



“We are committed to increasing local manufacturing in India.”

Sunil Chaturvedi,
Group Chairman,
Gainwell, and **Meena
Chaturvedi,** Vice
Chairperson,
Gainwell Group.

Can you tell us about your collaboration with Caterpillar?

Sunil Chaturvedi (SC): Gainwell, formerly known as Tractors India Private Limited (TIPL), began its journey as a Caterpillar dealer in 1944, alongside Larsen & Toubro (L&T), which was also a dealer at that time. Over the years, TIPL expanded into manufacturing, and in 2016, we acquired the entire Caterpillar business from TIL Limited. This acquisition marked a significant milestone, and since then, we have experienced remarkable growth. When I joined the company on January 1, 2014, the business was valued at around Rs 10 billion annually. Today, thanks to India's infrastructure growth and our strategic efforts, we have grown fourfold, reaching an annual valuation of approximately Rs 40 billion.

In addition to distributing Caterpillar products, we have diversified into manufacturing capital goods. For example, we established a subsidiary, Tulip Compression, to produce a wide range of energy products, including gas compressors, natural gas compressors, and dispensers. We have even ventured into hydrogen compressors and successfully supplied India's first hydrogen compressor. Currently, we have over 500 compressor packages in operation.

We also entered the underground mining equipment manufacturing



sector by establishing Gainwell Engineering in West Bengal, which not only serves the domestic market but also exports coal machinery globally. In early 2024, we acquired TIL Limited, a key player in manufacturing ReachStackers, cranes, and defense-related equipment. We are now digitising our crane models to improve operational insights, enhance predictive maintenance, and expand our product range to include battery-electric and new energy solutions. Notably, India's entire missile program relies on TIL cranes, which play a vital role in the country's missile systems.

What trends are you currently witnessing in the construction equipment segment?

SC: One of the most significant trends we're witnessing is the growing sophistication of machinery. The era of relying solely on basic machines is behind us. Today, machinery is becoming increasingly intelligent. Additionally, there's a notable shift towards larger machines driven by the rapid pace of infrastructure development in India. Smaller machines simply cannot match the scale of these projects.



Mechanisation across the construction sector is accelerating. For instance, road maintenance, which was traditionally done manually in India, is now being mechanised. We're introducing a range of road maintenance machines, developed in collaboration with US companies, and manufacturing them locally near Pune.

Furthermore, we're placing a strong emphasis on energy-efficient machines and improving machine maintenance practices by integrating advanced technologies such as telematics. In fact, 93 per cent of our construction machinery is now connected, enabling us to monitor performance and gather real-time data for improved service delivery. This technological evolution is shaping the future of construction in India, and we are excited to be at the forefront of this transformation.

What steps are you taking in terms of skill development for your workforce and how do you plan to retain talent?

Meena Chaturvedi: Skill development is essential for both our internal growth and the broader development of the industry. Internally,

we prioritise training all our employees in the latest technologies, especially digital platforms and AI. These training programs are mandatory and integrated into every employee's core responsibilities. We allocate a significant portion of our profits towards skilling and training initiatives, with each employee required to complete at least seven days of certified training annually. Some courses, developed in collaboration with Caterpillar, can last up to six months and are offered both locally and internationally.

The aim of this training is not only to improve efficiency but also to foster professional growth, which in turn enhances employee retention. We tie these development opportunities to internal promotions, ensuring that employees who upskill are given priority for advancement.

Externally, we are addressing India's broader skills gap. While unemployment is a major challenge, the skills deficit is equally pressing. To help bridge this gap, we leverage our CSR resources in partnership with an NGO to identify and train young people, particularly from economically disadvantaged backgrounds. Our six-to-eight-week training programs, which include hands-on experience with machinery, have produced outstanding results. In fact, 98 per cent of those trained are now employed, with many escaping poverty as a result. We have expanded this initiative across multiple states and also offer residential training courses. Additionally, we are in the process of establishing a dedicated skill academy to further support this vital need.

How do you address the price sensitivity of the Indian market, especially considering that Caterpillar's machines are premium products?

SC: Caterpillar products are indeed

premium, and while their initial cost may seem high, they deliver exceptional value over the long term. Caterpillar invests billions of dollars annually to enhance their machines, ensuring continuous improvements in performance and reliability. Although their machines are priced higher in India compared to local alternatives, the total cost of ownership over five to six years is often lower due to their durability, advanced technology, and ease of maintenance.

Many government organisations, despite typically prioritising the lowest price, choose our products because, when considering the total cost of ownership, Caterpillar proves to be a more cost-effective option. As India's infrastructure sector continues to accelerate, the demand for larger, more sophisticated machines will only grow, and Caterpillar is ideally positioned to meet that demand.

In addition, we have partnered with Trimble, a U.S.-based technology company, to integrate onboard systems into our machinery. These systems optimise machine performance, even in low-light conditions, significantly improving productivity. We've seen the success of this technology firsthand on projects like the Kanpur-Lucknow Expressway, where the quality of work surpassed expectations.

What financing options are available for customers to purchase machines?

SC: Financing in India is generally accessible, with both public and private sector banks offering funding for machinery purchases. In addition, we provide financing through Caterpillar Financial Services India, which even covers rebuilds—a unique offering that sets us apart from others in the market. This flexibility makes it easier for customers to maintain and upgrade their equipment over time.

We also offer rental and leasing options to provide additional flexibility.

Currently, we have approximately 150 machines available for rent, and we plan to expand this fleet further with the support of Caterpillar Financial products.

Looking ahead, what is your market strategy?

SC: Our market strategy is closely aligned with the government's focus on infrastructure investment. As India's infrastructure needs continue to grow, there will be a massive demand for equipment, and Gainwell is well-positioned to play a key role in meeting that demand. We are focused on offering a range of advanced machinery, including cranes, reach stackers, road maintenance equipment, and larger construction machinery. Additionally, we are introducing more technology-driven solutions to support the government's infrastructure objectives.

Furthermore, we are committed to increasing local manufacturing in India. While Caterpillar has been manufacturing in India for nearly 55 years, we aim to strengthen this footprint even further. Our goal is to revolutionise our business by creating a more digitally connected service experience for our customers, enhancing both operational efficiency and customer satisfaction.

How has the business been performing this year, especially given the challenges the industry faced?

SC: Despite the challenges, Gainwell has experienced growth this year. While it hasn't been as rapid as in previous years, due to factors such as the election year and the heavy monsoon season causing delays, as well as supply limitations resulting from Caterpillar selling out of products, we remain optimistic. Although this year we've seen single-digit growth, we are confident that we will return to strong double-digit growth in the coming year.