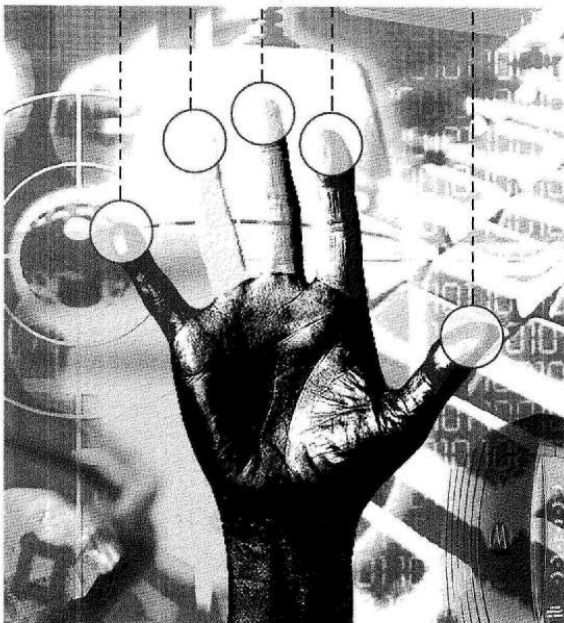


Top 5 networking products

The networking market has seen a positive growth in FY '06-07. Increased awareness of security-related issues, and growing realization by SMBs, enterprises and SOHO to secure information has fuelled the market growth



With the emergence of broadband and other related technologies, content is being treated as a golden egg. The introduction of streaming media and other rich content onto the network has unleashed an array of opportunities for businesses to capitalize on. The technology that businesses will leverage in this endeavor is content networking, which is fast emerging as a medium to exploit this golden egg of opportunity.

Tushar Sighat, VP—Channel Business, D-Link India believes that the market for networking equipment industry, including NICs, hubs, LAN switches, structured cabling, routers, RAS, dial-up modems, leased line modems, access multi-plexers, VSAT equipment and wireless LAN equipment is growing at a steady pace. He said, "We have an entire gamut of networking products for SOHO, SMEs and high-end enterprise business. Our networking products range includes routers, switches, wireless LAN, structured cabling,

network storage, network security and voice solutions."

Sanjeev Gupta, Director—Regional Sales, APAC, Linksys said, "We offer networking solutions for homes, SOHO and SMBs. In the home segment, we provide Linksys Connected Home, wherein consumers are able to connect various networking products through IP network and are able to share information and entertainment. This focuses on growth of broadband connectivity and Wi-Fi networks. In the SOHO/SMB segment, Linksys Connected Office, a common modular platform for delivering bundled voice, video, data, storage and security solutions and services is designed to address the needs of business customers. We also manufacture routers, gateways, network adapters, print servers, VoIP, Ethernet switches, network attached storage, etc."

Vendors see a huge potential in this market segment and are re-focusing their strategies.

Also, there has been a shift in demand for storage solution from storage hardware. A renewed interest

in deploying wireless applications has emerged.

Rakesh Singh, National Sales Manager, ZyXEL Technology said, "We provide end-to-end networking products, which offers Internet Protocol-based (IP) networking solutions including access multi-plexers, customer premise equipments, VoIP, Internet security and WLAN equipments, enabling high-performance network services for SOHO, SMBs and SPs. We also provide Ethernet switches, Ethernet adapters, VDSL switches, network management solutions, broadband gateway and ISDN routers."

The top five networking products in the Indian market:

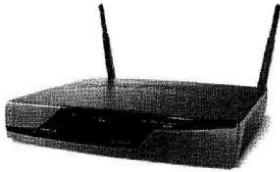
Routers

While switches connect multiple computers, a router connects multiple networks like LAN to the Internet. Routers work by storing large tables of networks and addresses, then use algorithms to determine the shorter routes to individual addresses within those networks. In this way, routers not only facilitate intra-network



"Our networking products range includes routers, switches, wireless LAN, structured cabling, network storage, network security and voice solutions"

TUSHAR SIGHAT
VP—Channel Business, D-Link India



communications, but also play a vital role in overall network performance delivering at a faster pace.

The router market has grown substantially, thanks to the growth in enterprise needs. Considering the convergence of voice, data and video, and high growth in network traffic, there has been an increasing demand for routers that are dynamic in nature with built-in resilience and security.

Cisco, Juniper, Dax, Huawei, Nortel, 3Com, HP, ProCurve, ZyXel Technologies, Allied Telesyn and Enterasys are the major drivers for the growth of the segment.

"In the space of wireless networking for the home, I believe that wireless routers are the most popular medium as these are the basis of forming a wireless network. Linksys' Wireless-G broadband router—WRT54G has seen a great success in the Indian market," said Gupta.

Switches

A network switch is a device that connects multiple networks. It's a more efficient form of the ubiquitous (and outdated) network hub. A hub,



also known as a repeater, is a simple device that has been used for years to connect all nodes, or computers, with a network to a central location.

Higher PC penetration, growth in MNCs, boom in ITeS, manufacturing, government spending on e-governance projects—all have seen a wide adoption of switches across all verticals.

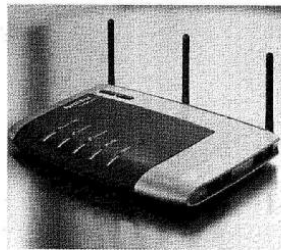
In addition, FY '06-07 witnessed a lot of government and defense led IT infrastructure initiatives. Also, BPO

and BFSI sectors are among the large buyers.

Cisco, D-Link, Nortel, 3Com, HP Procure, Accent Net Technologies, LinkQuest are the major drivers for the growth of this segment.

WLAN

A wireless LAN or WLAN is a wireless local area network that links two or more computers without using wires. With the corporate infrastructure and offices getting geographically dispersed, WLAN are rapidly growing in complexity. The



'anytime, anywhere' paradigm has become popular due to the gaining popularity of laptops. WLANs are the most flexible and economical strategies for building or expanding networks. It permits users to access the network anywhere.

The need for round-the-clock connectivity; growth of PC and broadband in SMB segment; mobility and flexibility to access and communicate through the network in public places has resulted in greater adoption of WLAN. Fall in the prices of notebook PCs and broadband connectivity has provided further impetus to its growth. WLANs have gained popularity in government manufacturing, BFSI, hospitality industry, academia and public places. Government's rural connectivity target and reduction in prices of mobile devices would help boost its subscribers base, which would further help this segment to grow.

Cisco, D-Link, Netgear and Dax are the major drivers for the growth of WLAN segment.

Modems

A modem is a device that modulates an analog carrier signal (sound); to encode digital information, and also demodulates that carrier signal to decode the transmitted information.

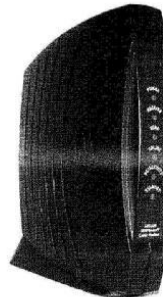


" In the space of wireless networking for the home, I believe that wireless routers are the most popular medium as these are the basis of forming a wireless network "

SANJEEV GUPTA
Director—Regional Sales, APAC, Linksys

The idea is to produce a signal that can be transmitted easily and decoded to reproduce the original digital data. It allows a computer to communicate over the phone lines to Internet service providers, fax machines and bulletin board services.

Wireless modems allow computers to connect to WLAN without physical cabling such as



Ethernet wiring. They use cellular, satellite or Wi-Fi protocols to connect to a WLAN, which can then provide Internet service. This differs from dial-up and DSL modems, which use telephone lines to connect to the Internet, while cable modems use cable TV lines for connectivity.

Dial-up modems are slowly dying. ADSL, on the other hand, is gaining due to increase in number of broadband subscribers. The volumes for it come from SOHO and SME segment. The 64/128K-leased line will see a major growth in banking, BFSI, railways and air ticketing.

Atrie, Bharti Teletel, BSNL/MTNL, Airtel, MRO-Tek, D-Link, Sterlite and Dax Networks are the major drivers of growth in this segment.

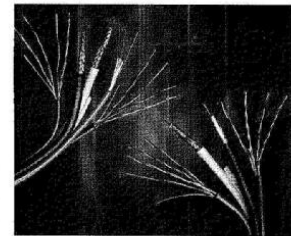
Structured cabling

Structured cabling is the cabling used for transmitting a set data built into a structure instead of being run haphazardly. In other words, it is a generic communications wiring system, which is independent of the intended use (ie can be used for any voice or data communications application).

The impressive growth of modems can be attributed to MNCs, SMEs and verticals such as ITeS, educational institutes, government, retail and manufacturing segment.

Tyco Electronics, Systemax Solutions, D-Link, Molex, TVSICS, Clipsal Datacomm are the major growth drivers in this segment.

There are promising business opportunities for both the fiber and cable solution providers.



With globalization, advanced communication technologies eradicating geographical boundaries, and increasing desire to be connected to the Internet on the go—all would lead to new deployments and upgradations, which would provide a further impetus to the segment. The year ahead is optimistic and full of business opportunities. The networking market is set to witness another blockbuster year.