

ANZ INDIA

IMPORT TRADE FINANCE POLICY

Applicable from 1st October, 2026

Document Attribute	Position
Policy Scope	Import of goods and services; related settlement, monitoring, closure and specialized import structures
Regulatory anchor	Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 – effective 1 October 2026; FEMA/RBI Directions; FTP/DGFT; applicable IFSCA/Customs requirements
Policy intent	Translate AD-bank discretion into clear ANZ governance, delegated authority and exception management
Status	Approved
Review principle	Regulation prevails over Policy; Policy prevails over SOP

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CHAPTER 1 – PURPOSE, SCOPE & REGULATORY ARCHITECTURE

1.1 Purpose

This Policy establishes ANZ India's governance framework for import trade transactions and translates applicable FEMA/RBI permissions and AD-bank discretion into defined internal standards, approval authorities, monitoring expectations and exception controls.

1.2 Scope

- Import of goods and services
- Import payments under LC, collection and open account
- Delayed import payments and extensions
- Advance import payments and credit protection
- Import not materialised / refunds
- Direct receipt of documents
- Third-party payments and import factoring/assignment
- Set-off / net-off
- Credit / Debit Notes and reduced-value settlement
- Evidence of import and IDPMS
- Write-off / regulatory closure
- Merchanting Trade Transactions
- Gold and Silver imports
- Related exception management, reporting and governance

1.3 Regulatory Hierarchy

This Policy shall be read with FEMA, RBI Regulations/Directions, Foreign Trade Policy/DGFT requirements, Customs/IFSCA requirements where applicable, ANZ Group/India mandatory policies and the relevant SOPs. A lower-level document or approval shall not override a higher-level regulatory requirement.

1.4 Effective Framework

The Policy is constructed for the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026, effective 1 October 2026. Where a transaction straddles the effective date, the regulatory treatment applicable to the relevant transaction/event date and any transitional provisions shall be established before processing.

1.5 Policy vs SOP

The Policy defines what ANZ permits, prohibits, escalates and who may approve. SOPs define processing steps, system fields, maker-checker mechanics, document retention and operating workflows.

Approval & Decision Flow – Chapter 1

Decision / Trigger	Minimum Authority / Treatment
Routine eligible transaction	Delegated Trade Operations authority; Transaction Banking RM involvement where commercial rationale / customer context is required
Material / repeated exception	Head of Operations + Transaction Banking RM
Regulatory interpretation / ambiguity	Head of Operations + Transaction Banking RM + Compliance
Regulatory prohibition / external approval absent	NO INTERNAL APPROVAL AUTHORITY

CHAPTER 2 – CORE POLICY PRINCIPLES & CUSTOMER ELIGIBILITY

2.1 Core Principles

- Bona fide underlying trade must be established.
- Customer/importer eligibility and applicable import restrictions must be satisfied.
- Sanctions, AML / CFT, TBML and other Financial Crime controls apply independently of FEMA permissibility.
- Commercial substance prevails over labels or system options.
- Regulatory prohibition cannot be waived internally.
- Where regulation permits AD discretion, ANZ may impose stricter internal thresholds and approvals.
- Documentation must be proportionate to risk but sufficient for reconstruction and regulatory defence.

2.2 Customer Eligibility

ANZ shall process import transactions only for appropriately onboarded customers with a trade profile consistent with the proposed activity. Applicable IEC, licence, authorisation, quota, sectoral or commodity-specific requirements shall be verified where relevant.

2.3 Goods / Service Eligibility

Operations shall establish whether the underlying goods/services are freely permitted, restricted, canalised or prohibited and obtain the applicable licence/NOC/approval where required. Sensitive goods, dual-use items, high-risk jurisdictions and unusual trade routes shall be escalated under applicable Financial Crime controls. For service imports, applicable service-import details shall also be declared / reported in the Import Data Processing and Monitoring System (IDPMS) within the prevailing RBI reporting framework and prescribed timeline.

2.4 Documentary Standard

Documents should collectively establish the importer, supplier, goods/services, value, contractual obligation, payment terms, beneficiary and evidence of import/performance as applicable. Minor immaterial differences shall not be elevated mechanically; material inconsistencies shall be resolved before processing.

2.5 Paperless IDPMS Settlement / Regularisation

ANZ will allow eligible open-account import payments and Import Data Processing and Monitoring System (IDPMS) settlement / regularisation through a paperless mode in accordance with the ANZ Import Export Simplification Policy and applicable regulatory requirements.

Approval & Decision Flow – Chapter 2

Decision / Trigger	Minimum Authority / Treatment
Routine eligibility / documentation	Trade Operations; Transaction Banking RM where customer / commercial context is required

Decision / Trigger	Minimum Authority / Treatment
Material documentary / regulatory concern	Head of Operations + Transaction Banking RM + Compliance, where regulatory interpretation / material regulatory concern arises
Prohibited / licence condition not met	DO NOT PROCESS

CHAPTER 3 – IMPORT PAYMENT: GENERAL FRAMEWORK

3.1 Policy Principle

ANZ may facilitate payment for bona fide imports in accordance with the underlying contract and applicable regulatory framework after satisfying itself regarding the transaction, customer, beneficiary and documentation.

3.2 Contractual Payment Period

Import payments shall be monitored against the period specified in the underlying contract. The post-1 October 2026 framework does not require ANZ to impose a legacy generic six-month payment period where the contract provides otherwise.

3.3 Payment Modes

- Documentary Credit / LC
- Documentary Collection
- Open Account
- Payment against shipment / evidence
- Advance payment – subject to Chapters 6 and 7
- Other regulatorily permissible settlement methods

3.4 Payment Validation

- Customer/import eligibility
- Supplier and beneficiary
- Invoice/contract and amount
- Payment terms and due date
- Goods/service description
- Shipment/performance status where applicable
- Purpose code / regulatory reporting
- Sanctions/AML / TBML controls

3.5 Interest on Delayed Payment

Interest, if any, on delayed import payment shall not exceed the applicable all-in-cost ceiling for trade credit under the prevailing RBI Borrowing and Lending framework, as amended from time to time.

Approval & Decision Flow – Chapter 3

Decision / Trigger	Minimum Authority / Treatment
Routine import payment within contract / Policy	Delegated Trade Operations authority
Payment presenting material regulatory ambiguity	Compliance as applicable

CHAPTER 4 – DELAYED IMPORT PAYMENTS & EXTENSIONS

4.1 Policy Principle

Where payment cannot be made within the contractual period, ANZ may, on importer request citing reasons, allow an extension where satisfied with the reasons and where the transaction remains regulatorily permissible.

This review is an exercise of AD-bank discretion under the 2026 framework; it replaces reliance on a generic legacy payment-period rule with a documented, Bank-led assessment.

4.2 Assessment

- Reason for delay
- Original contractual due date
- Revised expected payment date
- Status of goods/services and evidence of import
- Amount and ageing
- Supplier confirmation / dispute status where relevant
- Interest / trade-credit implications
- Customer track record and recurrence

4.3 Approval

Routine, well-supported extensions may be approved under the authority specified in the Chapter 4 Approval & Decision Flow. For this Policy, a routine extension is an extension of up to six months beyond the original contractual due date. Material or repeated extensions, and extensions that would result in the import payment remaining outstanding for more than one year from the Bill of Entry / evidence-of-import date, shall move to the higher authority. Compliance shall be engaged where regulatory interpretation or ambiguity arises.

Approval & Decision Flow – Chapter 4

Decision / Trigger	Minimum Authority / Treatment
Routine supported extension – up to 6 months beyond contractual due date	Head of Trade Operations / Head of Operations
Material / repeated extension or outstanding >1 year from BoE / evidence-of-import date	Head of Operations + Transaction Banking Head
Regulatory interpretation issue	Head of Operations + Transaction Banking RM + Compliance

CHAPTER 5 – AGED IMPORT TRANSACTIONS

5.1 Policy Principle

For this Policy, an Aged Import Transaction is an import payment, remittance or underlying import obligation that remains outstanding / unresolved beyond its expected settlement or regulatory regularisation timeline and therefore requires enhanced monitoring. It is distinct from Chapter 4, which governs a specific request to extend an import payment beyond the contractual due date. Ageing is a risk indicator and escalation trigger; it is not, by itself, proof that the underlying import is invalid or a basis for administrative closure.

5.2 Review Standard

- The factors / documents below are indicative and represent the minimum review considerations where relevant; the evidence required may vary depending on the transaction, ageing, risk profile and ANZ assessment.
- Underlying obligation remains valid
- Reason for ageing
- Evidence of import/performance
- Customer and supplier current standing, including relevant KYC / Financial Crime, adverse information, dispute / insolvency or regulatory concerns
- Dispute/litigation status
- Payment plan / expected resolution
- Interest or trade-credit implications
- Prior extensions and recurrence
- Regulatory/system status

5.3 Recurring Ageing

Repeated aged transactions for the same customer, supplier or root cause shall be treated as a Recurring Exception - i.e., a repeated or systemic deviation requiring customer-level review rather than isolated transaction treatment. Management shall determine whether customer remediation, enhanced documentary requirements, transaction restrictions or a formal customer framework is appropriate.

Approval & Decision Flow – Chapter 5

Decision / Trigger	Minimum Authority / Treatment
Routine aged-item monitoring	Trade Operations; Transaction Banking RM kept informed where customer action is required
Recurring ageing / repeated root cause	Head of Operations + Transaction Banking RM
Regulatory / Financial Crime concern	Head of Operations + Transaction Banking RM + Compliance / Financial Crime, as applicable

CHAPTER 6 – ADVANCE PAYMENT FOR IMPORTS

6.1 Policy Principle

ANZ may permit advance remittance for imports after satisfying itself of the genuineness of the requirement. ANZ may prescribe internal monetary thresholds beyond which Standby Letter of Credit (SBLC), guarantee or higher approval is required. The threshold amounts shall be specifically approved and maintained in the ANZ Internal Threshold / Delegation framework before implementation.

6.2 Core Requirements

- Bona fide import contract/proforma invoice
- Commercial rationale for advance
- Supplier identity and payment details
- Expected shipment/performance timeline
- Customer track record with ANZ and other reliable information legitimately available to the Bank
- Sanctions/AML / TBML clearance
- Monitoring of the advance / ORM and corresponding evidence-of-import position in IDPMS until matched, refunded or otherwise regulatorily closed
- Same-AD routing of the advance and subsequent payments unless the customer has appropriately intimated a change to both AD Banks

6.3 Internal Threshold Philosophy

Advance-payment limits and credit-protection thresholds are ANZ risk-appetite standards unless specifically prescribed by regulation. The approved Internal Threshold / Delegation framework shall specify the monetary bands and corresponding authority based on amount, risk, customer profile and protection available.

6.4 Specialised Overrides

Where a specialised chapter is more restrictive, it prevails. In particular, Chapter 17 of this Policy - Import of Gold & Silver - prohibits advance remittance for Gold and Silver from 1 October 2026.

Approval & Decision Flow – Chapter 6

Decision / Trigger	Minimum Authority / Treatment
Advance within approved ANZ threshold	Delegated Trade Operations authority

Decision / Trigger	Minimum Authority / Treatment
Advance above internal threshold	As defined in chapter 7.2 **If Acceptable Protection is not poss. As per 7.2 dual approvals of TB Head & Coverage Head will be required. Internal Thresholds – - Service Imports– USD 0.5mio. - Goods Imports – USD 5mio.
Gold / Silver advance	NO INTERNAL APPROVAL AUTHORITY

CHAPTER 7 – CREDIT PROTECTION FOR ADVANCE IMPORTS

7.1 Policy Principle

ANZ may require an unconditional, irrevocable Standby Letter of Credit or guarantee for advance imports above internal thresholds or where transaction / customer risk warrants additional protection.

7.2 Acceptable Protection

- SBLC/guarantee from an international bank of acceptable standing
- Guarantee of an AD in India issued against acceptable counter-guarantee, where regulatorily permissible
- Other protection specifically approved under ANZ policy and regulation

7.3 Waiver / Deviation

Where regulation permits discretion but this Policy / approved ANZ risk appetite would ordinarily require protection, any waiver shall require the designated higher authority under the applicable Delegation of Powers and documented rationale. Where protection is regulatorily mandatory, no internal waiver authority exists.

7.4 Future Advances after Non-Materialisation

Where an earlier import advance has not been repatriated within the contract / extended period or the relevant IDPMS entry remains unresolved under the applicable closure provision, future advance payments shall carry the mandatory credit protection prescribed by the prevailing Regulations. Where the Regulations permit AD-bank discretion, any monetary threshold for credit protection shall follow the approved ANZ Internal Threshold / Delegation framework.

Approval & Decision Flow – Chapter 7

Decision / Trigger	Minimum Authority / Treatment
Credit protection required under ANZ threshold	As per approved Approval Authority Framework
Waiver of ANZ-only protection requirement	Designated higher authority under Approval Authority Framework
Protection mandated by Regulation	NO INTERNAL WAIVER AUTHORITY

CHAPTER 8 – IMPORT OF SERVICES

8.1 Policy Principle

ANZ may facilitate payment for bona fide import of services where the underlying service, contractual obligation, beneficiary and evidence of performance/receipt are reasonably established.

8.2 Documentation

- Service agreement / engagement / purchase order
- Invoice
- Description and period of service
- Evidence of performance / receipt appropriate to the nature of the service and transaction
- Tax / withholding documentation where applicable
- CA certificate where required under the applicable framework or ANZ standard
- Other regulatory approvals / declarations where applicable

8.3 Service Import Adjustments

Credit / Debit Notes, reduced-value settlements, third-party payments, delayed payments and set-off shall be governed by the corresponding chapters of this Policy.

8.4 Customs Intimation / AD Submission

Where applicable to the service-import structure, the customer shall provide the prescribed Customs intimation and the duly acknowledged/stamped communication evidencing submission to the AD Bank, together with the CA certificate and supporting service documentation.

Approval & Decision Flow – Chapter 8

Decision / Trigger	Minimum Authority / Treatment
Routine service import	Delegated Trade Operations authority
Unusual evidence / regulatory interpretation	Head of Operations; Compliance as applicable

CHAPTER 9 – IMPORT NOT MATERIALISED

9.1 Policy Principle

Where an importer is unable to import within the contractual or extended period, the importer shall repatriate the advance payment, unless another regulatorily permissible resolution is available.

9.2 Customer Responsibilities

- Explain why import did not materialise
- Pursue refund/repatriation
- Provide supplier correspondence and expected refund date
- Identify partial import/partial refund, if any
- Provide reconciliation and supporting evidence

9.3 Extension

Where the underlying import is still expected to occur, ANZ may consider extension of the contract / monitoring period where regulatorily permissible and satisfied with the reasons. Repeated or material extensions shall escalate in accordance with the Chapter 9 Approval & Decision Flow and may result in enhanced monitoring, additional evidence requirements or restriction of further discretionary treatment.

9.4 Refund / Repatriation

Refunds shall be linked to the original advance and appropriately reflected in the regulatory record. Material shortfalls or third-party refunds require explanation and applicable review.

9.5 Future Advances

If the advance is not repatriated within the contract period or extended period allowed by ANZ, or the IDPMS entry has not been marked off under Regulation 18(1)(j), any future advance payment for imports by the importer shall require an unconditional, irrevocable standby Letter of Credit or guarantee from an international bank of repute, or a guarantee of an Authorised Dealer in India issued against a counter-guarantee of an international bank of repute.

Approval & Decision Flow – Chapter 9

Decision / Trigger	Minimum Authority / Treatment
Routine supported extension / expected import	As per delegated delayed-payment / advance authority
Repeated / material non-materialisation	Head of Operations + Transaction Banking Head
Future advance where regulatory protection trigger applies	Mandatory SBLC / Guarantee - no waiver

CHAPTER 10 – DIRECT RECEIPT OF IMPORT DOCUMENTS

10.1 Policy Principle

ANZ may facilitate import payments where shipping/commercial documents have been received directly by the importer from the overseas supplier, subject to applicable regulation and satisfactory comfort over the underlying import and payment obligation.

10.2 Scope

Direct receipt includes documents sent directly by the overseas supplier to the importer, received through courier, or otherwise received outside the conventional bank-to-bank collection/LC channel. Electronic receipt is excluded from this chapter in line with ANZ policy.

10.3 Underlying Transaction

- Importer and overseas supplier
- Goods imported
- Commercial invoice / purchase order / contract
- Shipment details
- Payment obligation and beneficiary
- Evidence of import

10.4 Evidence of Import

ANZ shall obtain reasonable assurance that the underlying import has occurred and that the payment is capable of regulatory linkage and closure. Where Bill of Entry information is available through Customs / IDPMS and is consistent with the transaction, it shall ordinarily constitute the primary evidence of import. The control objective is a reconstructable linkage across the commercial obligation, shipment / performance, evidence of import, payment and IDPMS record.

10.5 Authenticity & Documentary Comfort

ANZ shall apply proportionate measures to establish documentary comfort, including comparison with IDPMS/Customs data, customer trade profile, purchase order/contract, transport information, supplier correspondence, customer declaration and payment history as relevant.

10.6 Customer Declaration

Where required, the importer shall confirm direct receipt, bona fides of the import, outstanding payment obligation, genuineness of documents/information and that duplicate payment has not occurred.

10.7 Reserved

Electronic-receipt provisions intentionally not included under this chapter in line with ANZ policy.

10.8 Payment Before Bill of Entry is Available

Where payment is contractually due after shipment but before the Bill of Entry is available, ANZ may process against satisfactory shipping/commercial documents and shall obtain confirmation that the evidence of import will be submitted or made available within the timeline prescribed in

the approved SOP. Any 90-day period applied by ANZ is an internal documentary follow-up standard and shall not be represented as a timeline prescribed by the 2026 Regulations.

10.9 Other Policy Controls

The following controls apply to direct-receipt transactions. Detailed processing requirements shall be maintained in the applicable SOP.

- Where documents were handled by another AD Bank, establish payment/reporting status and avoid duplicate payment.
- Material documentary discrepancies must be clarified before processing.
- Third-party beneficiary requests are additionally governed by Chapter 11.
- Repeated direct receipt is not itself an exception; repeated documentary deficiencies are.
- Routine direct receipt may be handled under delegated authority; authenticity/regulatory concerns require escalation.

Approval & Decision Flow – Chapter 10

Decision / Trigger	Minimum Authority / Treatment
Routine direct receipt with satisfactory evidence	Delegated Trade Operations authority
Authenticity / alternative-evidence concern	Designated senior authority
Regulatory ambiguity	Compliance

CHAPTER 11 – THIRD-PARTY PAYMENTS & IMPORT FACTORING

11.1 Policy Principle

ANZ may permit payment to a party other than the overseas supplier where regulatorily permissible, commercially identifiable and supported by a satisfactory documentary nexus. Third-party payment is not a routine beneficiary amendment.

11.2 Documentary Nexus & Group Structures

- Establish Importer → Import → Supplier → Third Party → Payment Obligation.
- Contractual third-party clauses provide primary support; post-contract changes require evidence of the subsequent arrangement.
- Group-company relationship alone is insufficient; entitlement and commercial rationale must be established.
- Unrelated third parties and material jurisdiction changes require enhanced review.

11.6 Import Factoring / Assignment

Where the supplier has assigned the receivable to a factor, financial institution or other permitted entity, ANZ shall establish the assignment and the factor's entitlement before remittance. Import factoring shall be treated as a recognised financing/receivables structure rather than an unexplained beneficiary substitution, subject to applicable FEMA, credit, sanctions/AML and documentary requirements.

- Underlying import and supplier remain identifiable.
- Assignment/factoring agreement or notice is available.
- Factor/assignee identity and payment entitlement are established.
- Recourse/non-recourse nature is understood where relevant.
- Payment remains capable of IDPMS / regulatory linkage and closure. The underlying supplier shall remain identifiable and the factor / assignee's payment entitlement shall be evidenced; system-field treatment shall follow the prevailing RBI / IDPMS requirements.
- Any financing element complies with applicable borrowing/lending/trade-credit requirements.

11.7 Enhanced Review & Recurrence

Advance payment to a third party is subject to both the advance-payment and third-party frameworks. Recurring legitimate structures may be approved as a customer framework; recurring unexplained beneficiary changes, unrelated parties, changing jurisdictions or retrospective requests are Recurring Exceptions.

11.8 Approval Standard

Scenario	Treatment
Contractually documented third party	Delegated review
Group entity with clear nexus	Standard/enhanced based on risk
Valid factoring/assignment	Applicable approved framework
Post-contract beneficiary change	Enhanced review

Unrelated third party	Enhanced approval
Recurring approved arrangement	Customer framework
No satisfactory nexus	Do not process

Approval shall follow the Chapter 11 Approval & Decision Flow, with enhanced authority applied to unrelated, post-contract, material or recurring third-party structures.

Approval & Decision Flow – Chapter 11

Decision / Trigger	Minimum Authority / Treatment
Contractually documented third party	Delegated Trade Operations authority
Valid factoring / assignment	Delegated / enhanced authority based on materiality
Unrelated / post-contract beneficiary change	Head of Operations + Transaction Banking Head; Compliance as applicable
No satisfactory nexus	DO NOT PROCESS

CHAPTER 12 – SET-OFF / NET-OFF OF IMPORT PAYABLES AGAINST EXPORT RECEIVABLES

12.1 Policy Principle

ANZ may permit eligible set-off of import payables against export receivables where regulatorily permissible and the underlying transactions remain independently identifiable, supportable and reportable.

12.2 Same AD Bank – ANZ Policy Requirement

ANZ shall undertake set-off / net-off only where both the underlying import and export legs are handled through ANZ as the same AD Bank. ANZ must have visibility over both legs and be able to validate, link, adjust and close the corresponding EDPMS/IDPMS positions. Split-AD set-off / net-off shall not be undertaken under this Policy.

12.3 Eligibility & Mechanics

- Same overseas buyer/supplier or eligible overseas group/associate entities under the prevailing regulatory framework.
- Each import and export leg independently supported.
- Customer set-off statement identifies invoices, gross positions, set-off amount and residuals.
- Gross trade flows remain visible notwithstanding net settlement.
- Partial set-off is permitted where eligible; residual balances remain monitored.
- Currency conversion and FX mechanics must be transparent and auditable.

12.4 Adjustments & Complex Netting

Credit / Debit Notes must first be approved under Chapter 13. Aged legs must first satisfy the relevant ageing framework. Complex multi-entity, treasury-centre or multilateral netting structures require Trade Product review and must not be assumed to fall within straightforward bilateral set-off permission.

12.5 Recurrence & Approval

Recurring legitimate set-off may be formalised as a customer framework. Repeated ineligible attempts, aged positions, reconciliation differences, unexplained group changes or use of set-off primarily to clear pendency are Recurring Exceptions.

Approval & Decision Flow – Chapter 12

Decision / Trigger	Minimum Authority / Treatment
Eligible set-off; both legs through ANZ	Delegated Trade Operations authority
Complex / multi-entity netting	Head of Operations + Transaction Banking Head; Compliance where interpretation arises
Split-AD set-off under this Policy	DO NOT PROCESS

CHAPTER 13 – CREDIT NOTES, DEBIT NOTES & REDUCED-VALUE SETTLEMENT

13.1 Policy Principle

ANZ may recognise bona fide post-contractual adjustments to import value where commercially supported, regulatorily permissible and appropriately documented. Credit / Debit Notes are commercial instruments and are not automatically write-offs.

13.2 ANZ Approval & Decision Bands

Adjustment	Classification	Approval Treatment
Up to 20%	Standard Commercial Adjustment	Delegated Trade Operations authority, subject to satisfactory rationale / documentation
>20% to 30%	Enhanced Commercial Adjustment	Transaction Banking Head approval with enhanced commercial rationale
>30%	Material Commercial Adjustment / Policy Exception	Head of Operations + Transaction Banking Head under the applicable Delegation of Powers

Percentage = Value of Adjustment ÷ Original Relevant Invoice Value × 100. Commercially connected adjustments shall be aggregated to prevent splitting. A separate absolute-value threshold may require a higher approval authority even where the percentage is lower; where both tests apply, the higher authority prevails.

13.3 Commercial Adjustment vs Write-off

A genuine change in the amount payable due to price, quantity, quality, short supply, rebate or contractual settlement is a commercial adjustment. Where a valid obligation cannot ultimately be settled/recovered, the write-off framework applies.

13.4 Documentation & Enhanced Review

- Credit / Debit Note
- Original/revised invoice
- Contract/purchase order
- Buyer-supplier correspondence
- Quality/inspection/shortage evidence
- Settlement agreement or other commercial support

Adjustments >20%-30% require enhanced commercial rationale, validation against the underlying invoice / BoE or other applicable evidence, and review of recurrence. Adjustments >30% are Material Policy Exceptions requiring demonstrably stronger support and senior approval.

13.5 Anti-Splitting

Connected adjustments shall be assessed together. Splitting a commercial adjustment to remain within a lower approval band is not permitted.

13.6 Recurrence, IDPMS & Approval Principle

Repeated commercial adjustments shall be assessed at customer / structure level to determine whether they represent a legitimate recurring commercial model or a Recurring Exception. Approved adjustments must preserve a clear regulatory and accounting trail from original obligation to revised settlement and final IDPMS closure. Set-off or multiple adjustment documents shall not be used to circumvent the applicable approval threshold.

Approval & Decision Flow – Chapter 13

Decision / Trigger	Minimum Authority / Treatment
Adjustment up to 20%	Delegated Trade Operations authority
>20% to 30%	Transaction Banking Head
>30% / material policy exception	Head of Operations + Transaction Banking Head under applicable Delegation of Powers
Absolute-value trigger higher than % band	Next higher authority

CHAPTER 14 – EVIDENCE OF IMPORT & IDPMS MANAGEMENT

14.1 Policy Principle

ANZ shall maintain controls to establish evidence of import and appropriately monitor and regularise import transactions in IDPMS.

14.2 Goods and Services Evidence

For goods, Bill of Entry / Customs-IDPMS evidence ordinarily provides primary evidence. For services, evidence shall follow Chapter 8 and the applicable service-import declaration/reporting requirements.

14.3 Client Responsibility for ORM–BoE Reconciliation

Primary responsibility for identifying and reconciling ORMs against the corresponding Bills of Entry rests with the importer. The importer shall provide ANZ with accurate ORM-to-BoE mapping/allocation, including where multiple remittances or Bills of Entry are involved. ANZ shall review the reconciliation for reasonable consistency and perform the applicable regulatory matching/closure.

14.4 Matching & Alternative Evidence

- Minor differences may be accepted where identity/bona fides remain clear.
- Material value/documentary differences require resolution.
- Multiple remittances/single BoE and vice versa must be reconstructable.
- Partial evidence supports partial regularisation; residuals remain open.
- Alternative evidence may be considered only where regulatorily permissible and under appropriate authority.

14.5 Small-Value IDPMS Closure

For an eligible Bill of Entry for goods or service-import invoice up to INR 10 lakh (or equivalent in foreign currency), ANZ may close the corresponding IDPMS entry on the importer's declaration that payment has been made in full or otherwise, in accordance with the prevailing RBI framework. A consolidated declaration may also be accepted on a quarterly basis for bulk closure, provided each underlying entry remains individually identifiable. This simplified route changes the evidence requirement; it does not dilute transaction-level accountability, bona fide assessment or IDPMS closure control. This treatment shall be applied in accordance with the ANZ Small Value Closure Policy 2026, as amended from time to time.

14.6 Monitoring & Ageing

Trade Operations shall monitor unmatched remittances, outstanding BoEs, advances, partial matches, refunds, adjustments, write-offs and other unresolved IDPMS entries on a risk- and ageing-sensitive basis.

14.7 IDPMS Entry Timelines and Remittance Reporting

ANZ shall enter import details received from a non-EDI port in IDPMS within five working days of receipt of the documents. ANZ shall enter service-import details declared and submitted by the

importer within five working days of receipt of the documents. Inward and outward remittances for imports and MTT shall be entered in IDPMS and/or EDPMS, as applicable.

14.8 Mark-off and Closure

ANZ shall mark off an import entry in IDPMS after ensuring that payment for the import has been made. On an importer request citing reasons, ANZ may close an import-advance entry where no import has taken place and repatriation of the advance is not possible, only after satisfying itself of the genuineness of the reasons. ANZ may also close an IDPMS entry where an import is settled at a reduced value, after satisfying itself of the genuineness of the reasons and completing the approval required under Chapter 13.

14.9 FETERS Reporting

ANZ shall report all applicable foreign trade transactions in the Foreign Exchange Transaction Electronic Reporting System (FETERS) in accordance with extant RBI guidelines.

14.10 Governance & Customer Non-Cooperation

- Where repeated customer non-cooperation prevents ORM-to-BoE mapping, evidence submission or regulatory closure, Trade Operations shall escalate the matter to the Transaction Banking RM and Head of Operations for customer-level remediation and, where warranted, restriction of further discretionary treatment.
- Responsibility for outstanding items shall remain clear on any change of AD Bank.
- Commercial adjustments shall be approved before the related IDPMS closure or value regularisation.
- An import shall not be administratively closed merely because it did not materialise; the underlying transaction must first be resolved under the applicable chapter.
- Maker-checker / segregation-of-duties controls shall apply to regulatory regularisation and closure.
- Management information shall focus on ageing, recurrence, unresolved value and concentration of risk.
- Recurring control deficiencies shall be escalated to Head of Operations + Transaction Banking Head, with Compliance engaged where regulatory interpretation or material regulatory concern arises.

Approval & Decision Flow – Chapter 14

Decision / Trigger	Minimum Authority / Treatment
Routine IDPMS matching / closure	Trade Operations
Small-value closure <= INR 10 lakh	Delegated Trade Operations authority
Alternative evidence of import	Designated senior authority
Recurring non-cooperation / unresolved mapping	Head of Operations + Transaction Banking Head

CHAPTER 15 – WRITE-OFF, WAIVER & REGULATORY CLOSURE OF OUTSTANDING IMPORTS

15.1 Policy Principle

ANZ may permit write-off, waiver or exceptional regulatory closure only where regulatorily permissible and the treatment reflects the underlying commercial position. Ageing or IDPMS pendency alone is not a basis for closure.

15.2 Classification

- Commercial Adjustment – Chapter 13
- Refund/Repatriation – where advance/excess is returned
- Set-off/Net-off – Chapter 12
- Write-off/Waiver – valid residual obligation proposed to be extinguished under a permitted route
- Regulatory Closure – system outcome after the underlying position is appropriately resolved

15.3 Eligibility

- Underlying import is bona fide
- Outstanding amount clearly identified and reconciled
- Normal settlement/regularisation is no longer reasonably achievable
- Reason for outstanding position understood
- Reasonable resolution/recovery efforts undertaken where applicable
- Customer documentation satisfactory
- Treatment regulatorily permissible
- Required approval obtained
- Underlying invoice/transaction is not under investigation by the Directorate of Enforcement, CBI or any other investigating agency

15.4 Client Reconciliation

The importer remains responsible for ORM-to-BoE reconciliation and identifying the genuine residual amount. ANZ shall not use write-off as a substitute for reconciliation that the importer has not completed.

15.5 Evidence, Small Residuals & Legacy Items

Evidence shall be proportionate to value, ageing and circumstances and may include customer explanation, import documents, supplier correspondence, settlement/dispute records, recovery efforts, insolvency/legal evidence, accounting records and CA certificate where applicable. A minor residual of up to USD 1,000 (or equivalent) may follow a simplified residual-closure route only after the threshold and corresponding authority are approved under the ANZ Approval Authority / Delegation framework. Fragmentation is prohibited. Legacy age neither justifies nor permanently prevents closure.

15.6 Governance & Approval Principles

- Customer conduct and prior write-offs / closures considered using ANZ transaction records and EDPMS / IDPMS outstanding and closure history
- IDPMS closure / adjustment reason and code shall reflect the actual regulatory basis; generic 'Other' coding shall not be used where a specific reason is available
- IDPMS system access / processing entitlement does not create policy approval authority; the user must also hold the applicable delegated decision authority
- No housekeeping closure to improve MIS/audit statistics
- Regulatory prohibition = no internal approval
- Recurring write-offs = Recurring Exception
- Independent challenge for material write-offs
- Absolute value + percentage thresholds to be finalised in Approval Authority Framework / Consolidated Approval Matrix

Approval & Decision Flow – Chapter 15

Decision / Trigger	Minimum Authority / Treatment
Minor residual <= USD 1,000 equivalent*	Designated Trade Operations authority, subject to the approved USD 1,000 threshold
Material write-off / waiver	Enhanced authority under the applicable Delegation of Powers / Approval Authority Framework
High-value / high-% write-off	Head of Operations + Transaction Banking Head; Compliance where required
Transaction under regulatory / enforcement investigation	No normal write-off authority; escalate to Head of Operations + Transaction Banking Head, with Compliance engaged

* Proposed internal threshold, subject to final Policy / Delegation of Powers approval.

CHAPTER 16 – MERCHANTING TRADE TRANSACTIONS (MTT)

16.1 Policy Principle

ANZ may facilitate bona fide MTT undertaken in accordance with the prevailing Foreign Trade Policy and FEMA framework. Goods are purchased from an overseas seller and sold to an overseas buyer without entering the Domestic Tariff Area of India.

16.2 Eligibility & Documents

ANZ shall establish the overseas seller, overseas buyer, goods, purchase/sale contracts, movement of goods, commercial substance and supporting documents sufficient to establish genuineness.

16.3 ANZ Routing Standard

Where ANZ handles an MTT, both financial legs shall be routed through ANZ as an internal control standard, enabling end-to-end monitoring, EDPMS/IDPMS updating and closure.

16.4 MTT Timelines

The foreign-exchange outlay under an MTT shall not extend beyond six months. The overall MTT lifecycle shall be completed within nine months, measured in accordance with the prevailing RBI framework. These timelines shall be read with RBI/2025-26/88, A.P. (DIR Series) Circular No. 11 dated 1 October 2025 and subsequent amendments.

The overall MTT lifecycle remains nine months. The permitted foreign-exchange outlay period is six months, increased from the earlier four-month period, in line with RBI/2025-26/88, A.P. (DIR Series) Circular No. 11 dated 1 October 2025.

16.5 Third-Party Settlement

Outward remittance should ordinarily be to the overseas seller and inward remittance from the overseas buyer. ANZ may, on customer request citing reasons, allow receipt from and/or payment to a third party where satisfied with the reasons and documentary nexus. Material/unrelated third-party structures require enhanced approval.

16.6 Processing & Regulatory Systems

ANZ shall credit/debit the customer account for MTT cross-border transactions only after satisfying itself of genuineness and shall simultaneously close/update the corresponding EDPMS and/or IDPMS entry as applicable. Both legs shall be monitored through completion.

16.7 Recurring Exceptions

Repeated six-month extensions, third-party requests, unmatched legs, documentary deficiencies, unexplained losses or unusual structures shall be escalated as Recurring Exceptions.

Approval & Decision Flow – Chapter 16

Decision / Trigger	Minimum Authority / Treatment
MTT within 6-month FX outlay and 9-month overall lifecycle	Delegated Trade Operations authority
MTT timeline exception / extension, where regulatorily permissible	Head of Operations + Transaction Banking Head; Compliance where interpretation arises
Material / unrelated third-party settlement	Head of Operations + Transaction Banking Head; Compliance as applicable

CHAPTER 17 – IMPORT OF GOLD & SILVER

17.1 Policy Principle

ANZ shall facilitate Gold and Silver import payments only where the importer, import route and payment structure are permitted under the prevailing FTP, FEMA/RBI and other applicable frameworks. This specialised chapter prevails over general advance-payment provisions.

17.2 Importer / Route Eligibility

ANZ shall establish applicable nomination, Qualified Jeweller status, TRQ, licence, IIBX/IFSCA eligibility or other approval where relevant. Eligibility for one route shall not be presumed to permit every Gold / Silver import structure.

17.3 Advance Remittance – Prohibited

With effect from 1 October 2026, ANZ shall not permit advance remittance for import of Gold or Silver. No BG, SBLC, corporate guarantee, cash margin, customer indemnity, higher approval or Policy Exception may override this regulatory prohibition.

17.4 IIBX / Qualified Jeweller

IIBX/Qualified Jeweller eligibility determines a permitted import route but does not override the post-1 October 2026 prohibition on advance remittance. Historical 11-day IIBX advance permissions shall not be used for post-effective-date transactions.

17.5 Payment / Evidence

Payment may be facilitated where the import is eligible, the payment trigger has occurred, the obligation is established and the payment is not an advance in substance. The importer remains responsible for evidence and ORM-to-BoE / import-document reconciliation.

17.6 Special Structures & Financial Crime

Consignment, unfixed-price, third-party or set-off structures require confirmation of regulatory permissibility. Descriptions such as deposit, margin or security shall not be used to disguise a prohibited advance. Gold / Silver transactions remain subject to heightened KYC, sanctions, AML / TBML and transaction-monitoring sensitivity.

17.7 Transitional Treatment

Pre-1 October 2026 transactions shall be assessed under the framework applicable to the relevant event date and any transitional provisions; the new prohibition shall not be applied or avoided mechanically without establishing the governing rule.

Approval & Decision Flow – Chapter 17

Decision / Trigger	Minimum Authority / Treatment
Permitted Gold / Silver import settlement	Delegated authority under existing approved framework

Decision / Trigger	Minimum Authority / Treatment
Advance remittance for Gold / Silver	NO INTERNAL APPROVAL AUTHORITY

CHAPTER 18 – BPO / ITES: OVERSEAS EQUIPMENT & SERVICE IMPORTS

18.1 Policy Principle

ANZ may facilitate bona fide remittances by Indian BPO / ITES companies for equipment procured and installed at eligible overseas operating sites and for overseas services/technology used in their business, subject to applicable FEMA/RBI requirements, other statutory approvals and ANZ's commercial and Financial Crime assessment.

18.2 Scope

This chapter covers, as applicable: servers and data-centre equipment; networking and telecom equipment; desktops/workstations and peripherals; security and access infrastructure; call-centre/ICC equipment; specialised hardware; software, cloud, hosting, licences, technology support, maintenance, management/support services and other bona fide overseas services.

18.3 Equipment Procured for Overseas Sites

Where an Indian BPO / ITES company remits the cost of equipment to be imported and installed at its overseas site, ANZ shall establish the regulatory eligibility of the structure and the commercial purpose of the overseas deployment. The equipment need not physically enter India where the applicable BPO/ICC framework permits overseas-site installation.

18.4 Eligibility & Regulatory Approvals

The customer shall hold all approvals, registrations or permissions required for the relevant overseas site / International Call Centre or operating model. ANZ shall not assume that a general BPO / ITES business profile, group relationship or overseas presence by itself establishes regulatory eligibility.

18.5 Ownership & Commercial Substance

ANZ shall establish who contracts for and pays for the equipment; who owns it after purchase; the overseas site where it will be delivered/installed; the business purpose; whether the site belongs to the Indian BPO, an eligible overseas operation, group company or client; and whether any later transfer, reimbursement, lease or capital contribution is contemplated.

18.6 Pre-Remittance Documentation

At minimum, as applicable: purchase contract / purchase order; supplier invoice; equipment description and value; overseas delivery/installation location; customer declaration explaining the business purpose and ownership; applicable regulatory/sectoral approval; supplier payment instructions; and any additional evidence required by ANZ based on risk.

18.7 Payment to Overseas Supplier

For equipment under the specific BPO overseas-site construct, remittance shall be made directly to the account of the overseas supplier, consistent with the underlying contract and applicable regulatory requirement. Any request to pay a different party shall be treated as an exception and assessed under the applicable regulatory framework before processing.

18.8 Post-Remittance Evidence of Import / Installation

ANZ shall obtain the prescribed evidence confirming that the equipment for which remittance was made has actually been imported and installed at the overseas site. Where the applicable BPO framework requires it, this shall include a certificate from the Chief Executive Officer or auditor of the importer company.

18.9 IDPMS / Regulatory Reporting

ANZ shall ensure applicable IDPMS reporting, monitoring and closure. The regulatory record should permit reconstruction of the remittance, equipment, overseas site, installation evidence and final closure. Where the post-1 October 2026 reporting construct differs from legacy mechanics, the prevailing RBI requirement shall apply.

18.10 Overseas Services & Technology

Payments for overseas software, cloud, hosting, licences, technology, maintenance, management/support or other services shall be assessed under Chapter 8 together with this chapter where the service forms part of a BPO / ITES overseas operating model. The agreement, invoice, service period, beneficiary, evidence of performance and tax/regulatory documentation shall be established as applicable.

18.11 Related-Party / Group Arrangements

Inter-company invoices, shared-service allocations, cost recharges and group technology arrangements require a clear contractual and allocation basis. Group relationship alone does not establish the legitimacy or amount of the payment. Material changes in ownership, beneficiary, service provider or allocation methodology require reassessment.

18.12 Equipment + Service Bundles

Where a contract combines equipment, software, installation, licences, support or other services, ANZ shall understand the components sufficiently to apply the correct regulatory treatment. Artificial splitting or aggregation shall not be used to avoid an approval, reporting or documentary requirement.

18.13 Advance Payment

Any advance element shall be assessed under Chapters 6 and 7 unless the specialised BPO framework or another applicable regulation prescribes a different treatment. A payment shall not be characterised as a deposit, margin or reimbursement merely to avoid the applicable advance-payment control.

18.14 Third-Party / Reimbursement Structures

Third-party payment, reimbursement to an overseas group entity or payment after procurement by another entity requires a demonstrable contractual and commercial nexus and shall be assessed under Chapter 11 and, where relevant, the overseas investment framework. If the substance is not an import-related current-account transaction, this Policy shall not be used as the processing route.

18.15 Evidence & Customer Responsibility

The customer remains responsible for providing accurate transaction-level reconciliation and evidence of procurement, overseas delivery/installation and service receipt. ANZ retains responsibility for regulatory assessment, monitoring and closure within its AD-bank mandate.

18.16 Exception Triggers

Enhanced review is required for equipment delivered to a location unrelated to the stated overseas operation; unclear ownership; payment to a party other than the supplier; retrospective reimbursement; repeated absence of installation evidence; material related-party recharges; equipment later transferred to a group company/client; unusual jurisdictions; or a structure that may represent overseas investment rather than import-related expenditure.

18.17 Recurring BPO / ITES Arrangements

Where the customer has a genuine high-volume recurring model, ANZ may establish a customer-specific framework defining eligible sites, suppliers, equipment/services, documentary standards, monetary parameters, evidence requirements, monitoring and periodic review. Recurrence shall simplify controlled processing only after the model has been understood and approved.

High volume is a reason to design a stronger framework—not a reason to dilute transaction visibility.

18.18 Approval Standard

BPO / ITES Scenario	ANZ Treatment
Equipment for eligible overseas site; supplier paid directly; evidence available	STANDARD PROCESSING
Recurring approved supplier/site model	CUSTOMER FRAMEWORK
Related-party recharge with clear contractual/allocation basis	ENHANCED REVIEW – HEAD OF OPERATIONS / TRANSACTION BANKING HEAD
Reimbursement / different beneficiary / unclear ownership	ENHANCED APPROVAL – HEAD OF OPERATIONS / TRANSACTION BANKING HEAD
Substance is overseas investment / capital contribution	DO NOT PROCESS UNDER IMPORT POLICY
Regulatory eligibility cannot be established	DO NOT PROCESS / ESCALATE – TRANSACTION BANKING HEAD / COMPLIANCE

Routine eligible BPO / ITES equipment and service payments may be processed under delegated authority. Unusual ownership, unrelated beneficiaries, reimbursement structures, material related-party arrangements, regulatory ambiguity or recurring exceptions shall be escalated to Head of Operations + Transaction Banking Head + Compliance, with Compliance / Financial Crime / Legal involved where relevant.

Approval & Decision Flow – Chapter 18

Decision / Trigger	Minimum Authority / Treatment
Eligible BPO / ITES equipment / service payment	Delegated Trade Operations authority
Recurring approved supplier/site model	Approved customer framework

Decision / Trigger	Minimum Authority / Treatment
Unusual ownership / reimbursement / related-party structure	Head of Operations + Transaction Banking Head; Compliance as applicable
Substance is overseas investment / capital contribution	DO NOT PROCESS UNDER IMPORT POLICY

CHAPTER 19 – HIGH SEA SALES

19.1 Policy Principle

ANZ may facilitate payment in respect of a bona fide High Sea Sale where title to imported goods is transferred by the original importer to another resident buyer after shipment but before clearance of the goods for home consumption, subject to applicable FEMA/RBI, Customs, Foreign Trade Policy and ANZ requirements.

19.2 Regulatory & Commercial Substance

The transaction shall evidence a genuine transfer of title and corresponding payment obligation. High Sea Sale treatment shall not be used to obscure the original overseas supplier, beneficial ownership, value, payment trail or the party responsible for Customs clearance.

19.3 Core Evidence

ANZ shall obtain evidence appropriate to the structure, including the High Sea Sale agreement / contract, original overseas supplier invoice, High Sea Sale invoice, transport / title documents and endorsement where applicable, Bill of Entry / Customs evidence in the ultimate importer's name where available, and a clear payment / settlement trail. Detailed documentary requirements shall be maintained in the applicable SOP.

19.4 Payment & IDPMS Linkage

Payment to the overseas supplier and any domestic settlement between the High Sea seller and buyer shall remain separately identifiable. ANZ shall ensure that the import payment and evidence of import can be appropriately linked and regularised in IDPMS without duplication or double settlement.

19.5 Enhanced Review

Related-party structures, repeated High Sea Sales, material value changes, beneficiary changes, financing overlays, documentary inconsistencies or unclear title transfer require enhanced review. Where the structure creates regulatory ambiguity, Compliance shall be engaged before processing.

19.6 Approval Standard

Routine High Sea Sales with a clear documentary and payment trail may be processed under delegated Trade Operations authority. Material / unusual structures shall be escalated to Head of Operations + Transaction Banking Head, with Compliance engaged where regulatory interpretation or material regulatory concern arises.

Approval & Decision Flow – Chapter 19

Decision / Trigger	Minimum Authority / Treatment
Routine High Sea Sale with clear title transfer and complete documentary / payment trail	Delegated Trade Operations authority
Material / unusual High Sea Sale structure	Head of Operations + Transaction Banking Head
Regulatory interpretation / ambiguity	Head of Operations + Transaction Banking Head + Compliance
Eligibility / title transfer / regulatory basis cannot be established	DO NOT PROCESS / ESCALATE – Transaction Banking Head + Compliance

CHAPTER 20 – GOVERNANCE, DELEGATED AUTHORITY & EXCEPTION MANAGEMENT

20.1 Policy Objective

The Policy enables legitimate client trade while ensuring that regulatory obligations, Financial Crime requirements and ANZ risk appetite are consistently observed.

20.2 Approval and Decision-Making

Decision / Transaction Scenario	Classification	Approval / Decision Authority	Key Control / Escalation
Routine import transaction fully within Regulation & ANZ Policy	Standard	Delegated Trade Operations authority	Process under approved SOP / maker-checker
Delayed import payment – routine, adequately supported	Standard Discretion	Head of Trade Operations / Head of Operations	Routine extension up to 6 months beyond contractual due date
Material / repeated extension of import payment	Enhanced	Head of Operations + Transaction Banking Head	Includes outstanding >1 year from BoE / evidence-of-import date; Compliance where interpretation arises
Advance import payment within approved ANZ threshold	Standard	Delegated Trade Operations authority	Chapters 6 & 7 controls apply
Advance above internal threshold / waiver of ANZ credit protection	Policy Deviation	As defined in chapter 7.2 **If Acceptable Protection is not poss. As per 7.2 dual approvals of TB Head & Coverage Head will be required. Internal Thresholds – - Service Imports– USD 0.5mio. Goods Imports – USD 5mio.	Regulatory mandatory protection cannot be waived

Alternative evidence of import	Enhanced	designated senior authority	Evidence must reasonably establish import
Third-party payment expressly supported by contract	Standard / Controlled	Delegated Trade Operations authority	Documentary nexus must be established
Post-contract beneficiary change / unrelated third party	Enhanced	Head of Operations + Transaction Banking Head	Compliance involvement depending upon structure
Import factoring / valid assignment of receivable	Controlled Structure	Delegated / Enhanced authority depending on materiality	Assignment and factor's entitlement must be established
Set-off / Net-off – eligible and both legs handled through ANZ	Standard / Controlled	Delegated Trade Operations authority	Import + Export legs independently validated and linked
Complex / multi-entity / treasury-centre netting	Enhanced	Head of Operations + Transaction Banking Head + Compliance	Regulatory eligibility established before processing
Credit / Debit Note – up to 20%	Standard Commercial Adjustment	Designated delegated authority	Commercial rationale and supporting documents
Credit / Debit Note – >20% to 30%	Enhanced Commercial Adjustment	Transaction Banking Head	Enhanced rationale; recurrence reviewed
Credit / Debit Note – >30%	Material Policy Exception	Head of Operations + Transaction Banking Head + Compliance / Senior Delegation of Powers	Strong documentary support and independent challenge
Adjustment below % threshold but breaching absolute-value threshold	Value Override	Next higher authority	Higher of percentage / absolute-value authority applies
Minor residual / regulatory closure within approved threshold	Standard Closure	Designated Trade Operations authority	Must reflect genuine underlying resolution

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Material write-off / waiver	Enhanced	Head of Operations + Transaction Banking Head	Reconciliation and eligibility established
High-value / high-% write-off	Material Exception	Head of Operations + Transaction Banking Head	Independent challenge / Compliance where required
Invoice / transaction under investigation	Regulatory Restriction	No normal write-off authority	Escalate; do not use write-off route to close exposure
MTT within 6-month FX outlay and 9-month overall lifecycle	Standard	Delegated Trade Operations authority	Both legs monitored through completion
MTT timeline exception / extension, where regulatorily permissible	AD Discretion	Head of Operations + Transaction Banking Head	Compliance where regulatory interpretation arises
MTT – material / unrelated third-party settlement	Enhanced	Head of Operations + Transaction Banking Head	Compliance where applicable
Gold / Silver – advance remittance	Regulatory Prohibition	NO INTERNAL APPROVAL AUTHORITY	DO NOT PROCESS
BPO / ITES – eligible overseas-site equipment; direct supplier payment	Standard / Controlled	Delegated Trade Operations authority	Overseas deployment and prescribed evidence required
BPO / ITES – recurring approved supplier / overseas-site model	Customer Framework	Approved delegated framework	Defined sites, suppliers, limits, evidence and periodic review
BPO / ITES – unusual ownership / reimbursement / material related-party arrangement	Enhanced	Head of Operations + Transaction Banking Head + Compliance	Compliance / Legal where relevant
BPO structure is in substance overseas investment / capital contribution	Outside Import Policy	Do not process under Import Policy	Route under applicable overseas-investment framework

Regulatory interpretation / ambiguity	Regulatory Referral	Compliance	Operations should not independently interpret material ambiguity
Recurring exceptions – same customer / structure / root cause	Recurring Exception	Head of Operations + Transaction Banking Head + Compliance	Decide: framework / Policy amendment / remediation / restriction / discontinue
Transaction permitted by Regulation but outside ANZ Policy	Policy Exception	Authority prescribed under Delegation of Powers	Exception rationale + risk + mitigants + validity documented
Transaction prohibited by Regulation / mandatory external approval absent	Regulatory Prohibition	NO INTERNAL APPROVAL AUTHORITY	DO NOT PROCESS
High Sea Sale – clear title transfer and documentary / payment trail	Standard / Controlled	Delegated Trade Operations authority	Chapter 19 controls; unusual / material → Head of Operations + Transaction Banking Head; Compliance where required

Where more than one approval trigger applies, the highest applicable authority shall prevail. Approval authority shall be determined by the commercial substance and aggregate exposure of the transaction and shall not be reduced through splitting, multiple documents or sequential requests.

Repeated approval does not convert an exception into normal business. Recurring exceptions shall be escalated for a structural decision — customer framework, Policy amendment, remediation, restriction or discontinuation

20.3 Delegated Authority

Authority shall reflect transaction value, percentage deviation, nature of exception, regulatory implications, customer risk, recurrence, absolute exposure and reputational/Financial Crime considerations. Where more than one threshold applies, the highest authority prevails.

20.4 Regulatory Prohibitions

Business sponsorship, senior-management support, collateral, BG/SBLC, customer indemnity, historical practice or urgency cannot convert a regulatory prohibition into a permissible transaction.

20.5 Exception Management

- Requirement being deviated from
- Customer/transaction
- Commercial rationale
- Nature and magnitude of deviation
- Regulatory permissibility
- Incremental risk
- Mitigants
- Validity/applicability
- Approving authority
- Conditions attached to approval

20.6 Operations Independence

Trade Operations has both the authority and obligation to stop and escalate where a regulatory, documentary or Policy concern exists, notwithstanding Business support, urgency, prior practice or commercial/credit approval.

20.7 Recurring Exceptions – Mandatory Escalation

Repeated approval does not convert an exception into normal business. Recurring exceptions shall be escalated to Head of Trade Operations + designated Transaction Banking Head + Trade Product, with Compliance, Financial Crime, Credit or Legal included as relevant. Management shall decide whether to create a customer framework, amend Policy, remediate a weakness, impose controls/restrictions or discontinue the activity.

20.8 Customer-Specific Frameworks

Legitimate recurring commercial models may be formalised with defined counterparties, monetary parameters, documentation, validity, conditions, monitoring, approval and periodic review. Such frameworks never override regulatory prohibitions.

20.9 Exception Register & MIS

Trade Operations shall maintain an Exception Register capable of analysis by Customer | Product | Exception Type | Value | Approval Authority | Date | Recurrence | Resolution. MIS shall identify where risk is accumulating, why and what is being done about it.

20.10 Roles & Accountability

Function	Core Accountability
Business	Client relationship, commercial rationale, consistency with known customer activity

Trade Operations	Transaction-level regulatory/Policy controls, execution, monitoring, reporting and escalation
Trade Product	Product framework, Policy design and regulatory-change implementation
Compliance / Financial Crime	Independent guidance/oversight within regulatory, sanctions, AML and Financial Crime mandates
Credit	Credit-risk decisions under Credit framework

No function's approval replaces another function's independent responsibility.

20.11 Audit Trail & Independent Challenge

Material decisions shall be reconstructable: transaction → requirement → exception → analysis → approval → conditions → closure. Approvers are expected to exercise independent judgement and may seek information, impose conditions, escalate or decline.

20.12 Regulatory Change Management

Material regulatory changes shall be assessed for Policy, SOP, system, documentation, approval, reporting, control and training impact. A regulatory change is implemented only when the operating model reflects it.

20.13 Customer Grievance & Appeal

For each transaction, approval and exception, the SOP shall specify: (a) the request-submission process; (b) documents to accompany the request; (c) target timeline for disposal; (d) applicable charges, if any; (e) approving authority; (f) escalation matrix where a request is denied; and (g) target timeline for disposal of the escalation or appeal. The higher internal level shall record the final decision based on the genuineness and merits of the customer submissions.

20.14 Charges

ANZ shall not levy any charge or penalty on an importer or other constituent for any regulatory delay or violation by that constituent. Charges for genuine services rendered shall be reasonable, proportionate and applied under the approved TSC tariff framework. Charges for handling transactions and associated processes shall be reasonable and proportionate to the services rendered. ANZ shall not levy a charge or penalty on an importer/constituent merely for a regulatory delay or violation by that constituent, in accordance with the prevailing RBI framework.

20.15 Disclosure

ANZ shall disclose this Policy and the main features of the relevant SOP on its website. The published information shall provide the customer-facing process, required documents, timelines, charges, approving authority and grievance / appeal route, while confidential internal thresholds and security-sensitive operating details may remain in controlled internal documents.

20.16 Final Control Hierarchy

Applicable Law / FEMA / RBI / Government Regulation → Regulatory/Statutory Approval or Direction → ANZ Group/India Mandatory Policy → ANZ Import Trade Finance Policy → Approved Customer Framework / Policy Exception → SOP → Transaction-Level Processing Instruction.

20.17 Final Policy Standard

- Is it permissible?
- Is it genuine?
- Is it within Policy?
- Is it appropriately authorised?
- Can ANZ evidence and defend the decision?

20.18 Closing Statement

ANZ's role as an Authorised Dealer is not limited to processing foreign-exchange transactions. It carries responsibility for exercising regulatory judgement, maintaining appropriate oversight and ensuring that legitimate client trade is facilitated within clearly understood boundaries.

This Policy seeks neither zero exceptions nor unrestricted discretion. Routine trade should move efficiently, genuine exceptions should receive informed judgement, recurring exceptions should receive management attention, and regulatory prohibitions should remain absolute.

The ultimate standard is simple: every transaction ANZ processes should be one that the Bank can understand, evidence, authorize and confidently explain.

20.19 Mandatory Process and Approval Schedule

Before implementation, Trade Operations shall maintain an approved schedule for every process and approval covered by this Policy. At a minimum, the schedule shall cover import payments and extensions; advance payments and credit protection; import not materialized; evidence-of-import submission and follow-up; IDPMS entry, matching, mark-off and closure; small-value quarterly bulk closure; reduced-value settlement; third-party payments and factoring; set-off / net-off; write-off / waiver; MTT extensions and third-party settlement; Gold / Silver settlement; BPO / ITES structures; and High Sea Sales. For each process, the schedule shall state the submission route, documents, customer timeline, disposal timeline, charges, approval authority, denial escalation and escalation disposal timeline.

Approval & Decision Flow – Chapter 20

Decision / Trigger	Minimum Authority / Treatment
Routine matters	Authority as stated in the relevant chapter / consolidated matrix
Multiple approval triggers	Highest applicable authority prevails
Regulatory prohibition	NO INTERNAL APPROVAL AUTHORITY

Decision / Trigger	Minimum Authority / Treatment
High Sea Sale – clear title transfer and documentary / payment trail	Delegated Trade Operations authority; unusual / material structures → Head of Operations + Transaction Banking Head; Compliance where regulatory interpretation arises

ANNEXURE A – CONSOLIDATED APPROVAL & DECISION MATRIX

This matrix is the master approval reference and consolidates the authority architecture stated within each chapter. Chapter-level Approval & Decision Flow boxes are included for usability; where a conflict or multiple trigger exists, this matrix and the highest applicable authority prevail. Final absolute INR/USD thresholds and role titles shall be aligned to ANZ's formal Delegation of Powers before approval / publication.

Decision / Trigger	Proposed Authority
Routine import payment within Policy	Delegated Trade Operations authority
Delayed payment – routine supported extension	Head of Trade Operations / Head of Operations
Material/repeated delayed payment	Head of Operations + Transaction Banking Head; Compliance where interpretation arises
Advance import within approved threshold	Delegated Trade Operations authority
Advance above internal threshold / protection deviation	Higher authority under Delegation of Powers; regulatory mandatory protection cannot be waived
Alternative evidence of import	Head of Operations / delegated senior Transaction Banking authority
Third-party payment – contractually documented	Delegated Trade Operations authority; Transaction Banking RM where commercial context is required
Material/unrelated third-party payment	Head of Operations + Transaction Banking Head
Import factoring / assignment	Delegated or enhanced authority based on structure/materiality
Set-off / net-off – eligible, both legs through ANZ	Delegated Trade Operations authority
Complex multi-entity netting	Head of Operations + Transaction Banking Head + Compliance
Credit / Debit Note $\leq 20\%$	Designated delegated authority
Credit / Debit Note $>20\%-30\%$	Transaction Banking Head
Credit / Debit Note $>30\%$	Head of Operations + Transaction Banking Head + Compliance / senior Delegation of Powers
Material absolute value despite lower %	Next higher authority under value threshold
Minor residual closure within approved threshold	Designated Trade Operations authority
Material write-off	Head of Operations + Transaction Banking Head

Decision / Trigger	Proposed Authority
High-value/high-% write-off	Head of Operations + Transaction Banking Head; Compliance where required
Write-off where invoice/transaction under investigation	Do not approve under normal write-off route; escalate as required
MTT within 6-month FX outlay and 9-month overall lifecycle	Delegated Trade Operations authority
MTT timeline exception / extension, where regulatorily permissible	Head of Operations + Transaction Banking Head; Compliance where interpretation arises
MTT material/unrelated third-party settlement	Head of Operations + Transaction Banking Head; Compliance as applicable
Gold / Silver advance remittance	NO INTERNAL APPROVAL AUTHORITY
Regulatory interpretation	Compliance
Recurring exceptions	Head of Operations + Transaction Banking Head + Compliance
Regulatory prohibition / required approval absent	NO INTERNAL APPROVAL AUTHORITY
BPO / ITES equipment – eligible overseas site, direct supplier payment	Delegated Trade Operations authority
BPO / ITES unusual ownership / reimbursement / material related-party structure	Head of Operations + Transaction Banking Head + Compliance
BPO / ITES structure is overseas investment / capital contribution	Do not process under Import Policy; route under applicable framework
Small-value IDPMS closure – BoE / service invoice <= INR 10 lakh	Delegated Trade Operations authority
High Sea Sale – routine / well supported	Delegated Trade Operations authority; unusual / material → Head of Operations + Transaction Banking Head; Compliance where required

ANNEXURE B – CORE REGULATORY REFERENCES & CHANGE NOTES

- Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 – FEMA Notification No. FEMA 23(R)/2026-RB dated 13 January 2026; effective 1 October 2026.
- Regulation 7 – Set-off of export receivables against import payables.
- Regulation 8 – Third-party receipts and payments.
- Regulation 9 – Import payment within underlying contract period; AD extension discretion.
- Regulation 10 – Advance import payments; same-AD routing principle; internal thresholds/credit protection; delayed-payment interest ceiling.
- Regulation 11 – No advance remittance for import of Gold or Silver.
- Regulation 12 – Import not materialised; repatriation and future-advance credit protection consequence.
- Regulation 16 – MTT timelines, including six-month foreign-exchange outlay, nine-month overall lifecycle, third-party settlement discretion, documentary genuineness and AD-bank monitoring.
- Regulation 18 – EDPMS/IDPMS reporting, monitoring and mark-off/closure provisions, including reduced-value import settlement and import-advance closure.
- Regulation 19 – Comprehensive internal Policy/SOP, delegated approvals, factoring coverage, grievance/appeal mechanism, reasonable/proportionate charges, no penalty for regulatory delay/violation, and website disclosure.
- ANZ internal Credit / Debit Note governance – agreed 20% / 30% approval bands, with absolute-value overlay.
- ANZ internal set-off control – both import and export legs to be handled through ANZ as the same AD Bank.

Regulatory change note:

This document intentionally does not carry forward legacy provisions that conflict with or have been superseded by the post-1 October 2026 framework. For MTT, the overall lifecycle remains nine months while the permitted foreign-exchange outlay period is six months (increased from four months). The historical IIBX 11-day Gold / Silver advance-payment construct is not used for post-effective-date transactions.

BPO / ITES regulatory anchor:

RBI Master Direction – Import of Goods and Services, section C.5: Import of Equipment by Business Process Outsourcing (BPO) Companies for their Overseas Sites. The legacy direction expressly permits eligible BPO companies to remit for equipment imported and installed at overseas ICC sites, subject to required approvals, commercial judgement/bona fides, direct payment to the overseas supplier, CEO/auditor evidence of overseas import and installation, and applicable IDPMS compliance. For post-1 October 2026 transactions, this Policy requires confirmation that the treatment remains consistent with the prevailing 2026 regulatory framework and any superseding RBI direction.

FINAL NOTE

This consolidated first cut has been normalised for terminology, cross-chapter logic and governance. Repetition has been retained only where it serves as a deliberate control reinforcement (for example: regulatory prohibition, client reconciliation responsibility, recurring-exception escalation and specialised-chapter overrides). Before formal approval, ANZ should insert the final absolute monetary thresholds and map each approval title to the official India Delegation of Powers.

