

# EXTRACARBON, GREENTooth TECHNOLOGIES PVT. LTD.

- **Background**

Given the size of our country and its population, waste management is a major issue in India. Currently, the country's garbage generation stands at about 0.2 to 0.6 kgs of garbage per head, per day. While, Swacch Bharat Abhiyan is working towards garbage disposal, and NexusNovus is opening up the idea of waste management in the country, the solutions are far too few and fragmented.

Entering this fray in the recent years is **Extracarbon**, a brand of Greentooth Technologies Pvt. Ltd. The present scenario of inadequate waste management, poorly controlled open dumps, and defragmented and unorganised industry practices prompted Gaurav Joshi and his team to start Extracarbon.

Greentooth Technologies Private Limited collects and recycles solid waste, scrap, and paper. The company collects scrap metal; paper, such as newspaper, magazine, books, and others; and e-waste comprising various electronic items and peripherals. It serves hotels, corporates, societies, and residential. Extracarbon is not selling anything rather they are collecting your unwanted, undesirable, disposed-off wastes.

- **Location, Date**

Delhi-NCR, Lucknow, Ludhiana and Patiala, 2013

- **Areas**

Urban

- **Stage/Scale**

Full scale

- **Objective of the assignment**

Extracarbon aims to create smart cities where waste is used for energy generation and plantation. They also plan to set-up compost plants in societies, corporates, and retail malls. Apart from this, they are also looking at setting up super and mega warehouses that are capable of sorting and recycling dry recyclable materials.

- **What was done**

- Giving off trash on time and managing it properly does not only clean the environment around but also makes people a pioneer in waste management system. If compared to the traditional methods of waste management which was through regular channels of rag pickers/junk collectors/*kabadiwalas*. Greentooth provides a much easier, hassle free and smarter way of managing the waste. Now, you don't have to wait till weekends to give away your waste and you don't have to wait to hear that sound "KABADIWALAAAA". You just need to have a mobile, an internet and that's it, your most

loved. Extracarbon is on its way to have your kabad collected from your doorstep. Now doesn't that sound awesome?

- Extracarbon has started integrating *kabadiwalas* in the city and assigning them larger communities under their Green Superhero program. They also claim to have brought transparency in the process of collection by introducing electronic weighing scales. By removing middle men between recyclable waste collectors and manufacturing units, they have brought in uniform and fair pricing.
- They have enhanced their user experience by introducing call centres, and taking waste pick-up requests through electronic media like WhatsApp, SMS messages, phone calls, emails, and websites.
- Extracarbon collection centres segregate the items for recycling & send them to the concerned recyclers. Other reusable goods are sold in the secondary market or to individual buyers, thereby making margins on every sale in the market.
- At present, Extracarbon is buying 400 different items, both recyclable and reusable. That includes old furniture, TV, mobile phones, newspapers, etc. Users can request pick up through website. If the team finds any item that is not already trading on the portal, they take a minimum of two hours to give a quote to the user.



## • Impact

- This system is having a real impact on the lives of people. It is bringing a change which very few people would have ever dreamt of. The *kabadiwalas* who were always looked down by our society are now part of something big; they are now the associates of Extracarbon. This movement has raised their self-esteem in their own eyes and also in the eyes of the society. Their earning which were mere INR 7000 per month through their primitive way of working has now almost doubled after joining hands with Extracarbon.
- Today, Extracarbon has over 16,000 users and are registering over 100 new users every day. They are presently operational in Delhi, Ghaziabad, Gurgaon, Noida, and Ludhiana. By this year end, they will be operational in 20 cities. While, Extracarbon deals with the selling of used items, it is not a marketplace for second-hand goods. They provide a quote and buy the items from customers and then refurbish the items for selling.

## • Challenges and Issues

- The founder duo knew that they were looking at an uphill task, as there were no waste management institutes or organisations. The duo faced resistance at every stage, even the resident welfare associations (RWA) were not accepting and open to their ideas.
- Initially, the team had to pool in their resources as they could not get investors who were keen on the project.
- People considered them as regular *kabadiwalas* and it was difficult to change this perception. However, with the launch of their website, things started to improve.

## • Innovation

In order to encourage more and more people to pass on their garbage or old furniture and other household items to Extracarbon, the company gives customers either cash or reward points that they can accumulate on Extracarbon.com dashboard. The points may later be redeemed on jhoomley.com, a separate reward platform on which they can buy appliances, groceries, personal care, beauty products and much more. For marketing, they came up with the advertisement as shown in the adjoining picture.



## • Lessons learnt

- Extracarbon optimised their Green Super Heroes team by providing more deals and greater sale value with them. Domestic waste collection was an issue as majority of *raddiwallas/kabadiwalas* don't have enough money to buy everything.
- As their business was majorly dependent on cash to solve the scalability issue, they introduced reward points called **Jhoomley**. The users can opt for payment in cash or points. These points can be further used to top-up their mobile phones or DTH, pay electricity bills, buy products and groceries, or get Paytm credits.

## • Financials

Extracarbon claims to have generated INR 1.71 crore in revenue in 2015-16. It had earlier raised INR 2 crore in funding from two Angel investors and start up accelerator Jaarvis. Extracarbon is set to raise INR 1.5 crore (\$225,000) in a round led by Brand Capital, the ad-for-equity investment arm of Bennett Coleman & Co. Ltd (BCCL).

## • Economic sustainability/Revenue Model

The team collects and sells the scrap material and makes margin on that. Extracarbon plans to achieve a revenue target of INR 6 Crore by the next financial year. Also, it aims to increase its daily pickup number to 500 before Diwali this year. Next month, they are also planning to bring a mobile app to help GSH team in identifying users and raising electronic invoices.

## • Implementer Contact Persons

- **Gaurav Joshi**  
Co-Founder

## • Sources and References

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