



The lubes and grease market is a complex amalgam of commercial and passenger vehicles, 2- and 3-wheelers, agricultural equipments, stationary engines, marine and industries that range from steel, cement, power, mining, railroads, textiles, automobiles and glass. In this market of opportunities, it is a heated race between brands to capture the imagination of the stakeholders. But with one of Asia's finest research and development facilities supporting it, SERVO is the brand to look out for. With a turnover of nearly ₹8,000 crore, it is India's biggest lubricant brand and enjoys a market share of more than 27% in the Finished Lubes segment. SERVO has more than 5,200 formulations and 1,600 grades of lubricants available in more than 1,700 active SKUs that it markets in the country.

Market

The oil & lubes business was one of the many industries that benefited with the opening of the Indian economy. The market witnessed a resurgence as restrictions were lifted on the import of base oils, additives and finished lubricants.

The size of the Indian lubricant market is estimated to be around ₹35,000 crore with an approximate volume of 3.0 million metric tonnes (MMT) of Lubes (1.65 MMT of Finished Lubes). The CAGR over the past five years has been pegged at 1.5%. While this growth may appear to be modest compared to other categories, it is more to do with the improved performance of oils and lubes.

With many sectors of the automobile industry displaying encouraging growth, the lubricant market, too is buoyant. However increased competition and a volatile international market have strained the margins.

Automotive lubricants constitute 65% of the total finished lube market (Source: internal data). Of this, the commercial vehicle segment accounts for half of the volume while the passenger car segment – the image builder for lubricant brands – constitutes a mere 7%. The two-wheeler segment, witnessing explosive growth, constitutes about 25%. Agriculture equipments, stationary engines and other miscellaneous applications account for the balance 18% of the market.

Achievements

Both, by way of volumes as well as value, SERVO is India's single largest oils & lubes brand. (Source: internal data and estimates). Over the years, it has established its authority and, on the strength of its proven quality, has built exceptional relationships with automobiles and specialty engine manufacturers. With recommendations from leading companies such as Maruti, Hyundai, TATA, Mahindra & Mahindra, Ashok Leyland, Force Motors, Endurance TAFE, Swaraj Tractor, Eicher Tractors, International Tractors Limited, Dalian Locomotives, Gabriel, Volvo-Eicher (VECV), Timken, Renault-Nissan, Volkswagen, Skoda, Bentley, Bugatti, Lamborghini, Porsche, Ducati, Audi, Seat, VST Tillers, Honda (2W) etc., it is the brand of choice and an original equipment supplier to most of them.

In the field of industrial lubricants too, SERVO, is the undisputed leader. It offers a wide range of lubricants for use in all core industries such as

the railways, defense services, state transport undertakings, power, coal and mining, automobile, steel and cement amongst others. With recommendations from leading companies such as Flender, Elecon, Hansen, Danieli, FLS Smith, KHD Humboldt, Walchand, BEML, Hitachi,

SERVO HAS OVER **5,300** FORMULATIONS OF LUBES AND OILS

RDSO, Bosch Rexroth, Eaton, Cincinnati, Parker, Demison, MHPS, BHEL, Buchard Clark (UEC Lab), SERVO has a very strong presence in Indian Lube market.

SERVO enjoys a commanding position in the Hot and Cold Rolling Oils sector for steel mills. The oils are well accepted by customers like JSW, SAIL and JSL. IndianOil has also developed NTM oil indigenously for the Wire Rod Mill.

In the marine oils segment, SERVO has the distinction of being the only Indian lubricant brand to receive approvals for its oils from marine engine builders like MAN B&W and Wartsila-Sulzer. SERVO Cylinder Oils also have approval from MAN ES. SERVO lubricants are well placed to meet the MARPOL 2020 compliances.

Having achieved distinction in India, SERVO has also made inroads into the highly competitive global markets. Today, it has established its footprint in more than 30 global destinations. It has successfully captured significant market shares in Bangladesh and Nepal and with IndianOil's fully owned subsidiaries in Sri Lanka, Mauritius and the Middle East, is seen as a growing brand in the UAE, Oman, Qatar and Bahrain, Indonesia, Thailand, Vietnam and African countries.

History

SERVO was launched by IndianOil, India's flagship petroleum refining and marketing company, in 1972. The brand entered the market in collaboration with Mobil. Two years later, when the collaboration ended, SERVO went into an expansion mode. It developed an extensive marketing infrastructure, supported by one of Asia's most advanced research and development centres.

Established in Faridabad, a suburb of New Delhi, in 1972, the IndianOil R&D centre is a world-class facility that has to its credit several significant breakthroughs. Today, the brand is marketed through IndianOil's nationwide retail outlets, now numbering over 29,000. Concurrent to these developments is the vast supply channel that has been put in place. The network comprises ten ISO-certified lubricant blending plants, a grease manufacturing unit and several small can-filling stations spread across the country.

Since the operation was massive, a dedicated distributor set up was put in place to cater to the requirements of the retail outlets and sales points nearing over 70,000.

Product

Although grease and oil may appear to be generic products – with certain limited properties and applications – the reality is vastly different. The universe of these applications is so huge and diverse that SERVO alone has over 5,300 formulations with about 1,600 grades of lubricants being marketed in the country. In fact, this massive range of world-class lubricants makes SERVO the ideal choice for use in any industry.

For decades SERVO has been in the forefront of introducing technologically advanced products. The SERVO RR 606 MG plus II and synthetic greases, specially formulated for the Indian Railways are a case in point. The lubricating oils and greases supplied by SERVO have minimized the operating costs for the Indian Railways.



Similarly, many energy-efficient spindle and gear lubricants, bio-degradable lubricants, long drain diesel engine oils, fuel efficient hydraulic oils, hot rolling oils and a series of synthetic-based lubricants are some recent innovations. Another spin-off of brand SERVO, the SERVO Agro Spray Oil is non-toxic, bio-degradable, residue-free, non-pesticide and a viable alternative for farmers riddled with problems emanating from the side effects of toxic chemical pesticides being used presently.

SERVO's vast portfolio of lubricants caters to the needs of the automotive, industrial, marine and specialties segments. The automotive oils include 2T/4T oils, gasoline and diesel engine oils, gear and transmission oils, specialized rail road oils, tractor oils, coolants, brake fluids, automotive greases etc. Many of these oils enjoy the approval of major OEMs.

SERVO's industrial oils consist of nearly 1,040 grades of lubricants and greases covering hydraulic, turbine and compressor systems, industrial gears and textile spindles. It has a formidable range of over 160 grades of synthetic oils and 270 grades of specialty oils for specialised applications, including cutting fluids, quenching oils, heat transfer fluids, rust preventives and rubber process oils.

Recent Developments

Being a category leader, SERVO keeps a keen eye on the ever-changing dynamics of the market. Rising oil prices and the ever-growing clamour for environment protection has resulted in the industry seeking energy-efficient and less polluting engines. In turn, this has pressurised oil manufacturers into delivering cutting-edge products. One of SERVO's latest introductions is the SERVO 4T Synth (API SN) with advanced synthetic chemistry. This outstanding product caters to the new generation 4-stroke bikes.

On the four-wheeler front, too, the improved efficiencies of automobiles also demand more from oils that lubricate and cool the engines. SERVO Futura Synth, a 100% synthetic lubricant, made from poly alpha olefins (PAO) base oils provide the ultimate performance in terms of cleaner engines and longer engine life. SERVO Futura G Plus, a hybrid synthetic oil meeting the highest specifications of API SN and ASEA A5/B5, is another superior engine oil for both petrol and diesel engines.

SERVO has recently upped the ante by introducing long drain oils like SERVO Pride XL Plus and SERVO Pride Supreme Plus. It has also upgraded SERVO Super Multigrade 20W-40, its largest selling lubricant grade, to meet CF4 specifications.

The recent emission regulation mandate of the Indian Government to leapfrog from BS IV to BS

VI has encouraged SERVO to develop the low SAPS oil that meets latest API CK4 performance levels. SERVO Pride Next meets the requirement and is compatible with all after treatment devices.

SERVO has developed a Low Viscosity-FE Combo Pack comprising fuel efficient lubricants for engine transmissions and axle applications that complement the implementation of CAFE (Corporate Average Fuel Economy). These have undergone rigorous testing and field trials and have received positive responses from OEMs. The Passenger Car Gasoline Engine Technology is now coming with advanced features like GDI (Gasoline Direct Injection) in 2020. SERVO has the latest API SN plus formulation for handling LSPI (Low Speed Pre-Ignition) issues associated with such engines. SERVO has also started collaborative work with a major OEM in the EV (electric vehicles) segment to develop specialised transmission oils, coolants and greases. SERVO is also actively collaborating with OEMs to develop High Performance Engine Coolants for enhancing heat transfer using unique technological interventions.

To cater to the huge demand and the need gap in transformer oils, SERVO has entered this market with SERVO Electra and Electra Plus. There are also special industrial oils such as synthetic- and fire-resistant hydraulic fluids for steel mills; governor fluids for turbines and food-grade lubricants which meet the stringent food-grade lube specifications. All these add to the already wide product range of SERVO.

SERVO is not just technology. On the packaging front, SERVO has introduced new designs for all its small packs that are completely leak-proof and offer enhanced security features such as a QR code based tracking to prevent adulteration. Two unique innovations introduced in SERVO packaging are rectangular buckets in place of conipails and bi-injection mould caps. These, while improving pack aesthetics also help arrest adulteration and spurious supplies.

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Promotion

Promotions are an important way of keeping SERVO on top-of-mind. The brand undertakes

several initiatives such as associating with popular sports like cricket, hockey, football, tennis and badminton. Its campaigns, always prominently positioned in stadiums, have proved to be effective messengers.

As a part of ATL promotions, SERVO is a prime advertiser on TV, radio, press and effectively uses digital media. Each effort is designed to drive home the efficient use of lubricants and the ways to maximize engine performance.

Yet another way of keeping in touch with its audience is to engage with them at the ground level. Towards this end, SERVO is being promoted at select IndianOil retail outlets with well-designed display racks, a quick lube oil change machine and dedicated SERVO boys.

Brand Values

For more than 40 years, SERVO has proved to be the perfect partner for high-speed engines generating massive heat and friction. It has worked industriously to earn the trust of man and the respect of machine, fostering relationships for a lifetime.

Things you didn't know about SERVO

- * SERVO lubricants are exported to more than 30 countries including Sri Lanka, Mauritius, Bangladesh, Nepal and several countries in the Middle East, Indonesia, Thailand, Vietnam and African countries
- * SERVO commands the highest market share in all the three major product segments, viz. automotive oils, industrial oils and greases
- * SERVO is the sixth oil brand in the world and the first from the Asia-Pacific region to have been approved by marine engine builders like MAN B&W and Wartsila Sulzer
- * Voith of Germany has approved the synthetic gear oil developed by SERVO for drive gear boxes used by the Delhi Metro
- * Synthetic gear oils with anti-micro pitting features developed by SERVO are used in Flender gear boxes operating in steel- cement- and power-plants and wind mill farms
- * Specially formulated hydraulic oils from SERVO provide 12% more productivity and 6% lower specific fuel consumption against conventional hydraulic oils