



NTPC LTD.
CORPORATE-HR
COE - Strategic HR & Talent Management

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Sub: NTPC Business Incubation Policy for Promotion of Internal Startup Ecosystem

- 1.0** Globally companies are adopting the idea of creating intra-company startup ecosystem to encourage employees to become entrepreneurs and capitalize on new innovative business ideas.
- 2.0** NTPC Business Incubation initiative, “**NTPC-Ideathon**” is being introduced as a step towards promoting Internal Startup Ecosystem in the company. It will encourage internal innovators with entrepreneurial mindset to come up with new ideas, to convert them into product & solution, supporting NTPC to grow its emerging business or to address challenges in the existing business.
- 3.0** As an enabling administrative mechanism to drive & support NTPC-Ideathon Initiative, a broad framework of “**NTPC Business Incubation Policy for Promotion of Internal Startup Ecosystem**” has been formulated and the same is placed at **Annexure**.

This issues with the approval of the Competent Authority.



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**NTPC Business Incubation Policy
for Promotion of
Internal Startup Ecosystem**

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1.0 Introduction

Globally companies are adopting the idea to create intra-company start up ecosystem to encourage executives to become entrepreneurs and capitalize on new innovative business ideas. Executives directly pitch their ideas to Company Management to develop them into successful products, services and solutions adding value to organization business. In return for their desire to support the growth of the company, they shall **receive support and resources to help make their ideas a reality**. This new way of engagement encourages individuals to fully engage with the business' goals and take ownership of their ideas. This also makes their job more meaningful and provides greater autonomy.

Companies want their executives to become **“Young Thought Leaders-Intrapreneurs”** to bring solution to business problems and create new businesses to fuel business growth and to gain a competitive advantage in fast emerging businesses.

By leveraging internal resources and a corporate brand power, Intrapreneur can make a big impact even at early stage of their careers, and companies can also reap the benefits by promoting their ideas.

NTPC Business Incubation initiative, ‘NTPC-Ideathon’ is a step towards identifying the **Young Thought Leaders-Intrapreneurs**. It is an enabling platform intended to nurture, incubate and mentor new ideas, foster start-ups, and helping to grow them into successful Start-ups for Power sector. It also aims to create an entrepreneurial mind-set, bring in agility and Innovative thinking amongst executives. It provides them with an opportunity to develop their leadership skills, increasing risk appetite, improving decision making skills, collaboration, networking while exploring dynamic growth and inspiring change.

The features of **NTPC Business Incubation Policy** are detailed in the following sections.

2.0 NTPC Business Incubation Policy / Ideathon - Objectives

- Bringing out Entrepreneurial talent and helping in developing an agile culture with enhanced ownership and decision-making skills.
- Encouraging executives to innovate, own and drive their idea for creation of successful startup.
- Supporting early-stage ideas with the potential to scale up to commercial scale.
- Developing 'Incubation Ecosystem' by Nurturing/Mentoring executives while they build new businesses.
- Identification of Young Thought Leaders, confident individuals who are committed to innovation, passionate about work and producing higher value for NTPC.
- Fostering innovation, design thinking, analytical ability and research mind-set.
- Transforming NTPC into Vibrant Organization by supporting individual growth and aspirations, creating **Future Workforce**.

3.0 Main Features

1. NTPC Ideathon shall be an internal event in NTPC to invite early-stage business ideas with potential to be developed into successful ventures.
2. Finalists of Ideathon (1-3 teams), if required, may be provided training and tie-up with successful Start-ups, Academia, Investors & Business Leaders to mentor and coach in developing successful Proof of Concept (PoC) for selected Ideas through physical and technical support.
3. The policy intends to provide necessary guidelines for financially supporting and developing successful PoC. The disbursement of grant shall be on the milestones achieved basis as defined in business case by the team.
4. NTPC may partner with Startup Teams which successfully demonstrate their PoC to NTPC through equity participation in later stages.
5. A specially crafted Incubation Break under the Sabbatical Scheme shall be allowed to winning team (features detailed at Section 8) till completion of PoC stage as defined in their business plan. Regular sabbatical scheme shall be applicable post PoC stage for willing participants.
6. IP rights developed through PoC or Start-up shall be owned jointly by NTPC and innovator/entrepreneur/start-up.
7. For specific process-improvement based challenges, necessary supporting data may be provided by NTPC under Non-disclosure Agreement (NDA) to be signed by innovator/entrepreneur/start-up.

4.0 Eligibility and Team Formation:

1. The policy is open to all full-time executives of NTPC (including those posted in JVs and Subsidiaries but excluding Trainees).
2. The maximum age limit for team members is 40 Years.
3. The applicants can be a team or even an individual. The dependents (above 18 years) of executives can be part of their team.
4. The concerned executive(s) should not be under suspension or undergoing punishment as a result of any disciplinary/vigilance case. Further, no disciplinary proceeding/vigilance case should be pending against the executive(s).

5.0 Initiative Management & Funding for PoC

1. To drive the Incubation Initiatives for NTPC, a special business incubation group, '**BIG**', is proposed to be formed within Corporate Planning Department chaired by Head of Corporate Planning, to take up various initiatives and activities to enable the business incubation.
2. Initially, it is proposed to create special incubation fund with annual corpus of INR 50 lakhs under Business Development budget for the purpose.
3. The incubation fund for '**BIG**' shall be augmented from derived earnings from successful ventures. The same shall be utilized for future incubation initiatives.
4. Milestone based limited funding (maximum up to INR 25 Lakhs per Idea) may be provided to the selected Start-up/Innovators/Entrepreneurs at their request in the form of grant during PoC stage in instalments against agreed/accepted milestones after review of the progress of the same by BIG.
5. 2-5 Ideas per year are targeted for PoC, however the number may be revised based on response received with approval from the competent authority.
6. The funds shall be released to selected Start-up/Innovators/Entrepreneurs after approval of selected proposals by BIG.

6.0 Collaboration with Academic Institutions & Industry

1. Selected teams may be provided special incubation modules at selected institutes to equip them with suitable business & technical tools to shape their ideas into commercial proposal and working product.
2. BIG shall facilitate collaboration and mentoring through industry with the help of entrepreneurs, founders of start-ups to share their learning and stories for making a successful venture.

7.0 Facilitating Support at NTPC Plant & Business

1. As the policy is conceived with an aim to bring innovative and commercially viable solutions to the challenges faced by NTPC, the PoC shall be tested under practical setup at a plant/business.
2. Based on the target solution area, the idea/start-up may be allocated to selected region/plant.
3. All the facilities and support to create and test PoC shall be extended wherever required at the projects and regions. Respective REDs/HOPs/Functional Heads/CEOs shall be the nodal point for this purpose.

8.0 Incubation Break

1. To facilitate the creation of PoC/Start-up, NTPC shall allow Incubation Break under the Sabbatical Scheme to selected team/participants till completion of PoC (maximum up to 01 year).
2. During the Incubation Break, a stipend amount at the rate of 50% of the last drawn basic pay shall be provided to NTPC executive.
3. The medical facility as per NTPC rules shall be extended for executives and dependents during the Incubation Break.
4. The executives may be allowed to retain the last provided Company accommodation in the NTPC township for the dependent family members for the duration of the Incubation break as per NTPC rules. Executives drawing HRA can avail Special HRA under 5-years scheme (CHRC 890/2020).
5. Acceptance of any part time employment, scholarship, honorarium or any other allowance/payment from any outside agency during the Incubation Break without prior sanction of the competent authority shall be prohibited.

6. Moratorium on company provided loans/advances shall be given for the period of Incubation Break. The moratorium shall end after the Incubation Break on rejoining the services of the Company. In case of resignation/sabbatical, the loans/advances shall be settled as per company rules.
7. In case the Company decides to infuse equity in the Start-up, the executive is mandatorily required to resign or opt for regular sabbatical from the Company.
8. The Incubation Break shall be excluded from the service for determining eligibility for Promotion and Seniority.

9.0 Screening & Judging Committee

1. To facilitate shortlisting of ideas, a Screening Committee, consisting of members from Corporate Planning, Business Development, NETRA, Engineering, Finance, Operation Services and HR shall be constituted.
2. The ideas shortlisted by the Screening Committee shall be evaluated by a Panel of Judges consisting of NTPC Functional Directors, External Expert Members/Investors/Entrepreneur.
3. A detailed agreement shall be signed between selected teams and NTPC for equity/IPR sharing before PoC as per the business case.

10.0 Focus Areas:

The prime focus of policy shall remain on addressing challenges in NTPC Conventional Business (Thermal & Coal Mining) and to drive rapid growth in Emerging Businesses (i.e., RE, Green Chemical, Digitalisation, etc.)

The ideas are invited for all the areas related to power sector; however, preference shall be provided to idea having adjacency to NTPC businesses.

A. Conventional Business (Thermal Power Plant & Mining)

Innovative product, solution and services designed for operation, maintenance and management of plant and facility with an aim of increasing efficiency, time reduction, process automation & simplification, system improvement, safety, reduction in carbon/water footprint, 3R-reduce, reuse, recycle, asset monetization, digitalisation, improving ESG profile of project.

Profit generating ideas with Solutions towards – saving on input costs or revenue generation from utilisation of byproduct (carbon credits, ash, gypsum) **shall be preference area for equity infusion.**

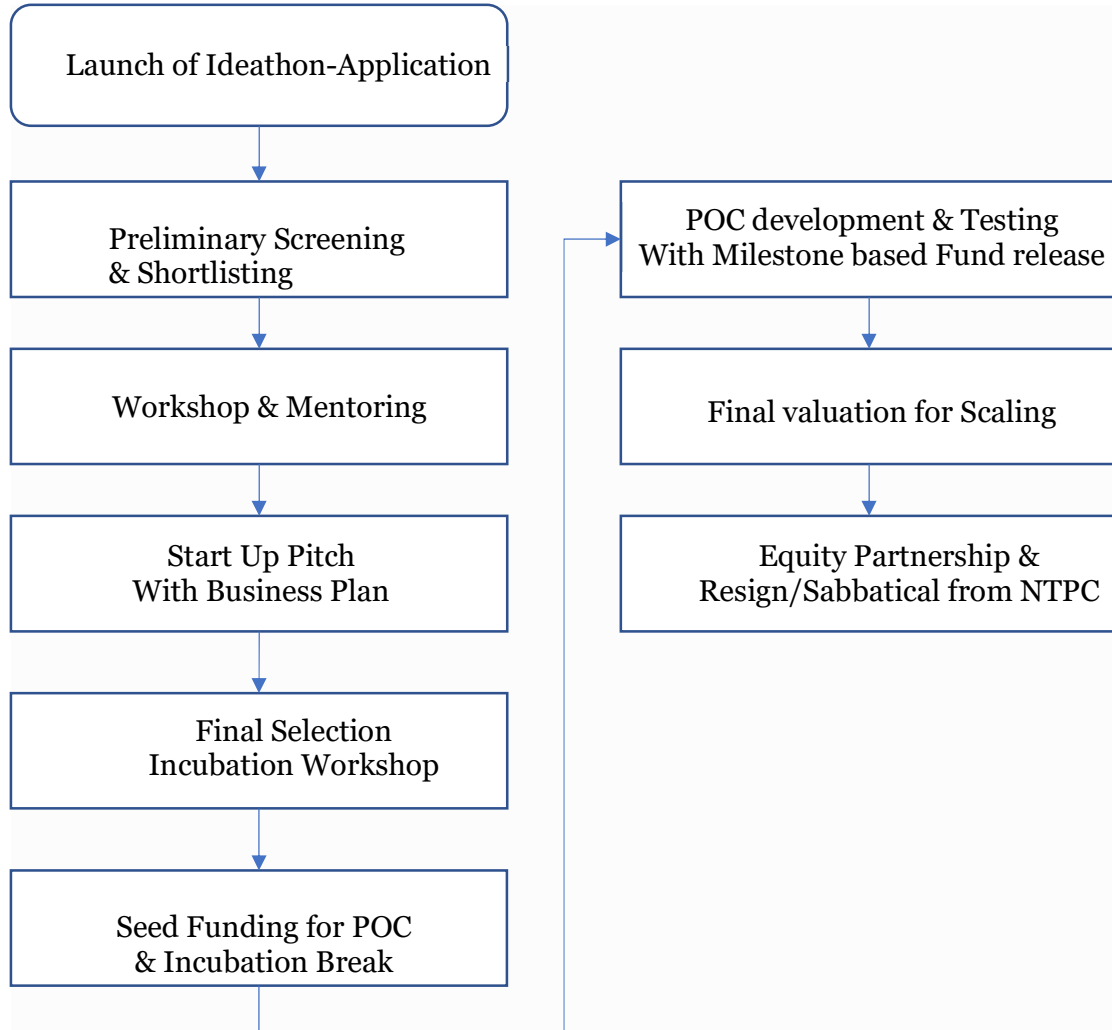
Suggested Themes

- Development of automated operation monitoring & intervention planning software for improving Marginal Contribution.
- Development of alternate green fuel (NH₃, Methanol) firing mechanism in coal fired boilers.
- Technology solution for making NTPC Township & Offices Net-Zero and development of Net-Zero Monitoring & Management System for Energy, Water, Waste & Carbon.
- Reducing Grade Slippages in coal.
- Reduction in coal unloading and wagon turnaround time.
- 100% Ash Utilisation.
- Sustainable ways for Long Distance Ash Transportation.
- Design of Safety devices and arrangement for enhancing safety at Construction & Operation sites.
- Development of Biomass Torrefaction Technology.
- Use of Robotics in inspection and maintenance of Boiler Pressure part in hot condition & underwater.

B. Emerging Businesses (Renewable, Trading, Green Chemical & Storage)

Innovative product, solution and services designed for growth in new business with solution targeted for Project Execution & Financing, O&M excellence, Project Monetization, Market capture, Fast Feasibility check and site identification (Solar & Wind), Ancillary services, Trading in electricity, Carbon & Chemicals.

11.0 Scheme Flow chart



12.0 Approval, Review and Modification

1. The Competent authority for NTPC Business Incubation Policy shall be CMD, NTPC.
2. NTPC Business Incubation Policy shall be reviewed based on response and issue faced during implementation of first Ideathon or as deemed fit by NTPC Management.
3. The modification and changes shall be incorporated with approval of competent authority.