payable on such income

When reporting foreign investments and securities for tax purposes in India, specific disclosure requirements apply. Such investments are classified as "any other capital asset held" and must be reported in Table D of Schedule FA in Form ITR 2. The value of these assets must be disclosed in Indian Rupees, converted from the foreign currency using the prescribed exchange rate.

Dividends received from foreign shares are taxable in India as "**Income from Other Sources**" in the year in which they are paid. This taxability applies regardless of whether the dividend is remitted to India or reinvested abroad.

Form ITR 2 requires resident taxpayers to disclose all foreign assets held at any time during the relevant calendar year. For this purpose, the accounting period followed by the foreign jurisdiction (typically the calendar year) is treated as the reporting period. For example, when filing the ITR for tax year 2026–27, you must report all foreign assets held between January 1, 2026 and December 31, 2026, since most foreign jurisdictions follow the calendar year rather than India's April 1–March 31 tax year. Accordingly, if you acquired foreign shares in December 2026, they must still be reported in Schedule FA for the 2026–27 tax year. Conversely, foreign shares or other assets acquired between January 2027 and March 2027 will not be reported in the current year's return but must be disclosed while filing the tax return in the tax year 2027–28.

Given the detailed nature of foreign asset reporting, you should consult your tax advisor to ensure full compliance with the applicable disclosure requirements.

Who is Required to Complete the Foreign Asset (FA) Schedule in the Income-Tax Return?

Any individual who qualifies as a tax resident of India during the relevant tax year and holds foreign assets, maintains foreign bank accounts, or earns foreign-sourced income at any time during that year is required to complete Schedule FA in the income tax return. This obligation applies irrespective of the individual's income level or tax slab. Even if your total income is below the basic exemption limit, you must file an ITR if you hold any foreign assets during the tax year.

[12] Under the Income-tax Rules, 2026, employees must use Form ITR-2. An individual must file ITR-2 if they have: (1) dividend income from ESOP/RSU or shares of foreign companies, (2) income from any foreign asset, which includes foreign bank accounts, foreign stocks, RSUs, ESOPs or any other asset requiring disclosure in Schedule FA, and (3) does not have any Business Income. The new Form ITR-2 for tax year 2026-27 has not yet been notified; hence, references to schedules in ITR-2 are based on the Form for the tax year (previous year) 2025-26.

[13] Schedule AL - Assets and Liabilities at the end of the calendar year (applicable in a case where the total income exceeds Rs. 1 crore).

Employees resident in India must therefore report all foreign assets held as of December 31, 2026, even in the following situations:

- You have no taxable income, or your income falls within the basic exemption limit (even if similar information is disclosed in other schedules such as Schedule AL).
- The foreign asset was acquired using fully disclosed foreign or domestic income sources.

Failure to disclose foreign assets in Schedule FA may result in penalties under the Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015[14]. Similarly, failure to report taxable foreign income may also attract penalties.

Format of declaration in Form ITR-2 when you invest in units of FCPE ESOP CAPGEMINI[15]:

<table>
<tr><th colspan="4">Details of any other capital asset held (Including any beneficial interest)
at any time during the calendar year ending as on December 31[16]</th></tr>
<tr><td colspan="2">SN</td><td>1</td><td>1</td></tr>
<tr><td colspan="2">Country Name and Code</td><td>(2)</td><td>France FR</td></tr>
<tr><td colspan="2">Zip Code</td><td>2b</td><td>75017</td></tr>
<tr><td colspan="2">Nature of Asset</td><td>(3)</td><td>Units under Capgemini ESOP 2026
of Capgemini SE.</td></tr>
<tr><td colspan="2">Ownership- Direct/Beneficial Owner/ Beneficiary[17]</td><td>(4)</td><td>Beneficial owner</td></tr>
<tr><td colspan="2">Date of Acquisition</td><td>(5)</td><td>17/12/2026
(If you hold units under earlier ESOP plans, please insert the relevant details separate-ly.) Please consult your tax advisor.</td></tr>
<tr><td colspan="2">Total investment (at cost) (in Rs)[18]</td><td>(6)</td><td>(See Footnote 18)</td></tr>
<tr><td colspan="2">Income derived from the asset</td><td>(7)</td><td>NIL (if there is no sale of units from 17/12/2026 to 31/12/2026). Whenever sold during CY 26, please state the sale price multiplied by the SBI TT buying rate of the last day of the month immediately preceding the month in which the sale takes place minus (-) the investment cost in Cl 6 in proportion to the shares sold. Please consult a tax advisor.</td></tr>
<tr><td colspan="2">Nature of Income</td><td>(8)</td><td>NA. Please fill in only the case of the sale of units and choose between long-term or short-term capital gains depending on the period of holding.</td></tr>
<tr><td rowspan="3">Income Taxable and Offered in this return</td><td>Amount[19]</td><td>(9)</td><td>NIL (if there is no sale of units during the CY 26). Please fill in the capital gains taxable income only in case of the sale of units. See Footnote 19. Please consult your tax advisor.Sales during the period Jan to March 27 must not be included in this Cl 9, while the same must be included in Cl 7 of the table</td></tr>
<tr><td>Schedule where offered</td><td>(10)</td><td>NIL. Please write ‘Schedule CG’ only in the case of unit sales. Sales during the period Jan to March 27 should not be reflected in this Cl 9.</td></tr>
<tr><td>Item number of schedule</td><td>(11)</td><td>NIL. Please write B(9) – From the sale of assets where B1 to B8 above are not applicable- only in the case of the sale of units and a long-term capital gain (In case of short-term, please fill the A5 schedule in the Capital Gains section.Sales during the period Jan to March 27 should not be included in this Cl 9.</td></tr>
</table>

* Disclosure in this schedule is mandatory until you hold or redeem the units.

[15] Format of declaration is Illustrative only based on the currently available format of Form ITR-2, which is likely to change for the tax year 2026-27. Please remember that you may have to make additional disclosures if you hold units under other ESOP plans. Please consult your tax advisor before filing your tax return.
[16] Similar to ESOP 2025, please fill in details (separate line items) of your holdings/capital gains earned under each of the earlier Capgemini ESOP plans (subject to your participation).
[17] Subscription to Capgemini SE shares is made through the FCPE ESOP Capgemini, acting on behalf of employees.
[18] Please insert the purchase cost (in Rs.) of Capgemini SE shares = Multiply FMV of Capgemini SE share in € at subscription (reference price) * number of units allotted to you (refer to the Amundi Portal) * the SBI TT Buying Rate of € to INR as of 30/11/2026 (last day of the month preceding the month in which the units are allotted).
[19] Please insert the capital gains (long-term or short-term) earned, i.e., column 7 minus (-) column 6 (proportionate cost to be considered).

Repatriation of Sale Proceeds to India upon Redemption

Subject to the terms of the ESOP 2026, you may request redemption of the units acquired under the plan. However, all proceeds from such redemption must be repatriated to India by resident employees within 180 days of the redemption date.

Under Indian foreign exchange regulations, a person resident in India to whom any foreign exchange becomes due or receivable must take all reasonable steps to realise and repatriate it to India. Upon realisation, the proceeds must be brought into India either by:

- transferring or receiving the funds in India, or
- selling the foreign exchange to an authorised dealer in India in exchange for Indian Rupees.

A person is considered to have repatriated foreign exchange when they receive payment in Indian Rupees in India from the account of a foreign bank or exchange house maintained with an authorised dealer in India.

The income arising from the redemption of shares must be reported in your income tax return and will be taxable at the applicable slab rates, along with surcharge and health and education cess.

Please also complete Schedule AL, part of ITR-2, which requires disclosure of all assets and liabilities held by a taxpayer at the end of each tax year. Individuals must fill Schedule AL mandatorily if their total income exceeds Rs. Rs. 1 crore after all deductions, and they have not engaged in any business or profession during the financial year. Individuals with a total income below Rs. Rs. 1 crore are not required to file Schedule AL.

VI. What are the reporting obligations of the Employer?

Your Employer is not subject to any additional reporting obligations under the Income tax Act, 2025, other than depositing the tax withheld at source within seven days from the end of the month in which the tax is deducted. The Employer is also required to file quarterly withholding tax statements reflecting the tax deducted at source. The perquisite value and the corresponding tax withheld will be reported in Forms 130 and 123 (formerly Form 16 and Form 12BA, respectively), which are issued annually after the close of the tax year.

Separately, your Employer is required to file a report in Form OPI within 60 days from the end of each half year (i.e., by the end of September or March) during which shares or interests under the ESOP 2026 are acquired or transferred. This filing must be made through the Employer's authorised dealer (AD) bank and must include details such as remittances, share repurchases, beneficiaries, and other relevant information. Indian participating entities are required to continue filing such reports throughout the ESOP 2026.

Upon redemption

VII. Will I be required to pay any tax or social security charges when, at the end of the lock-up period (or in the event of an authorised early exit event), I ask the FCPE to redeem my units for cash?

(i) Taxation in France

You will not be subject to income taxes in France on the gain realised on the redemption of your units.

(ii) Taxation in India

Any gain or loss you accrue upon the redemption will be treated as capital gain or loss. In other words, capital gains tax would be attracted only to profit or gain made at the time of redemption/sale of shares. Other than income tax, no social security taxes or other charges are payable.

Nature of the tax (e.g. income, capital gain or another form of tax)

Any gain or loss you accrue upon the redemption/sale of shares will be treated as capital gain or loss. Under the Income-tax Act, 2025, any profits or gains arising from transferring a capital asset (herein redemption or sale of units/shares) are chargeable to income tax under the head "Capital Gains". Accordingly, you will be responsible for declaring any capital gains (or losses) you realise upon selling the shares and paying applicable taxes due to such gains. Your Employer will not have any withholding tax obligation at the time of redemption/sale of shares.

Method by which the taxable amount is to be calculated

Capital Gain is calculated as the difference between the sale consideration[20] at redemption/sale and the FMV of Capgemini SE shares at the time of subscription, and any expenditure incurred wholly and exclusively in connection with the transfer of the shares. Thus, if the selling price exceeds the FMV at the time of purchase, it results in a capital gain; conversely, if the selling price is lower than the FMV at the time of purchase, it results in a capital loss. In other words, capital gains tax would be attracted only on the profit or gain made when the shares are redeemed/sold (actual amount recovered plus the amount of perquisite mentioned in Form 123 (formerly Form 12BA) in the year of subscription). Therefore, capital gains will be computed using the FMV of the shares at the time of allotment (regardless of the 12.5% discount) as the acquisition cost.

[20] The SBI TT buying rate of EUR (€) as of the last day of the month preceding the month of redemption/sale should be considered for converting the sale consideration at redemption/switch into Rs.

Example: In case you are a tax resident in India at the time of redemption of units/shares, the capital gain will be calculated in the following manner:

	Amount (Rs.)
Redemption price of units/shares	X
FMV of shares at subscription as the cost of acquisition[21]	Y
Expenditure incurred in connection with the redemption/sale of units/shares	Y1
Capital gain (Z)	Z = X – (Y + Y1)[22]

Since Capgemini SE shares are not listed on an Indian stock exchange, their tax treatment would be similar to that of unlisted shares. The nature of capital gain, i.e., long-term or short-term, would depend on the holding period of units/shares. If units/shares are held for a period exceeding twenty-four (24) months, the capital gain will be treated as long-term; otherwise (i.e., held for twenty-four (24) months or less), the capital gain will be treated as short-term and taxed accordingly. The holding period is calculated from the date of unit allotment to the date of redemption or sale

Illustration:

1. Sameer is a salaried employee of Capgemini India. In December 2026, he subscribed to ESOP 2026. Sameer redeemed all units at the end of the lock-up period in December 2031. Since the holding period for Capgemini SE shares exceeds 24 months, the shares will be treated as long-term capital assets, and any capital gain will be taxed as long-term capital gains.
2. Sameer is a salaried employee of Capgemini India. In December 2026, he subscribed to ESOP 2026. Due to an early exit event, Sameer sold the units in July 2028, i.e., after holding them for less than 24 months. Hence, the units under ESOP 2026 would be treated as short-term capital assets, and any capital gain earned would be taxed as short-term capital gains.

Long-term and short-term capital gains are taxed differently. The section below provides further details on the tax rates for long- and short-term capital gains.

Rate of Taxation

- Long-term capital gain: The current applicable tax rate for long-term capital gains is 12.5%, plus the applicable surcharge and the health and education cess. No indexation benefit is allowed.
- Short-term capital gain: Short-term capital gains are included in the employee's income and are taxed as per the slab-wise income tax rates specified below.

Let us take an example to make it clear:

A. Long–Term Capital Gains

Sameer subscribed to Capgemini SE shares in December 2026, whose fair market value (FMV) was Rs. 1,50,000 (i.e., the FMV of the shares subscribed through his contribution). Sameer sold all the shares at the end of the lock-up period in December 2031 for Rs. 3,30,000. Since Capgemini shares relate to an unlisted (Indian) company, the resulting gain qualifies as long-term capital gains (LTCG), taxable at 12.5%.

Calculation of Capital Gains:

- Purchase Price of all shares (December 2026) = **Rs. 1,50,000**

- Sale price of shares (December 2031) = **Rs. 3,30,000**

Capital gains earned by Sameer will be **Rs. 1,80,000**, as per the following calculation:

Sale Value – FMV of shares at subscription as cost of acquisition = Rs. 3,30,000 – 1,50,000 = Rs. 1,80,000.

Therefore, the Long-term Capital Gains tax at 12.5% would be **Rs. 1,80,000 x 12.5% = Rs. 22,500**, plus the applicable surcharge, health, and education cess.

B. Short–Term Capital Gains

Sameer is a salaried employee of Capgemini India. In December 2026, he subscribed to ESOP 2026. Due to an early exit event, Sameer sold the shares in July 2028, i.e., after holding them for fewer than 24 months. Hence, the units under ESOP 2026 would be treated as short-term capital assets, and any capital gain earned would be taxed as short-term capital gains.

In this case, the income from the sale of the shares will be added to Sameer's regular income and taxed according to the slab rates applicable (based on his total taxable income), plus the applicable surcharge and health and education cess.

[21] The fair market value of shares at the time of subscription will be considered as the 'cost of acquisition'.

[22] You should consult your personal tax advisor for additional information regarding the calculation of any gain or loss attributable to the sale of shares and to consider the alternatives available to you.

VIII. Tax or social security charges that may be applied if my assets are transferred from the "ESOP LEVERAGE P 2026" compartment to another compartment if I do not immediately choose to redeem my investment upon the expiry of the lock-up period.

Ordinarily, there is no difference in taxation whether the units are redeemed for units of another FCPE compartment or for cash. Long-term capital gains tax would be attracted on any profit or gain arising at the time of such redemption/ switch for units of another FCPE. Please refer to the above illustration for tax computation arising from the switch of units.

In the case of cash redemption, the redemption price would be treated as the sale consideration for calculating long-term capital gains tax. However, in the case of redemption or switching to units of another FCPE, the value of the switched units as of the switching date shall be treated as the sale consideration.

Switching units from one FCPE compartment to another would be considered a redemption from Leveraged (and a new purchase in the other FCPE) and is likely to have tax implications (capital gains) for you. Since you will switch from Leveraged, capital gains will be treated as long-term and taxed at 12.5%, plus the applicable surcharge and health and education cess.

Subsequent sale of units held in switched into FCPE (of units switched from Leveraged to another FCPE compartment after the lock-up period): Any profit or gain arising from redemption/sale of the units in the switched into an FCPE compartment would be chargeable to income tax under the head "**Capital Gains**". The difference between the sale consideration and the price of the units at the time of switching[23] can be described as a capital gain or loss. Thus, if the selling price exceeds the price at which the units were switched into another FCPE, a capital gain results. Conversely, when the selling price is below the switching price, it results in a capital loss. In other words, capital gains will be computed by deducting the value of the units at the time of switching, treated as the acquisition cost, from the sale consideration.

The nature of capital gain, i.e., **long-term** or **short-term**, would depend on the holding period of units. For example, if units in another FCPE are held for a period exceeding twenty-four (24) months, the capital gain will be treated as long-term; otherwise (i.e., held for twenty-four (24) months or less), the capital gain would be treated as short-term in nature. The holding period will be calculated from the switching date up to the date of sale.

Long-term and short-term capital gains are taxed differently. The present tax rate for long-term capital gains is 12.50%, plus applicable surcharge and health and education cess. On the other hand, the short-term capital gains are taxed as per your applicable slab-wise income tax rate based on your total taxable income.

Income-tax slab rates

Income tax is levied on the income earned by all individuals under the Income-tax Act of 2025. If an individual's income exceeds the minimum threshold (the basic exemption limit), the tax is assessed under the slab system.

[23] The price of the units (in €) at the time of switching will be communicated to you.

Income tax slabs & rates for the tax year 2026-27

(Individuals less than 60 years)

The law provides an alternative method of taxation, allowing individual taxpayers to choose between the **old tax regime** and the **new concessional tax regime.** Under the old tax regime, taxpayers may continue to claim existing exemptions and deductions, such as house rent allowance, leave travel allowance, and deductions available under various sections of the Income-tax Act[24]. By contrast, taxpayers opting for the new tax regime benefit from lower tax rates but must forgo most exemptions and deductions under the Income-tax Act[25]. The new tax regime is the default regime, although taxpayers may opt for the old regime, where permitted. The new tax regime also provides for more tax slabs and a higher basic exemption limit. A comparison of the **Old Tax Regime** (for taxpayers aged less than 60 years) and the **New Tax Regime** slab rates for the tax year 2026-27 is set out below:

Income Tax Slab	New Tax Regime (in Rs.)	Old Tax Regime
NIL	0 – 4,00,000	0 – 2,50,000
5%	4,00,001 to 8,00,000	2,50,001 to 5,00,000
10%	8,00,001 to 12,00,000	
15%	12,00,001 to 16,00,000	
20%	16,00,001 to 20,00,000	5,00,001 to 10,00,000
25%	20,00,001 to 24,00,000	
30%	Above 24,00,000	Above 10,00,000

Notes:

1. The basic exemption limit is Rs. 2,50,000 (old regime)/Rs. 4,00,000 (new regime) for every individual under 60. The new tax regime slab rates are not differentiated by age group.

2. Applicable surcharges are given in the below table

3. The Health and Education Cess is 4% of the income tax and surcharge.

4. The surcharge rate is capped at 15% for long-term capital gains, short-term capital gains under section 196 and dividend income.

5. The following are the thresholds, the rates of surcharge, and the Maximum marginal tax rate (MMR) applicable in the case of Individuals having income:

Total Income	Old Tax Regime	New Tax Regime
	Rate of Surcharge / MMR	
Up to Rs. 50 lakhs	Nil	Nil
Between Rs. 50 lakhs and 1 crore	10% / 34.32% (MMR)	10% /34.32% (MMR)
Between Rs. 1 crore and 2 crores	15% / 35.88% (MMR)	15% / 35.88% (MMR)
Between Rs. 2 crores and 5 crores	25% / 39% (MMR)	25% / 39% (MMR)
Above Rs. 5 crores	37% / 42.74% (MMR)	25% / 39% (MMR)

Note: Under the new tax regime, the maximum surcharge levied on an individual's tax liability has been limited to 25%.

6. Under the new tax regime, the standard deduction is Rs. 75,000, whereas it is Rs. 50,000 under the old regime.

7. The new tax regime has been set as the default personal tax structure, though taxpayers can still opt for the old regime. The new tax regime is optional and will coexist with the old one, featuring three tax slabs and various exemptions and deductions available to taxpayers. Individuals opting to be taxed under the new tax regime must give up certain exemptions and deductions. On the other hand, individuals opting for the old tax regime will continue to pay tax on their income in 2026-27, just as they did in the preceding financial years.

8. From April 1, 2026, in case the taxable income of a resident individual is equal to or below Rs. 12,00,000, the tax payable shall be zero on account of tax relief under section 156 of the Income-tax Act, 2025, if opting for the new tax regime. In other words, a resident individual (whose net income does not exceed Rs. 12,00,000) can avail themselves of a rebate under section 156 of the Act. The same is deductible from income tax before the education cess is calculated. Effectively, this would mean that individual taxpayers with a net taxable income of up to Rs. 12,00,000 (excluding special income, such as capital gains) will continue to pay no tax under the new regime. In other words, no tax slab will apply for an annual income of up to Rs. 12,00,000 (Rs. 12,75,000 for salaried taxpayers with a standard deduction of Rs. 75,000) under the new tax regime. Hence, the tax liability under the new tax regime for salaried individuals with income up to Rs. 12,75,000 is zero.

[24] The tax rates and slabs under the optional old regime remain unchanged in the tax year 2026-27. Likewise, income tax slabs, rates, surcharges, cess, rebates, and standard deductions remain unchanged under the optional old tax regime. Also, the new and old tax regimes continue to co-exist. The choice between the two would depend on the difference your tax deductions and exemptions make to your taxable income. The choice between two regimes may vary from person to person. It is advisable to conduct a comparative evaluation and analysis under both regimes, then choose the one that meets the requirements.

[25] Illustrative list of exemptions/deductions that a taxpayer may have to give up while choosing the new tax regime: - Leave travel allowance, house rent allowance, conveyance, daily expenses in the course of employment, relocation allowance, helper allowance, children's education allowance, other special allowances, standard deduction, professional tax, interest on housing loan and other deductions.

Please note that the above tax rates are subject to change, as they are determined by the Finance Act of the tax year in which disposal or sale occurs.

Time and method of payment of tax

Any share price discount available at the time of purchase will be treated as a taxable perquisite in your hands. Your Employer will withhold tax at the rate applicable to you and remit the tax to the authorities in accordance with the law.

You are personally responsible for paying tax on dividend income and capital gains, as your Indian employer is not required to withhold or deposit tax on these amounts. Such taxes must be paid by you when filing your income tax return for each tax year, within the timelines prescribed under the Income tax Act, 2025.

Advance tax is payable in instalments. For the 2026–27 tax year, the due dates are June 15, September 15, December 15, and March 15. Advance tax rules require that your estimated annual tax liability be paid progressively during the year. While your Employer will deduct tax at source on the perquisite at purchase, you may still be required to pay advance tax if you earn dividends or realise capital gains.

By March 15, 100% of your total tax liability for the year must be discharged. Non-payment or delayed payment of advance tax may attract penal interest. However, where capital gains arise later in the year, it may not be feasible to estimate them in earlier instalments. In such cases, no penal interest is levied for shortfall in the earlier instalments, provided the advance tax payable on capital gains is included in the subsequent instalment(s) after the sale of shares.

You should consult your tax advisor to understand the specific tax implications applicable to your situation.