

MINISTRY OF FINANCE**(Department Of Revenue)**

(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION

New Delhi, the 23rd April, 2025

(INCOME-TAX)

S.O. 1838(E).—In exercise of the powers conferred by clause (iv) of *Explanation 3* of sub-section (1) of section 37 of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that any expenditure incurred to settle proceedings initiated in relation to contravention or defaults under the following laws shall not be deemed to have been incurred for the purpose of business or profession and no deduction or allowance shall be made in respect of such expenditure, namely:—

- (a) the Securities and Exchange Board of India Act, 1992 (15 of 1992);
 - (b) the Securities Contracts (Regulation) Act, 1956 (42 of 1956);
 - (c) the Depositories Act, 1996 (22 of 1996);
 - (d) the Competition Act, 2002 (12 of 2003).
2. This notification shall come into force on the date of its publication in the Official Gazette.

[F. No. 38/2025/F. No 370142/11/2025-TPL]

ASHISH KUMAR AGRAWAL, Dy. Secy.