

MOTORINDIA

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**IMPACT
FEATURE**

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- Rishi Aggarwal, Managing Director, JCBL Limited

JCBL

**CUSTOMISING SOLUTIONS
AS PER ECONOMY'S NEEDS**



JCBL: Customising solutions as per economy's needs

With its long-standing reputation as a commercial vehicle fabricator, JCBL is now aligning its priority list for FY 2021-22 to cater to the needs of the core sectors of the Indian economy, including construction, logistics, mass mobility, healthcare, and so on with specialised and customised solutions, says Managing Director Rishi Aggarwal in an exclusive interaction with [Dhiyanesh Ravichandran](#).

A leading commercial vehicle fabricator in the country, JCBL is in a class by itself. It offers a wide range of products across various segments with a colossal capacity to build over 15,000 vehicles in a year.

It has been taking significant strategic shifts to better serve the growing commercial vehicle (CV) market in India in recent times, but the economic slowdown over the last two years and the 2020 corona virus pandemic has unpleasantly distorted the growth trajectory of the market, and by extension, that of JCBL as well.

One year on, the domestic CV industry is gradually getting back on its feet and the much-anticipated FY 2021-22 looks far more promising. Against this backdrop, MOTORINDIA got in touch with the company's Managing Director Rishi Aggarwal to understand the existing state of affairs and outlook for the future at JCBL.

In the course of the interaction, he identified the pivotal products segments that drive demand at present, while also laying out his company's key priorities and plans for the new financial year.

Here are the excerpts:

RECOVERY POST-LOCKDOWN

We have to say that the market shaped up pretty well post the lockdown, much better than any expectations we had in the initial days. The year 2020 was a bad year, no doubt, but it ended up better. Our growth for FY 2021-22 looks promising, even if we take FY 2018-19 as the base year – since FY 2019-20 was bad and FY 2020-21 even worse!

Currently, as per our order books, we are likely to register a growth of 25-30% over FY 2018-19 figures, with major demand coming from core segments including construction (for tippers and tip-trailers), public healthcare (for ambulances and mobile testing vans), defence, and leisure (motor homes, mobiles offices and containerized homes).

DEMAND ACROSS SEGMENTS

The tipper market has made a great comeback. There is a humongous demand for tipper bodies and tip-trailers, led by resurgence in construction activities and road building. Our plants are fully booked to capacity for tipper bodies. Truck cargo bodies and containers, on the other hand, have not picked up yet and the existing space capacity in the trucking market is to blame.



Customers come to us for customised and complete solutions, by which we offer a variety of options for them to choose, may it be interior finishing or application requirements. The scope for customer's personalised choices is immense in all our products. That's why we are able to blend our strengths from both the side of manufacturing i.e. standard production and customisation.

- Rishi Aggarwal, Managing Director, JCBL Limited



There exists a decent demand for petroleum tankers as well, and we predict an extremely positive scenario this year for this segment. A key segment that has not picked up much is that of buses. With schools closed and tourism not yet on track, the demand for buses is very limited.

STU purchases are also low. We have to wait and watch for the next six months to see if there is any new momentum. What helped us survive in the bus side of our business so far are ambulances and mobile testing labs. There is a phenomenal demand from states and private hospitals as they jack up their healthcare service infrastructure in the course of the pandemic.



Of late, we have got an order for 700 ambulances from the defence sector, while an export order of 150 ambulances is being executed in partnership with an OEM. Moving on, there is a huge demand for special application vehicles including motor homes and mobile offices as there is an increased demand for safer and personalised travel and leisure solutions in the wake of the pandemic.

Our customers are also keen to convert their farmhouses into containerised homes, a novel and emerging business segment at present. Meanwhile, school bus is an important business segment for JCBL.

We have a good indication from last month onwards that with the vaccination drive going well, schools are bound to open up in a couple of months. This means institutions will get their fleets ready. We expect to roll out about 200 school buses in the month of March and April.

I personally feel that this segment is likely to open up with a huge number in the coming months. There's been a lot of backlog in induction of school buses in the market over the last two years. Further, our hopes are high on the luxury school bus segment. Educational institutions have started to consider their buses as 'moving signboards' that promote their brands, while there is also a greater realisation to keep their fleets customised and well-equipped in terms of comfort, hygiene and safety to meet their unique requirements or that of students and parents.

DEFENCE STRATEGY

In recent times, the government's vision of self-reliance and import substitution policies are resulting in huge enquiries from PSUs, government departments and defence agencies for various special application vehicles. At JCBL, we have an active defence strategy and are working with the Ministry of Defence on five projects at present, a significant feat. In addition, we have a working partnership with German firm DOLL for heavy-duty trailer solutions for defence applications. We have our prototypes ready and are trying to convince defence agencies on their advantages and efficacy over their existing trailers.

PLANS AND PRIORITIES

Our priority list for FY 2021-22 is very much defined by this year's budget push for the core sectors of the economy, including construction and infrastructure, healthcare and educational services, logistics, and so on. We are aligning ourselves to cater to the needs of those sectors, with specialised and customised solutions. We are not looking at any new applications or segments right now.



Hence, there is likely to be no major change in our product range so that we have a sustained focus on key segments we are already into. That said, as a long-term move, we are in talks with an international partner to bring a new product for the domestic market with benchmark quality and segment-defining traits, but not any time soon.

CUSTOMISATION DEFINES JCBL

Fully-built vehicles manufactured by OEMs are a real threat. But JCBL has been a customised products' company all along, and that's always been our success mantra. We do build standard products for our OEM partners but our core strength is customisation. Customers come to us for customised and complete solutions, by which we offer a variety of options for them to choose, may it be interior finishing or application requirements.

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We are expected to register 25-30% growth over our FY 2018-19 figures.

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