

**DEEVEE COMMERCIALS  
LIMITED**

**Change Management Policy**

## 1. Introduction

1. The Board of Directors (the "Board") of Deevee Commercials Limited ('the Company') hereby adopts the Change Management Policy ("Policy"), as required by the RBI vide its Master Directions - Information Technology Framework for the NBFC Sector dated June 8, 2017.
2. The Board or the Risk Management Committee of the Board, subject to confirmation by Board, may review and amend this policy from time to time.

## 2. Purpose and Scope

1. Change management refers to a formal process of making changes to the Information Technology ('IT') systems of the Company in line with the changing needs of the customers and business. The goal of change management is to increase awareness and understanding of proposed changes across an organization and to ensure that all changes are made in a thoughtful way in order to minimize any adverse incidents and disruption to services and maximize the value to customers and business of the Company.
2. The purpose of this Policy is to establish standard procedures for managing change requests in an agile and efficient manner, in an effort to drastically minimize the risk and impact a change which can have on the business operations of the Company. Ensuring effective change management within the company's IT environment is extremely important in ensuring quality delivery of IT services.

## 3. Fundamentals

1. The system of change management within an organisation should start long before the change is proposed. In order to minimize occurrence of any avoidable changes, it is crucial to oversee proper implementation of an IT project in the first place. This part of the Policy describes the definition of Information Technology ('IT') Change Management and its basic process.
2. IT Change Management
  - i. IT Change Management is the process of requesting, analysing, approving, developing, implementing, and reviewing a planned or unplanned change within the IT infrastructure. The Change Management Process begins with the creation of a Change Request within the company's selected technology platform. It ends with the satisfactory implementation of the change and the communication of the result of that change to all interested parties. Further, 'Reporting' shall be a part of the entire process, at every step of the way.



### 3. The IT Change Management Process

- i. Change management is a continuous improvement within IT systems of the Company and it generally includes the following steps:
  - a) Prioritize and respond to change proposals
  - b) Conduct cost-benefit analysis of the proposed changes
  - c) Assessment of risks associated with the changes
  - d) Change implementation and monitoring
  - e) Continuous reporting

## 4. Types of Changes

The Company recognizes three types of changes based on approvals needed through the change management process.

### 1. Standard Change

Standard Change is relatively a **low risk change** with well-understood outcomes that is regularly made during the course of business. A Standard change follows pre-determined processes and it is pre-approved by the change management process. It may be made at the discretion of an individual employee, provided it has been defined as per the change management assessment process.

### 2. Significant Change

A Significant change is one that has a **medium to high risk** for critical services, involves less understood risks, has less predictable outcomes, and/or is a change that is not regularly made during the course of business, being uncommon to the Company. Because of the ability to affect downstream or upstream services, any proposed Significant Change must be reviewed by the Change Advisory Board and authorized by the Change Authority.

### 3. Emergency Change

This is similar to a Significant Change, but must be executed with **utmost urgency** i.e., it seeks immediate attention. There may be fewer people involved in the change management process review, and the change assessment may involve fewer steps, but any Emergency Change must still be authorized by the Change Authority, even in cases where the Change Advisory Board cannot review the change in advance.

## 5. Change Management Process

### 1. Prioritize and respond to change proposals

- i. The Change Advisory Board is responsible in prioritizing the change requests and thereon responding to the same. Prioritizing ensures that limited resources are allocated to those changes that produce maximum benefit
- ii. Changes must be segregated into the following categories:



- a) High priority changes - changes which are crucial for the operational efficiency of the system must be allotted this category.
  - b) Medium priority changes - changes which are important, however, their implementation can be delayed for a shorter period must be categorized under medium priority.
  - c) Low priority changes - all changes that cannot be categorized elsewhere, must be categorized as low priority changes.
- iii. Once a change is prioritized, the Change Advisory Board must respond to it. High priority change must be responded first, followed by medium priority change and low priority change.

## 2. Cost Benefit Analysis of the changes proposed

- i. Changes proposed must be analyzed on the basis of cost involved in making the change and the benefit arising out of it. Change which are more economical and maximize the benefit to the system and the business of the Company should always be implemented in priority to other changes.
- ii. The real and tangible benefits should outweigh the costs of making the changes. All the costs to be incurred in the change management must be listed down, basis their impact and area in which is impacted. The cost shall be compared with the opportunity cost of the change proposed.

## 3. Assessment of risks associated with the changes- Risk and Change Type Matrix

Following is the procedure to use this matrix:

**Step 1:** Determine the priority level of the component or service.

**Step 2:** Then assess the risk of the proposed change to negatively impact that service - i.e., low, medium or high.

The matrix shows whether the type of change is a Standard or Significant.

It is pertinent to note that an Emergency change is the same as a Significant change, but with an expedited timeline.

**Step 3:** Calculate the risk.

Risk can be categorised into the followings:

**Insignificant:** The same is very minimal in nature and can be dealt with easily.

**Moderate:** The same is due to certain factors which may cause sudden change in the service, but it can be dealt with due care and proper monitoring.



- 3) **Significant:** The same is due to sudden unavoidable factors which is unknown or identified by the Company and requires major attention of the Company to control the result.

#### 4. Change implementation and monitoring

- i. Once authorized, a change request or the change record should be handed over to the release and deployment process for coordination and collaboration with the appropriate technical and/or application management teams for building, testing and deploying the change. Each change should have remediation plans prepared in the case of an implementation failure. Once building and testing are complete, release and deployment should notify the change manager of the results and suggested implementation requirements.
- ii. The Change Manager should schedule each CHANGE based on the suggested implementation requirements and the management of business risk. The Change Manager using a Forward Schedule of Changes (FSC) or Change Schedule should communicate to all stakeholders upcoming changes that may impact them. The FSC along with projected service outages (PSO), or expected deviations in service availability, will be taken into consideration when coordinating change implementation. Release and Deployment will be responsible for implementation and coordination of training needs.
- iii. The Change Advisory Board, along with the other team members of the Change Management Team should keep a constant watch on the entire process of implementation and make sure that work is being completed as per the defined milestones.

#### 5. Continuous Reporting

- i. Reporting is a combination of smooth flow of communication with defined and distribution responsibility and authority within the system, appropriate feedback, and delegation of powers to take *ad hoc* decisions as and when the need arises.
- ii. Reporting is an integral part of any change management process. Change management planning should be intact, to make sure no loopholes are found in the process of implementation, however, in case any discrepancy, loophole, or failure is found, the respective dealing personnel must immediately report to the Change Advisory Board, and any decision to tackle with the same must be taken forthwith.



## 6. Policy Review

1. The policy must be reviewed by the Board of the Company, or where so delegated, by the Risk Management Committee or any committee or officer(s) of the Company.
2. Review must be done on an interval of 12 months, and as and when the need arises. The system must be flexible enough to incorporate any changes in the Policy, when deemed necessary.
3. It is also the responsibility of the Change Advisory Board to regular report to the Board and suggest any changes in the Policy. Regular reporting also ensures that the Board is able to make decisions with respect to policy review at his own discretion.



## A. The Change Management Process Flow

The Company has designed a standardized change management process that is sanctioned by the Board, which will aid in quickly, economically and effectively managing changes when they occur.

The Change Management Process of the Company includes the following activities:

- a) Create Log Request for Change
- b) Review request for change
- c) Evaluate Change
- d) Approve/ Authorize Change
- e) Co-ordinate Implementation
- f) Review & Close Change Request

### Create & Log the Request for Change (RFC)

A Request for change must be created by the individual, process or business unit requiring the change. Depending on the type of change, an RFC record will contain varying information necessary to make decisions for authorization and implementation of the change, including, identifying information, a description, configuration item incurring the change, a reason for the change, requestor's contact information, type of change, timeframe, costs, back out plan and business justification.

#### a. Review Request for Change (RFC)

Each Request for Change should be reviewed and prioritized by the Change authority for business practicality. These requests can be rejected and returned to the submitter or management as notification or in request of more detail. These unapproved changes should be monitored and closed as needed.

#### b. Evaluate the Change

The Change Advisory Board (CAB) shall evaluate the changes. The CAB should consist of various stakeholders such as the service owner, technical personnel, and/or financial personnel to help evaluate the need for the change.

#### c. Approve/Authorize the Change

Change requests should be authorized prior to the implementation and each change must be authorized from the appropriate authority level depending on type of change (strategic, tactical and operational).

#### d. Coordinate implementation

The CAB shall co-ordinate with various departments to implement the change.



**e. Review and Close Change Request**

Upon completion of the change, a Post Implementation Review (PIR), which is a review of the detail implementation results, should take place to confirm the change has successfully achieved its objectives. If successfully implemented, and the change was associated with fixing an error in service all associated problems and known errors should be closed. If not successful, the remediation plan should be activated appropriately.





## B. Change Management Roles and Responsibilities

Following are the roles and responsibilities to be performed by the members of the Management:

### a. Change Requestor/Initiator

Initiator is the individual or business unit requesting a change. This individual should pass/communicate every possible data about the change to the management.

### b. Change Advisory Board (CAB)

The members of the Change Advisory Board provide a due diligence readiness assessment and advice about timing for any change requests (CR) that are referred to it for review. This assessment should ensure that all changes to the IT environment are carefully considered to minimize the impact on campus users and existing services. The CAB members are responsible for:

- thoroughly reviewing all change requests, ensuring that they
  - have undergone proper planning and testing;
  - are planned to ensure the lowest possible risk to services;
  - are coordinated so changes do not impact each other;
  - are coordinated with the campus calendar to avoid times of high impact for affected services
- providing advice regarding any additional measures that should be considered prior to the change
- compiling an annual report tracking appropriate metrics including: success rate of changes, business impact of unsuccessful changes, etc.

Any decision to move forward with a CR should include an advisory review by the CAB in advance for significant changes and after the fact for Emergency changes.

The members of the CAB are appointed by the Board of Directors of the Company.

### c. Change Owner/Manager/Authority

The Change Manager or Change Authority is the owner of the Change Management process. The Company has designated Shri Pramod Bajoria, as the Change Manager. He shall have the following roles and responsibilities:

- review all change requests;
- reject requests with insufficient information;
- lead CAB meetings;
- identifies relevant CAB members;
- create and manage the Forward Schedule of Changes (FSC);
- act as liaison in order to coordinate changes;
- review the implemented changes, manage PIR, close RFCs and delivers management reports.



## C. Documentation

All Significant and Emergency changes, evaluations and approvals should be documented to allow customers to understand what was changed, the reason it was done and the process that was used to make a change.

The following are the two kinds of log, which the Company should maintain:

### a. Change Log:

- All Significant and Emergency changes should be logged in the Change Log
- Standard changes may also be logged in the Change Log
- The Change Log should contain:
  - What was changed;
  - Who made the change;
  - When the change was made;
  - Why the change was made (Reason/Comment).

### b. Process Log:

All Significant and Emergency changes should be logged in the Process Log. The Process Log should contain the following:

- Test Plan and testing results;
- Risk assessment documentation;
- Communication Plan;
- Deployment Plan, including back-out contingencies;
- Peer review documentation (whether a review was conducted, what was reviewed and how);
- CAB review documentation;
- Indication of approval by manager or any other person;
- Reference to the related Change Log information (what/who/when/why);
- Post Change summary including successful or unsuccessful determination, related incidents, rollbacks, and business impacts.

