

**Important Note:**

Each supplier wishing to do business with Tenneco India is required to meet the guidelines indicated in this Global Supply Chain Management Manual Appendix .

## Appendix C Indian Region Specific Requirements

Last updated June 30, 2014  
For general requirements, also consult:  
**"Global Supplier Manual"**

Section	Title
Section C	Introduction
<a href="#">Section C.1.0</a>	Organization
<a href="#">Section C.2.0</a>	Supplier Agreements
<a href="#">Section C.3.0</a>	Quality Requirements
<a href="#">Section C.4.0</a>	Engineering Requirements
<a href="#">Section C.5.0</a>	Logistics
<a href="#">Section C.6.0</a>	Not Available at Printing
<a href="#">Section C.7.0</a>	Packaging
<a href="#">Section C.8.0</a>	Environmental Health and Safety (EH&S)
<a href="#">Section C.9.0</a>	Disaster Recovery Program

*Click on sections above to follow link.*



Return to Index (Ctrl + Home)



**CONFIDENTIAL** p. 1

Section C	Introduction	Revision Date	Revision Letter
	This appendix is part of Tenneco's Global Supply Chain Management Manual. The requirements in this Appendix supplement, and are in addition to, the requirements of the Global Supply Chain Manual. We encourage suppliers to ensure all appropriate personnel in their organization have access to our web site as needed. These policies and procedures supersede and replace similar information previously issued in hard copy, or referred to, by Tenneco India. The term "Tenneco India" includes all relevant affiliates of Tenneco Inc. in India.	06-30-14	A
Section C.1.0	Organization	Revision Date	Revision Letter
<b>C 1.1 Original Equipment Locations</b>	<p>Tenneco Automotive India Pvt. Ltd Plot No. G - C6, Phase - III Chakan MIDC, At. Post. Kurali, Tal. Khed, Dist. Pune – 410 501 Phone :- +91 - 20 – 30904700</p> <p>Tenneco Automotive India Pvt Ltd, RNS2, SIPCOT Industrial Area, Nissan Supplier Park, Orgadam, Chennai - 602 102</p> <p>Tenneco Automotive India Pvt Ltd, FA 8473, B - 80 to 83, &amp; 91 to 93, III Main Road, PIPDIC Indus. Estate, Mettupalayam, Puducherry - 605 009.</p>	06-30-14	A
<b>C 1.2 Aftermarket Locations</b>	<p>Tenneco Automotive India Pvt Ltd, No.122, SIPCOT Industrial Compl, SIPCOT, Hosur - 635 126</p> <p>Tenneco Automotive India Pvt Ltd, No.321, Sec-3, Industrial Estate, Phase - II, G.C. Bawal - 123 501 Rewari</p>	06-30-14	A
Section C.2.0	Supplier Agreements	Revision Date	Revision Letter
<b>C 2.1 Supply Agreements and Requirements Blanket Orders</b>	<p>Blanket Orders or Framework Supply Agreements may be issued to cover a fixed percentage of the purchaser's requirements over a specified time period and cover all of the purchaser's designated locations .</p> <p>Blanket Orders or Framework Supply Agreements will generally include the following terms:</p> <p>Validity period</p>	06-30-14	A



	<p>Payment terms</p> <p>Delivery terms (generally described using <i>Incoterms</i> 2010)</p> <p>Part numbers and drawing release level</p> <p>Price per part number</p> <p>Packaging requirements</p> <p>Minimum capacity required</p> <p>Reference to: <a href="http://www.tasupplier.com">http://www.tasupplier.com</a></p> <p>Fixed delivery orders or releases (sometimes referred to as “Purchase Orders”) covering items sourced on Blanket Orders or Framework Supply Agreements will be issued to suppliers on a daily/weekly/monthly basis, as applicable. These Purchase Orders also include a longer term rolling forecast to cover the future anticipated usage. Rolling forecasts are for informational purposes only and are not binding on the purchaser.</p>		
<b>C 2.2</b> <b>Payment Policy</b>	<b>Reference to Global Supply Chain Management Manual</b>	06-30-14	A
<b>C 2.3</b> <b>Invoicing</b>	<p>India original invoices must be mailed according to the Blanket Order or Framework Supply Agreement instructions.</p> <p>Unless specified in the Blanket Order or Framework Supply Agreement, DO NOT mail original invoices to the attention of the buyer or party that requested the goods/services; this may delay processing/payment of your invoices.</p>	06-30-14	A
<b>C 2.4</b> <b>Company status</b>	<p>For any change in the supplier’s company structure, the supplier is required to update the Tenneco registration in TITAN within a reasonable time.</p> <p>In case of financial difficulties the supplier must inform the relevant Tenneco India commodity buyer/manager.</p>	06-30-14	A
<b>Section C.3.0</b>	<b>Quality Requirements</b>	<b>Revision Date</b>	<b>Revision Letter</b>
<b>C 3.1</b> <b>Quality Policy</b>	<p>It is the committed policy of Tenneco India to supply defect free products to our customers (i.e. “zero ppm”).</p> <p>To ensure we achieve and maintain Tenneco India’s goals, a vigorous policy of never-ending improvement has been developed dedicated to creating the necessary attitude and environment throughout the company.</p> <p>Full compliance and approval to this appendix is mandatory for the supplier to be able to supply all Tenneco India plants.</p>	06-30-14	A
<b>C 3.2</b> <b>Supplier Requirements</b>	<p><b>Supplier quality system - exemption procedure</b></p> <p>It is possible only in unavoidable circumstances that a supplier can be approved to supply parts or material to Tenneco India plants without an ISO Quality Management Standard. In order for this to happen, a Tenneco supplier assessment must be completed and submitted to the commodity</p>	06-30-14	A



director for approval. The supplier should take the initiative to get a QM system according ISO installed within 6 months.

#### **Supplier Performance Evaluation (Scorecard)**

Tenneco will review supplier performance periodically. The review is based on suppliers' performance in quality, delivery, service, and cost. Scorecards will be e-mailed to suppliers that receive demerits for the period.

Suppliers which do not fulfill the Tenneco requirements are requested to take immediate actions to drive performance back to our expectation. Failure to meet Tenneco's expectations may lead to new-business hold or further actions.

#### **Supplier Quality Performance**

Supplier Quality Performance will be measured and evaluated as per the Tenneco Supplier Performance Rating System.

The philosophy of Tenneco is to achieve "0 PPM" and we expect from our suppliers to have the same approach.

If the supplier exceeds the PPM target, Tenneco expects a year over year PPM improvement activity established at supplier location.

#### **Supplier PPM Rules**

<u>Quality Issue</u>	<u>ppm count</u>
----------------------	------------------

Tenneco plant returns defective batch 100% of returned batch.

(can be adjusted to the real defective parts, If supplier responds with good results, within a reasonable time)

Tenneco plant sorts defective batch	# of defect parts
-------------------------------------	-------------------

Tenneco plant reworks defective batch	# of reworked parts
---------------------------------------	---------------------

Defective batch sorted by supplier	# of defect parts
------------------------------------	-------------------

Supplier replace 100% defective batch

Within 24 Hours	1% of replaced batch
-----------------	----------------------

After 24Hours	10% of the returned quantity
---------------	------------------------------

Bulk items: Bought in liters / kilos / pounds:

the reject is counted in liters / kilos / pounds

e.g. 2000 kg rod steel delivered some rods are defective => we use the weight for PPM calculation minimum amount is 1



	<p><u>Concerning Costs</u></p> <p>Tenneco will charge costs related to the nonconformance (sorting, rework, administration etc.) to the supplier.</p> <p><b>Gauges and test equipment</b></p> <p>If Tenneco provides the supplier with gauges or test equipment it is the responsibility of the supplier to maintain this gauge / equipment. It is recommended to include this equipment into the supplier monitoring system for test and measurement equipment.</p> <p><b>Material certificates</b></p> <p>The supplier needs to be able to provide material certificates as requested by Tenneco within a reasonable time.</p> <p><b>Prototype parts</b></p> <p>Prototypes should be clearly identified and supplied in accordance with the Tenneco expectation.</p> <p>Prototype parts should be manufactured wherever possible using final production process and stated on relevant paper work.</p> <p><b>Concessions and Deviations:</b></p> <p>In certain instances nonconforming supplies may be accepted under concession or deviation. This will depend on the nature of the nonconformance. Acceptance will be authorized in writing to the supplier by the relevant Tenneco India plant representative.</p> <p>Under no circumstances is the supplier allowed to ship non-conforming material without written approval of the relevant Tenneco India plant representative. All shipments must refer to the concession / deviation agreement. No such agreement will constitute a waiver of Tenneco's rights or remedies arising as a result of such non-conforming material.</p>		
<b>Section C.4.0</b>	<b>Engineering Requirements</b>	<b>Revision Date</b>	<b>Revision Letter</b>
<b>C 4.1</b> <b>Engineering Requirements</b>	<p>At start of each project, the supplier must comply with Tenneco design rules and CAD standards. If a question arises regarding these rules, the supplier is required to contact the Tenneco Design Engineers. Tenneco Norms and Standards mentioned on the relevant product drawing(s) are available on supplier request.</p> <p>Tenneco requires that all business relationships with its suppliers are conducted in a professional and confidential manner. The Supplier must maintain the confidentiality of all information given by Tenneco to the supplier or developed by the supplier on Tenneco's behalf, including concerning product specification and design. Any issues regarding design or patent ownership must be fully disclosed to and discussed with the Tenneco Supply Chain Management in advance of any actions.</p> <p>Supplier must have written authorization from Tenneco's purchasing</p>	06-30-14	A



	department before it is allowed to pass any confidential Tenneco information to any third party.		
<b>Section C.5.0</b>	<b>Logistics</b>	<b>Revision Date</b>	<b>Revision Letter</b>
<b>C 5.1 Freight Routing</b>	<p><u>Freight routing</u></p> <p>If freight terms are negotiated FCA/EXW, compliance with Tenneco routing instructions is mandatory. Excess freight costs due to the use of unauthorized carriers will result in an automatic charge back of freight cost differential by debit to the supplier's account.</p> <p>If the supplier is responsible for transportation, the supplier must endeavor to avoid any disputes with carriers to be escalated to become disruptions, or threats of disruptions, by carriers for shipments to Tenneco. If there are such disruptions, or risks of disruptions, to Tenneco's delivery requirement, the supplier must immediately inform the relevant Tenneco plant personnel of such potential disruptions. Tenneco reserves the right to mitigate such disruptions at the supplier's cost; mitigation might involve Tenneco arranging its own transportation, or authorizing releases of stranded shipments, or premium freights, or any reasonable arrangement that reduces the risk of disruptions.</p> <p>The suppliers shall route its deliveries to Tenneco plants via specific carriers for road transport, air freight, and sea freight.</p>	06-30-14	A
<b>C 5.2 Logistic Guideline</b>	<b>See Appendix B European Region Specific Requirements</b>	06-30-14	A



Section IN.7.0	Packaging	Revision Date	Revision Letter
<b>C 7.1 Packaging</b>	See Appendix B European Region Specific Requirements	02-09-13	A
Section C.8.0	Environmental Health and Safety (EH&S)	Revision Date	Revision Letter
<b>C 8.1</b>	<b>Environmental Management System</b>  Tenneco is committed to health and safety as a primary focus. It is expected that all suppliers to Tenneco India plants conduct business in the same manner and that goods and services provided to these locations be delivered in a safe, ergonomic and environmental friendly condition. Tenneco recommends that suppliers take the initiative to register to the latest version of ISO 14001 or an equivalent environmental management system.	06-30-14	A
<b>C 8.2 Material Safety Data Sheets</b>	<b>Reference to Global Supplier Manual</b>	06-30-14	A
<b>C 8.3 Material Safety Data Sheets and IMDS ID</b>	<b>Submission of material data sheets (MDS) to Tenneco India</b>  Supplier must submit all MDS, wherever applicable, into the International Material Data System (IMDS) and to the applicable Tenneco business unit. Supplier should confirm the IMDS submission requirement from the Tenneco Application Buyer before PPAP.  If applicable, supplier must provide evidence of accepted IMDS submissions during the Production Part Approval Process (PPAP). Otherwise the supplier will not be in compliance and PPAP will be rejected.  <b>Submission guidelines</b>  The supplier must follow all valid recommendations published on the IMDS website: <a href="http://www.mdssystem.com">www.mdssystem.com</a>  The supplier must review the attached "TENNECO CHEMICAL AND MATERIAL BLACK LIST,"( reference the EU Appendix) which lists forbidden substances, before submitting material compositions into the IMDS	06-30-14	A



	<p>website. No chemicals or materials included in the Tenneco Chemical and Material Black List may be incorporated into, or used in the production of, goods for Tenneco.</p> <p>Supplier must visit this website regularly to keep up with changes. It is also a requirement to use MDS forms published by the IMDS steering committee to create your own or sub-suppliers' MDS forms. Deviation from these guidelines will result in rejection of your submission.</p> <p>Tenneco reserves the right to verify accuracy of the supplier's submissions by requiring certified and independent laboratory test reports on corresponding products.</p> <p><b>Submission due date</b></p> <p>The suppliers must comply with the IMDS requirement at least 1 month prior to PPAP or such earlier dates requested by Tenneco India. As evidence of compliance with this requirement, the supplier's PPAP submission must include the IMDS entry number information.</p> <p><b>Submission non-compliance</b></p> <p>The supplier's non-compliance will be reflected in the supplier's rating and can affect future business invites / nomination. Also any additional costs arising from missing IMDS submissions will be passed down to the non-compliant supplier.</p>		
<b>Section C.9.0</b>	<b>Disaster Recovery Program</b>	<b>Revision Date</b>	<b>Revision Letter</b>
<b>C 9.1 Disaster Recovery Program</b>	Supplier is required to develop and document a detailed disaster recovery program, which must safeguard deliveries to Tenneco if the supplier's production facilities and / or production equipment are damaged by fire / flooding or any other cause.	06-30-14	A

