

परिपत्र / Circular

SEBI/HO/MIRSD/MIRSD-POD/P/CIR/2025/51

April 4, 2025

To,

All Registered Credit Rating Agencies (“CRAs”)
All Registered Investment Advisers (“IAs”)
All Registered Research Analysts (“RAs”)
All Registered Stock Brokers (“SBs”)
All Recognised Stock Exchanges (“SEs”)
All Recognised Clearing Corporations (“CCs”)
All Recognised Depositories
Association of Mutual Funds in India (“AMFI”)

Madam/Sir,

Subject: Recognition and operationalization of Past Risk and Return Verification Agency (PaRRVA)

Background

1. Regulation 16D and 16E of the ‘Securities and Exchange Board of India (Intermediaries) Regulations, 2008’ (“Intermediaries Regulations”), provide for verification of risk and return metrics by a Past Risk and Return Verification Agency (“PaRRVA”). Accordingly, in terms of the aforesaid regulations, claims may be made by IAs, RAs, Algo providers on-boarded by Stock Brokers and empaneled with a recognized Stock Exchange (“SE”), and intermediaries permitted to provide the services of IA, RA and Algorithmic Trading (“regulated persons”), in terms of risk and return metrics verified by PaRRVA.
2. A CRA may be recognized as a PaRRVA, in terms of Regulation 12A of the ‘SEBI (Credit Rating Agencies) Regulations, 1999’ (“CRA Regulations”) read with Regulation 16E of the Intermediaries Regulations. Such CRA shall engage with a recognized SE which will serve as PaRRVA Data Centre (“PDC”). Suitable enablement has been made in Regulation 38B of the ‘Securities Contracts

(Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018' ("SECC Regulations").

3. PaRRVA-PDC shall have principal and agent relationship wherein PaRRVA will avail the services of PDC for verification of risk-return metrics. However, the complete responsibility for the verification work shall lie with PaRRVA.

Eligibility Criteria for PaRRVA

4. The eligibility criteria for a CRA for recognition as PaRRVA shall be as under (as on the date of application for recognition as PaRRVA):
 - (i) Number of years of existence of the CRA should be minimum 15 years;
 - (ii) Minimum net worth of the CRA should be INR 100 crores;
 - (iii) Number of issuers which have obtained ratings of listed or proposed to be listed debt securities from the CRA should be 250 or more; and
 - (iv) CRA should have Investor grievance redressal mechanism including Online Dispute Resolution ("ODR") Mechanism;

Eligibility Criteria for PDC

5. The eligibility criteria for a SE to act as PaRRVA Data Centre ("PDC") shall be as under (as on the date of agreement with associated CRA for acting as PDC):
 - (i) Number of years of existence of the SE should be minimum 15 years;
 - (ii) Minimum net worth of the SE should be INR 200 crores;
 - (iii) The SE should have nation-wide terminals;
 - (iv) SE should have Investor grievance redressal mechanism including Online Dispute Resolution ("ODR") Mechanism.

Recognition process

6. SEBI shall call for application for interest from all SEBI registered CRAs. Recognition as PaRRVA shall be a two stage process - first being in-principle approval, followed by final recognition.

7. Eligible CRAs desirous of being recognised as PaRRVA shall enter into an agreement with an eligible SE to act as PDC and submit its application along with the consent of the concerned SE to SEBI.
8. Upon receipt of application from eligible CRA(s), the eligible applicant CRA(s) shall be granted in-principle approval for recognition as PaRRVA based on the satisfaction of eligibility criteria. Such applicant(s) shall be required to set up necessary infrastructure and verification system (technology, server, website, API connectivity, processes, etc.) within three months from the date of receipt of in-principle approval.
9. Prior to the grant of final recognition, a pre-recognition site visit shall be conducted by SEBI to assess the implementation of systems and processes of the PaRRVA and the PDC. Further, the concerned CRA and SE shall:
 - i. Ensure that the systems and processes are compliant with specified Cybersecurity and Cyber Resilience Framework (“CSCRF”);
 - ii. Carry out systems and process audit by an auditor empaneled with a recognised SE;
 - iii. Provide an auditor certificate to SEBI to its satisfaction, confirming that the systems and processes are adequate and appropriate to carry out the proposed activities of PaRRVA and PDC.
10. On satisfaction that the applicant CRA and related SE has put in place appropriate and adequate systems and processes and subject to compliance with all necessary requirements, SEBI shall grant final recognition to the concerned CRA as PaRRVA. SEBI while granting recognition and during the currency of the recognition, may also impose conditions, as may be deemed fit, in the interest of investors in the securities market.

Operationalization of PaRRVA – on ‘pilot basis’ for two months

11. Pursuant to grant of recognition as PaRRVA, the concerned CRA and SE shall initiate the verification services of risk-return metrics in respect of services of regulated persons, on a pilot basis for a period of two months. The pilot period may be extended by SEBI on such terms and conditions as may be prescribed.

12. During the pilot period, relevant fine-tuning (if required) shall be carried out to ensure a stable technological system and efficient and streamlined processes.
13. PaRRVA shall seek feedback from regulated persons while implementing this process during the pilot period. The verified risk and return metrics shall not be made available to the public during the pilot period.
14. After the pilot period, based on the assessment of the Oversight Committee¹ and subject to relevant changes in the operational framework (if required), PaRRVA shall commence providing its services to the regulated persons and the investor in general.

Methodology for verification of risk-return metrics

15. A CRA, interested to seek recognition as PaRRVA shall develop the verification methodology and verification system, in line with the recommendations of the technical group² initially and by the Oversight Committee on ongoing basis.

Roles and responsibilities of PaRRVA

16. The roles and responsibilities of PaRRVA shall be broadly as under:
- (i) Defining methodology for computation of risk-return metrics;
 - (ii) Formulating verification and operational workflow including data points to be obtained from concerned regulated persons;
 - (iii) Preparation of Business Requirement Document (“BRD”) for development of verification system and conducting User Acceptance Testing (“UAT”);
 - (iv) Entering into agreements with the clients;
 - (v) Entering into tri-partite agreements/multi-lateral agreements as may be required, with PDC, MIIs and other agencies providing critical data required for verification process;

¹ Constitution of the committee has been discussed in subsequent section of this circular

² A technical group comprising of representatives from Market Infrastructure Institutions (“MIIs”), CRAs, stock brokers, mutual funds, IAs, RAs, etc., was constituted by SEBI to propose the operational framework for verification of risk-return metrics.

- (vi) Addressing and resolving queries/grievances from investors, clients/regulated persons;
- (vii) Handling disputes related to the verification process;
- (viii) Establishing connectivity with PDC for receiving verified risk-return metrics for display on its website and for sharing with the clients / investors;
- (ix) Storing and managing the verified risk-return metrics with appropriate information security standards; and
- (x) Making the verification methodology available to public on its website.

Roles and responsibilities of PDC

17. The roles and responsibilities of the PDC shall be broadly as under:

- (i) Development and hosting of verification system;
- (ii) Establishing connectivity with MIs, regulated persons, or any other agency for sharing of data;
- (iii) Processing of the verification requests based on the methodology defined by the PaRRVA;
- (iv) Storing and managing the data received/processed with appropriate information security standards;
- (v) Maintaining confidentiality and ownership of the data received for the verification process as well as processed data shared with PaRRVA;
- (vi) Establishing connectivity with PaRRVA for sharing output post verification process;
- (vii) Providing support to PaRRVA to handle and address investors' queries/grievances; and
- (viii) Conducting half-yearly internal audits on process and information security and share the reports with PaRRVA.

18. While Para 16 and 17 above provide broad areas of roles and responsibilities of PaRRVA and PDC, the list is not exhaustive. The roles and responsibilities may further evolve over a period of time and shall be appropriately documented by PaRRVA and PDC after due consultation with SEBI.

Contours of the verification process under PaRRVA-PDC framework

19. The verification process shall be carried out by PDC as an agent of PaRRVA being the Principal. PDC shall receive the input data for verification process from regulated persons, MIs and AMFI (for Mutual Funds NAV data) through Application Programming Interface' ("API")/ file upload etc. on real time basis, at the end of the day or any other frequency, based on the nature of data and services.
20. PDC shall carry out the verification process in terms of the methodology specified by PaRRVA and provide the verified output, in pre-defined format, to the PaRRVA through API or any such other means for better dissemination. PaRRVA shall display the verified risk-return metrics on its website that shall be accessible to regulated persons and investors in general. The contours of the verification process of risk-return metrics shall be broadly as specified at [Annexure – A](#).

Maintenance of records

21. The PaRRVA shall arrange to keep and maintain records, for a minimum period of five years, including inter-alia:
- (i) all the verified outputs received from PDC;
 - (ii) all the verified risk-return metrics disseminated to/ shared with its clients/ regulated persons / investors.
22. In the event of the end of recognition of a CRA as PaRRVA, it shall be required to store and maintain the above data for the applicable period or handover to another agency in retrievable form to ensure continuity of availability of data for regulatory purposes.
23. The PDC shall keep and maintain, for a minimum period of five years, all the input data received from MIs, regulated persons, or any other agency as well as the verified output shared with the PaRRVA. In the event a recognized SE ceases to serve as a PDC, it shall be required to store and maintain the above data for the applicable period or handover to another agency in retrievable form to ensure continuity of availability of data for regulatory purposes.

Manner of presentation of verified risk-return metrics

24. In terms of the Regulation 16E (2) of the SEBI (Intermediaries) regulations, 2008, any claim in the form of verified risk-return metrics shall be made by the regulated persons in the manner specified by SEBI. Accordingly, certain guidelines shall be required to be adhered to while displaying such metrics or making any claims using such metrics to ensure holistic and proper presentation. These guidelines inter alia prohibit selective display of verified returns of any specific product or service, selection of arbitrary dates/time-periods to present favorable outcome and any claim using risk-returns metrics giving out a selective presentation of risk-returns metrics or amounting to willful omission of certain specific risk-return metrics. In case of any violations by the regulated persons in this regard, appropriate enforcement action may be undertaken in terms of Chapter V of the SEBI (Intermediaries) Regulations, 2008.

25. The guidelines for presentation of verified risk-return metrics shall be as detailed in [Annexure –B](#).

Disclaimers in respect of verified risk-return metrics

26. Any display of risk-return metrics verified by PaRRVA and any claim using such metrics shall be accompanied with appropriate disclaimers. These shall inter alia include disclaimers specifying that past performance is not indicative of future results, verified returns do not guarantee any assured returns, the information about risk-return metrics should not be used as singular basis for investment decisions and the verified return may be different from the actual return accrued to a client. A list of such disclaimers is provided at [Annexure –C](#).

Oversight Committee for monitoring the activities of PaRRVA and PDC

27. PaRRVA shall constitute an oversight committee within 2 months of the date of in-principle approval given by SEBI, to oversee the activities of the CRA as PaRRVA and the SE as PDC. The constitution of the oversight committee shall be as follows:

- (i) It shall primarily comprise of non-independent directors (excluding Managing Director) of the PaRRVA and PDC, public interest directors of

PDC, representatives of intermediaries and at least one member from a SEBI recognised investor association.

- (ii) The Chairperson of the Committee shall be from one of the public interest directors of the PDC.
- (iii) The combined number of members who are public interest directors of PDC and members who are representatives of regulated persons shall not be less than the combined number of non-independent directors of PaRRVA and PDC.

28. Broad details of the functions to be carried out by the Committee are provided at [Annexure – D.](#)

Inspection and enforcement in respect of PaRRVA

29. SEBI may undertake inspection of the CRA recognized as PaRRVA and the recognized SE serving as PDC, in respect of the activities of PaRRVA/PDC.

30. Further, SEBI may undertake appropriate enforcement proceedings against such CRA/ SE in terms of Regulation 33 of the SEBI (Credit Rating Agencies) Regulations, 1999, Chapter V of the SEBI (Intermediaries) Regulations, 2008, Regulation 49 of the Securities Contracts (Regulation) (Stock Exchanges And Clearing Corporations) Regulations, 2018 or any other relevant act/regulations/circulars etc.

31. SEBI may also commission, suo-moto, inspection, audit of books of accounts, processes and systems of the PaRRVA and the PDC at such intervals or on such occasions with such scope as deemed fit. The charges, as applicable, for such inspection/audit may be recovered from PaRRVA and PDC.

Obligation to share information with PDC

32. In order to carry out the verification process of risk-return metrics, the PDC would require a number of reports/data from various entities such as MIs (Depositories, Clearing Corporations, Stock Exchanges), IAASB, RAASB, Association of Mutual Funds in India (AMFI), regulated persons etc. In this regard, it shall be the

responsibility of all MIIs, IAASB, RAASB, AMFI and regulated persons, to share accurate, complete and timely data/information with the PDC and make necessary arrangements for the same.

33. The mode and frequency of the data sharing shall be as prescribed by PaRRVA/PDC.

34. PaRRVA, PDC and all the data sharing entities shall enter into tri-partite agreement/multi-lateral agreement as may be required, for sharing of data.

Dispute resolution and grievance handling

35. In case of any disputes between PaRRVA and the regulated persons availing its services, the same shall be taken up through the mechanism provided by PaRRVA. PaRRVA shall constitute such mechanism for dispute resolution within two months of in-principle approval for recognition as PaRRVA. The mechanism shall also provide opportunity for appeal with the Oversight Committee of the PaRRVA for dispute resolution.

36. If no resolution is reached at the level of the Oversight Committee, the PaRRVA or the regulated person, as per the agreed terms and conditions of the services, may approach Online Dispute Resolution (“ODR”) portal³.

37. Investors’ complaints against any intermediary with respect to the PaRRVA verified risk or return metrics or investors’ complaints against PaRRVA shall be dealt through SCORES and any such disputes through the ODR portal.

38. In the likelihood of dispute between PaRRVA and PDC, the same shall be resolved by the Oversight Committee.

Review of operational framework for verification of risk-return metrics

39. Based on the on-ground experiences and feedback from the stakeholders, a review of the specified operational framework for verification of risk-return metrics, if

³ URL -<https://smartodr.in/login>

required, shall be done as per the process given below under the overall supervision of the Oversight Committee:

- (i) PaRRVA may propose a revision in any aspects of the operational framework such as types of permissible claims, calculation methodology, presentation standards etc.
- (ii) Such proposed changes in the operational framework, if required, shall be introduced in consultation with Industry Standards Forum (ISF) for the concerned intermediary. Changes as undertaken shall be implemented in consultation with SEBI.

Consequential changes to regulatory provisions governing IAs/RAs and Stock Brokers

40. As per para 10.1(c)(xii) of the Master Circular for Investment Advisers dated May 21, 2024 and para 8.1(c)(xii) of the Master Circular for Research Analysts dated May 21, 2024 respectively, IAs and RAs are prohibited from making a reference to their past performance in their advertisements.

41. In order to enable IAs and RAs to avail the services of PaRRVA and make claims in their advertisements using risk-return metrics verified by PaRRVA, it has been decided to amend the above-mentioned clauses of the Master Circular for IAs and RAs. Accordingly, the paragraph 10.1(c)(xii) of the Master Circular for Investment Advisers dated May 21, 2024, stands amended as under:

“Reference to past performance or risk-return metrics in respect of the services of Investment Adviser unless such risk-return metrics are verified by Past Risk and Return Verification Agency (PaRRVA) and claims using such metrics are made in the manner specified by SEBI.”

Similarly, paragraph 8.1(c)(xii) of the Master Circular for Research Analysts dated May 21, 2024, stands amended as under:

“Reference to past performance or risk-return metrics in respect of the services of Research Analyst unless such risk-return metrics are verified by Past Risk and

Return Verification Agency (PaRRVA) and claims using such metrics are made in the manner specified by SEBI.”

42. Paragraph 58.13. of the Master Circular for Stock Brokers dated August 09, 2024, prohibits Stock Brokers who provide services relating to algorithmic trading, from directly or indirectly making any reference to the past or expected future return/performance of the algorithm; and/or directly or indirectly associating with any platform providing any reference to the past or expected future return/performance of the algorithm.

43. In order to enable the Stock Brokers to make reference to the verified risk-return metrics pertaining to algorithmic trading, it has been decided to amend the abovementioned provisions of the Master Circular for Stock Brokers by way of insertion of Para 58.14, as under:

“The above restrictions mentioned in para 58.13 shall not apply in case reference is made to risk-return metrics of algorithms verified by Past Risk and Return Verification Agency (PaRRVA), in the manner specified by SEBI.”

44. The circular shall come into force with immediate effect.

45. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with

- (i) Regulation 16D, 16E and 16F of the Intermediaries Regulations;
- (ii) Regulation 12A of the CRA Regulations;
- (iii) Regulation 38B of the SECC Regulations;
- (iv) Regulation 33 of the Securities and Exchange Board of India (Research Analysts) Regulations, 2014;
- (v) Regulation 29 of the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013; and
- (vi) Regulation 30 of the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992;

to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.

46. This circular is available on SEBI website at www.sebi.gov.in under the category "Legal > Circulars.

भवदीय | Yours faithfully,

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Annexure A – Verification process under PaRRVA-PDC framework

Annexure B – Guidelines for presentation of verified risk-return metrics

Annexure C – Disclaimers in respect of verified risk-return metrics

Annexure D – Functions of the Oversight Committee for monitoring the activities of PaRRVA and PDC

Annexure – A to Circular dated April 4, 2025

Verification process under PaRRVA-PDC framework

In terms of Para 3 and Para 19 of the above mentioned Circular, PaRRVA shall be responsible for the verification work with PDC as its agent. The broad outline of the verification process of risk-return metrics shall be as under:

- (i) PDC shall receive and store all the required data for verification from MIs (i.e. exchanges, clearing corporations, and depositories), AMFI (NAV of MF schemes) and regulated persons (e.g. advice/recommendation of IAs/RAs) through API/ file-upload, etc.
- (ii) IAs/RAs will share their advice/recommendations to PDC either at the time of giving advice/recommendation to clients or at the end of the day, depending on the type of recommendations. PDC shall provide a facility for receipt of such data through 'Application Programming Interface' ("API")/upload etc.
- (iii) The verification system i.e. server, technology etc., shall reside with the PDC, PaRRVA and PDC shall coordinate during the development process of the verification system. PaRRVA shall specify the verification methodology, required fields for verified output, etc. to PDC.
- (iv) PDC shall consume the input data received from MIs, regulated persons etc., and provide the verified output in defined format to the PaRRVA through API or any such other means for better dissemination.
- (v) PaRRVA shall display the verified risk-return metrics on its website in specified manner along with adequate and complete disclaimers/disclosures. Regulated persons and investors will have access to verified metrics on the website of PaRRVA.

PaRRVA and PDC shall create a comprehensive document detailing the verification process, including those that may not be in the above list, under the overall oversight and guidance of the Oversight Committee.

Annexure – B to Circular dated April 4, 2025**Guidelines for presentation of verified risk-return metrics**

A. In terms of Para 24 of the above mentioned Circular, the following guidelines must be adhered to, in order to ensure holistic representation and prevent misrepresentation:

- (i) Selective display of PaRRVA verified returns of any specific product or service shall not be permitted. For example, an IA/RA who has given advice/recommendation of multiple portfolios/stocks/derivatives during a specific period cannot make a statement displaying standalone verified risk-return metrics of one specific portfolio/stock for the said period. Similarly, a Stock Broker/Algo Provider who has applied to PaRRVA for verification of multiple Algos cannot make a statement displaying standalone verified risk-return metrics of one specific algo.
- (ii) Any claim using risk-return metrics of one of the PaRRVA verified portfolio/algo shall always be accompanied with information about the total number of portfolios/ algos verified by the PaRRVA, during the relevant period, and shall also refer to the range of positive/negative returns and other risk-return metrics pertaining to those portfolios/algos.
- (iii) Any claim in respect of risk-return metrics pertaining to investment advice/recommendation of single stocks/derivatives/intra-day advice/recommendation shall be holistic and shall refer to the number and range of positive/negative returns and other risk-return metrics pertaining to all such advices/recommendations.
- (iv) No claim in respect of risk-return metrics pertaining to investment advice/recommendation of single stocks/derivatives/intra-day advice/recommendation shall contain name of any specific stock/derivative instrument.
- (v) The verified risk-return metrics for advices/recommendation of IAs/RAs or algorithmic trading shall be for specified periods. There shall be no arbitrary selection of dates or time-periods to present favourable outcome.
- (vi) For claims of risk-return metrics in physical form i.e. through pamphlet, booklet or other printed material, such document must contain overall

summary of risk-return metrics pertaining to the concerned regulated person as provided by PaRRVA.

- (vii) All claim statements, whether electronic or physical, of regulated persons must contain a link/QR code providing details of overall summary of risk-return metrics on the website of PaRRVA.
- (viii) For services of IAs/RAs and those persons permitted to provide such services, risk-return metrics pertaining to advice/recommendation shall be allowed to be showcased; however, client-specific claims of risk-return shall not be allowed.
- (ix) Any claim using risk-returns metrics, which gives a selective representation of risk-returns metrics or amounts to willful omission of certain specific risk-return metrics shall not be permitted.
- (x) Any display of risk-return metrics/claim using such metrics shall be accompanied with specified disclaimers/disclosures.

B. While the above are broad guidelines, PaRRVA and PDC shall document and submit to SEBI the comprehensive list of applicable conditions to ensure that there is no misuse of verified risk-return metrics and no impression given to investors/regulated persons which is not intended. Accordingly, as and when required, revised guidelines for presentation of verified risk-return metrics shall be specified by SEBI.

C. These conditions shall also form part of the basic contract between PaRRVA and its clients.

D. Systems and processes for addressing the consequences of such a breach of contract shall be laid down by the PaRRVA.

Annexure – C to Circular dated April 4, 2025**Disclaimers in respect of verified risk-return metrics**

In terms of Para 26 of the above mentioned Circular, the disclaimers for display of risk-return metrics is as under:

All risk-return metrics verified by PaRRVA as well as any claim/ display of such verified risk-return metrics by regulated persons or their agents shall be accompanied with the following disclaimers:

- (i) All the information contained herein is for reference purpose only and must not be used on singular basis for any investment decision.
- (ii) The information contained in this document is not intended to provide any professional advice or any advice/suggestion to subscribe to any intermediary.
- (iii) While verification of risk-returns metrics by PaRRVA is based on the data submitted by the regulated persons or their agents, however, verification of risk-returns metrics by PaRRVA must not be considered as an assurance of compliant status of such regulated persons with the rules, regulations or other regulatory guidelines governing them.
- (iv) While verified risk-returns metrics represent historical risk-returns, there is no guarantee that subscribing to such services of advice/recommendation will accrue similar risk-returns in the future. Factors such as market volatility, individual investment strategies and economic conditions can significantly affect investment outcomes. Therefore, past performance is not indicative of future results and the clients should exercise their discretion and seek professional financial advice tailored to their specific circumstances.
- (v) PaRRVA verified returns in no way guarantees any assured returns in future.
- (vi) While verified returns by the PaRRVA indicate the return that the client would have accrued if he/she had subscribed to the underlying advice/recommendation; however, due to various factors such as market conditions, prevalent prices etc. at the time of execution of the advice/recommendation, the verified return may be different from the actual return accrued to a client.

While the above may not be an exhaustive list, PaRRVA and PDC may incorporate such clauses as deemed fit and intimate the same to their clients.

Annexure – D to Circular dated April 4, 2025

Functions of the Oversight Committee for monitoring the activities of PaRRVA and PDC

In terms of Para 28 of the above mentioned Circular, Oversight Committee (“Committee”) shall have following broad functions:

- (i) The committee shall approve the internal policy and mechanism put in place by the CRA recognized as PaRRVA and the recognized SE serving as PDC for ensuring data privacy and confidentiality in respect of its functioning as PaRRVA and PDC.
- (ii) The committee shall commission half-yearly audit of PaRRVA and PDC to verify whether PaRRVA/PDC is functioning as per the published verification methodology and to examine the systems/process put in place to ensure data privacy and data protection.
- (iii) The committee shall submit its recommendations to the Boards of the PaRRVA and PDC for strengthening of systems/process of the PaRRVA/PDC if required, taking corrective measures to address deficiencies if any, etc. The board of the PaRRVA shall refer the recommendations of the committee to SEBI along with details of the remedial actions if any, taken by the PaRRVA/PDC.
- (iv) Any revision to any aspects of the operational framework such as types of permissible claims, calculation methodology, risk-return presentation standards etc, proposed by a CRA recognised as PaRRVA, shall be discussed and approved by the oversight committee. Thereafter, such proposed changes in the operational framework may be introduced in consultation with Industry Standards Forum (ISF) for the concerned regulated persons and SEBI.
- (v) The oversight committee shall monitor the charges being levied by the PaRRVA and endeavor to ensure that the verification services of risk-return metrics remain reasonable to the clients of PaRRVA.
- (vi) The committee shall also serve as primary forum for resolution of disputes between PaRRVA and its clients availing the verification services.

During the pilot period, the Oversight Committee may document its functions and scope in finer details. As the PaRRVA-PDC framework is an evolving concept based on the experience/learnings during the said period, the Oversight Committee may appropriately decide its scope.