

Mahajan & Aibara

Unpublished Price Sensitive Information and Insider Trading (UPSIT) gap analysis and training

How to safeguard it

What is UPSI

SEBI's Prohibition of Insider Trading Regulations 2015 (SPITR) define UPSI as any information related, directly or indirectly, to a company or its securities that is not generally available, and which, upon becoming generally available, is likely to materially affect the price of the securities



Why is it important for your company

As per the latest amendment to the regulations, effective 01 April 2019, companies must comply with the regulations and take appropriate measures to prevent UPSI leakage. Significant responsibilities have been cast upon the Managing Director and the Board of Directors of all listed companies



How can we assist you ?

Our experts adopt a phased approach to understand and assess our clients' current status of UPSI. We carry out a detailed review to safeguard UPSI, based on our thorough evaluation of risks and assessment of controls for safeguarding UPSI. As an outcome, we provide a gap analysis report coupled with a set of recommendations



Our distinct methodology

Interpret current environment

- Examine existing modes of sharing information
- Gain proper understanding of roles and responsibilities of people/teams in relation to UPSI
- Review current IT infrastructure and security
- Check compliance with SEBI regulations
- Review existing mechanisms to identify breaches

Examine existing controls

- Perform a limited check on access rights vis-à-vis company's delegation of authority
- Conduct interview based analysis on high risk employees
- Evaluate current state of controls in accordance with regulatory guidelines on UPSI
- Undertake a "need-to-know" analysis of UPSI, across levels

Identify gaps

- Ascertain gaps in the company's current practices, policies and procedures related to handling of UPSI
- Identify key personnel for potential breach of UPSI
- Conduct fact-finding interviews to ascertain observations
- Articulate improvement opportunities

Suggest improvements

- Discuss observations with management and draft an action plan to address improvements
- Agree timelines and responsibilities for implementation of the action plan
- Submit a gap analysis report with action plan
- If required, carry out a post implementation review and annual reviews on UPSI compliance

Training on UPSI and the (SPITR)

- Classroom and computer-based training to staff in critical positions
- Online tests to evaluate and certify staff on their knowledge and understanding
- Annual refresher trainings and certifications of staff

For any enquiries please contact :

mnaknowledge@mahajanaibara.com

Our Offices:

Mumbai | Pune | Delhi | Bengaluru