



Taiwan IC Design Houses ramping orders at foundries

Foundries have seen their Taiwan-based fabless clients step up their pace of orders as they anticipate a seasonal pick-up in demand, according to industry sources.

Companies including Egis Technology, Elan Microelectronics, FocalTech Systems, Global-mode Technology (GMT), Himax Technologies, Macroblock, MediaTek, Novatek Microelectronics, On-Bright Electronics, Parade Technologies, Realtek Semiconductor, Richtek Technology, Silergy and Weltrend Semiconductor have all raised wafer starts for the third quarter by more than 20% sequentially at their foundry partners, said the sources.

Meanwhile, Taiwan-based IC design houses are facing longer lead times for the delivery of their products from foundries prompting them to increase orders, the sources indicated.

Foundries including Taiwan Semiconductor Manufacturing Company (TSMC), United Microelectronics (UMC) and Vanguard International Semiconductor (VIS) have all seen their capacity utilization rates climb substantially indicating a strong second half of the year, the sources said.



CPCB guidelines to improve ease of doing business for foundries



Foundry Industry in India is finally hoping that the ease of doing business will finally come knocking on their doors.

With the new guidelines by Central Pollution Control Board (CPCB), the industry is hoping that they will no more be categorised under the red category and be upgraded to orange category. According to new proposed guidelines, foundries having capacity less than 5 MT/hr will now be categorised as Orange. However, the units having capacity of 5 MT/hr or more, the coal/coke consumption will be more than 500 kg/hr will still be classified as Red. "The new guidelines by CPCB notify that a few of the foundries will be categorised under the orange category instead of red," informed A.K. Anand, director Institute of Indian Foundrymen (IIF). "This is a much required step as it will improve the ease of doing business for foundries.

At present, all the foundries are categorised under red category under which most polluting industries are kept. Under the new guidelines, companies which are under the red category have to get 'Consent for Operation' every five years which the industry body said is a huge hassle. A number of auto component majors come under the foundry industry and are also a part of Institute of Indian Foundrymen. Anand informed that nearly 30 percent of its 4000 members are from auto component industry.

Anand said that the current guidelines are very harsh on the industry as over the years, the technology used in foundries has improved a lot which has brought down the pollution caused by them. "There have been several changes over the last decades in technologies and processes. Every year, more environmentally friendly technologies are being employed by foundries. We no more cause so much pollution that we have to be categorised as Red. The companies which fall under the Orange category have to apply for 'Consent to Operate' only once in 10 years. The other categories defined by CPCB for industrial sector include Green and White.

Green category of industries will get the consent for 15 years whereas white category industries need no consent at all. According to CPCB, "The categorisation has been made mainly on the basis of size of the industries and consumption of resources. The pollution

due to discharge of emissions and effluents and its impact on health was not considered as primary criteria."

Going forward, the categorisation will be done on scoring basis. Now, a company will be given score based on water pollution, air and hazardous wastes generated. Air Pollution score will be based on parameters namely PM, CO, NOx, SOx, HMs, Benzene, Ammonia and other toxic parameters relevant to the industry (40 marks). Water Pollution Score based on parameters namely pH, TSS, NH3-N, BOD, Phenol and other toxic pollutants relevant to the industry. (40 marks); Hazardous wastes (land fillable, incinerable, recyclable) as generated by the industry (20 marks).

Companies which are above 60 will be categorised as Red; companies with scores from 30 to 59 be categorised as Orange; companies with scores from 15 to 29 be categorised as Green and less than 15 will be categorised as White or non-polluting industry. A lot of auto component majors come under the foundry industry and are also a part of Institute of Indian Foundrymen. Anand informed that nearly 30 percent of its 4000 members are from auto component industry.

"CPCB has issued the guidelines and now it is in the hands of state pollution control boards now to implement. We hope these guidelines will be implemented soon," said Anand.

Foundry industry, which employs 2 million employees directly and indirectly, currently is around 10 million tonne. The industry is expected to touch 30 million tonne in next 10 years. In revenue terms, foundry industry is valued \$18 billion currently and is expected to touch \$60 billion by 2026.