

engines, as for each refuelling 2T oil should be used as an additive. Predominantly, for three wheelers this will be loose oil supplied by Lanka lubricants (owned by CEYPETCO), Lanka IOC or LAUGFS, but unbranded. Few years ago, Caltex tried to brand this market with Revtex range but it was not well picked up by the market.

In 2011 TM decides to enter this market via importing and supplying Waxpol synthetic engine oils for two wheelers and three wheelers. The primary decision behind this was to make use of a market space which was uncontested by any of the existing players with synthetic products. The product supplied by Waxpol was 10-15% increased than the conventional oil, but due to the synthetic oil having a dedicated pack, branding, technical specifications and being a product of India itself where over 90% of the two & three-wheeler engines are originated from the product started taking off in the shelves. From 2011, TM's most successful range under the Waxpol umbrella was, the synthetic oil range for two and three wheelers. From a mere monthly turnover of LKR 200K a month within two years the revenues shot up to over LKR 10Mn a month. The sales teams predominantly focussed at the low-end service stations for two wheelers & three wheelers, by specifying that this is a synthetic oil but only a fraction of difference of the price. Even the colour of the oil was red in line with some of the high-quality performance oils, which further increased the acceptability of the oil and from at a fraction of price premium a branded seal packed product was made available to the two & three wheelers. Although it was a popular perception that two and three-wheeler owners are not very much concerned about the quality of the oil, the recent fragmentation of the market & the ATL advertising effort being put up by some of the new players in the industry, the interest for a proper branded lubricant was evident. Especially after the contamination issue of 90 octane petrol in 2011, many trishaw and two-wheeler owners became much cautious about the fuels and lubricants they use. The fact of being able to get a sealed pack, branded and above all it being a synthetic Waxpol two and three-wheeler oils gained immense popularity among the target users. The association of lubricant importers has been continuously pressurizing the government and their regulator the public utilities commission to regulate the non-conventional lubricant market as well. The collective argued on the fact that there should be control & regulation over the quality of the synthetic lubricants which are being used in the market. However, the small-time importers counter argued the fact mentioning that it was a more by the big players to further consolidate the synthetic oil market to further increase their profits. The petroleum minister Hon Chandima Weerakkody in a statement to the Daily Mirror,