

Monthly Progress Report

Amadablam Mini Hydro Subproject (911 kW)

Khumbu Pasanglhamu Rural Municipality, Ward No. 4
Solukhumbu, Nepal

Submitted To:

Alternative Energy Promotion Centre (AEPC)
Mini Grid Energy Access Project (MGEAP)
Central Renewable Energy Fund (CREF)
Siddhartha Bank Limited (SBL)
Khumbu Pasanglhamu Rural Municipality (KPLRM)

Submitted By:

Aamadablam Mini Hydro Limited
Dhumbbarahi - 4 Kathmandu, Nepal
Email: amadablamhydro@gmail.com

October 2025



Monthly Progress Report of October 2025

1. Executive Summary

1.1 Brief Overview of the Project

Amadablam Mini Hydro Pvt. Ltd, Tilganga -8, Kathmandu, an Energy Sector Company (ESCO) intends to implement Amadablam Mini Hydro Subproject in Khumbu Pasanglhamu Rural Municipality-4, Solukhumbu district in Koshi Province, as a business /PPP model through technical and discussion in financial support of Government of Nepal and the World Bank through AEPC/MGEAP. The sub-project is in Sagarmatha National Park which lies on the trekking trail of Everest Base Camp which is one of the most popular tourist areas of Nepal. ESCO intended to provide electricity to households and other energy users such as Anchors/Business and Community. ESCO will be responsible for development, operation, maintenance, and management of the mini hydro plant. They will be functioning as a service provider and owner of the subproject.

Amadablam Mini Hydro Pvt. was changed to a public limited in 10th October 2023. This was done to facilitate the process of PPP model with Khumbu Pasanglhamu Rural Municipality. At present there are seven number of shareholders in the company, which also includes Beyul Hydro investment Pvt. Ltd. The office of Amadablam Mini Hydro Limited was located in Kapan, Nilopul, Kathmandu. Office location has been recently changed to Chandol, Kathmandu. The subproject is to be implemented as a business model through the technical and financial support of the Government of Nepal and the World Bank through AEPC/MGEAP. Furthermore, the subproject is supported by Foreign, Commonwealth and Development Office (FCDO) through AEPC/NREP.

Amadablam Mini Hydro Project is a run of the river type (RoR) scheme located in ward no-4 of Khumbu Pasanglhamu Rural Municipality of Solukhumbu district. The project is located inside the core region of Sagarmatha National Park. The project utilizes water diverted from Cholunche Khola to generate 911 kW power. The design flow of the project is 250 lps and gross head is 471.87 m. Cholunche Khola is a perennial river which flows from the Himalaya peak on the Northern side of Solukhumbu district and is a tributary of the Imja River. The project site is located near Pangboche village of Solukhumbu district. The boundary coordinates of the project lie between latitude 27° 50' 50" N and 27° 51' 40" N and longitude 86° 47' 49" E and 86° 49' 19" E. The proposed intake site is located at 27°50'56.52"N, 86°49'6.15"E and an elevation of 4422 amsl. The powerhouse site is located at 27° 51 '12.98"N, 86° 47' 49.21"E and an elevation of 3951.18 amsl. The project will be serving 451 households.



Project Financials:

SN	Source of Fund	Amount (NRs.)
1	AEPC	
1.1	Subsidy (MGEAP)	128,307,000.00
1.2	VGF Support (SECF)	170,050,000.00
2	Loan from Partner Bank (Siddhartha Bank)	150,000,000.00
3	Equity of ESCO	90,544,638.89
4	Investment of RM	80,000,000.00
	Total Subproject Cost (1+2+3)	618,901,638.89

1.2 Summary of key accomplishments to date

1.2.1 Agreements between Stakeholders

ESCO and RM:

First agreement : 1st January 2024

First Amendment : 12th February 2025

Second Amendment : 15th April 2025

AEPC and ESCO:

ESCO and Partner Bank:

Syndicated Credit Facilities Agreement : 7th January 2024

Supplementary Credit Facilities Agreement : 22th April 2025



1.2.2 Procurement

Board Meeting Minutes and the minutes from the Procurement Committee meeting held on October 28 have been prepared and finalized. Key decisions included the approval of the vendor shortlist and the initiation of the Purchasing process for remaining mechanical equipment and electrical accessories at power house and Mingbo village.

Procurement Status are as follows:

- Electromechanical Equipment (EOT Crane and Diesel Generators): Vendor shortlist approval is currently in progress.
- Transmission & Distribution (T&D) Works – Phase II: Quotations for power transformers and distribution transformers are being collected for purchase consideration.
- Electrification in Mingmo village
- Earthing Mat: Design work is currently underway.

- a. **Compliance:** All procurement activities continue to adhere strictly to internal policies and national regulatory requirements.
- b. **Challenges:** The team has encountered delays due to pending technical inputs and limited responses from vendors, which have impacted timelines.
- c. **Next Steps:** We aim to finalize the bidding documents, conduct a vendor briefing session, and submit the next progress update by the mid of November.

1.3 Key Challenges Encountered and Solutions Implemented

Due to heavy snowfall on October 4, construction activities were severely affected, with snow accumulation reaching up to 3 feet. Consequently, ongoing works at the intake site and penstock were halted. Further snowfall on October 27 also impacted the pre-scheduled excavation works at the powerhouse. The works will resume once the snow begins to melt. October also marked the festival time, so it has also hampered the activities though the site was not closed. First advance payment to the EM contractor has not been completed till date.

2. Work Progress Overview

Amadablam Mini Hydro Limited is somehow satisfied with the current work progress of the contractors. The civil contractor has submitted the running bill. So far, the contract extension of the T&D contractor is proceeding after meeting with the center. The contractor has completed site verification of the T&D works and planning for FAT of the distribution cable. The HM contractor



has finalised for transportation of the HM components from roadhead to site and proposed for factory inspection of expansion joints and accessories. The EM contractor has significantly progressed the fabrication work and planned for FAT in mid-January.

2.1 Activities

2.1.1 Human Resource Management

During this month, the HR department successfully maintained and updated staff attendance records, including leave and punctuality tracking. Shareholder's files were reviewed, updated and properly organized with both hardcopy and digital backups.

Regular office administrative work such as filling, correspondence, staff record updates, and coordination for daily operations were effectively managed. Office maintenance and supply needs were also monitored to ensure a smooth working environment. Overall, HR and Administrative activities were carried out efficiently, supporting smooth office operations and proper record management.

2.1.2 Meetings and Events

a. Virtual Meeting with AEPC – Updates and Site Mobilization Plan after Dashain and Tihar Holidays

Due to snowfall on October 4, 2025, construction activities at the headworks site were halted. For the execution of construction works at the powerhouse, it was decided to:

- Record nighttime temperatures regularly.
- Prepare and implement the work plan based on the approved layout. Proceeding with excavation and earthing activities as conditions permit.

Regarding transportation and installation of penstock pipes:

- Verify the pipeline profile layout and pipe diameters as per chainage.
- Record the cooling weather conditions at the intake area.
- Conduct a detailed survey of the pipeline route from the powerhouse to facilitate execution.

The bank-to-bank process for disbursement to electro-mechanical (EM) equipment is ongoing, with Mr. Manish Acharya currently in Greece. Coordination of timelines among the EM, civil, and



hydro-mechanical (HM) contractors was emphasized to ensure synchronized project execution. As per the EM schedule, a final integrated plan will be prepared by combining the Civil and HM works. The HM contractor is scheduled to mobilize their team from October 29. It is recommended to extend the contract of T&D contractor and allow work to continue under favorable conditions.

EHS (Environment, Health & Safety):

- Labor health and safety for construction workers, including the proper use of personal protective equipment (PPE) and safe handling of construction materials is a top priority on-site. A well-organized camp setup and material storage area will be established in coordination with the Civil and HM contractors.
- Environmental construction activities will be implemented in compliance with the Environmental Impact Assessment (EIA) and Environmental and Social Impact Assessment (ESIA) guidelines, including training sessions, awareness programs, and workshops. All activities will be carried out within the budget allocated in the EIA report.

b. Monthly Staff Meeting – Amadablam Mini Hydro Ltd. (October 28, 2025)

The monthly staff meeting was held at the office to review overall progress and discuss upcoming plans. Departmental updates were shared, including HR (attendance, leave, and staff records), technical and operations (plant performance and maintenance), finance (salary and expenditure updates), and administration (office management and shareholders file maintenance). The meeting focused on achievements, challenges, and necessary improvements. Team members actively participated, sharing ideas to enhance efficiency and coordination and commitment to continued progress.

2.2 Summary of Completed and Ongoing Tasks

The civil construction works at the AMHL project have advanced notably, with RCC works coming to an end at gravel trap and desanding structures. Excavation works of 12 anchor blocks have been completed. With transportation logistics being actively managed and joint planning underway, the project remains on track to achieve its next set of milestones.



2.2.1 Civil Works

Due to heavy snowfall on October 2 and 27, ongoing works at the intake site and penstock were halted. The civil contractor, CRC Nepal – D.L. Structure & Builders JV, however, has pre-stocked materials to ensure efficient execution of site works and is maintaining continuous coordination with the hydro-mechanical and electro-mechanical contractors to align all interrelated activities.

a. Headworks Construction and Material Mobilization

Construction activities at the headworks area have been halted due to snowfall. However, the transportation and collection of essential construction materials—including reinforcement bars, plywood for formwork, gabion boxes, stone, aggregate, and sand—are being stockpiled on-site in anticipation of the upcoming construction phase to minimize logistical delays.

b. Intake and Gravel Trap

The rising water level in the river, caused by continuous rainfall, has hindered the excavation of the cutoff wall for the intake and under sluice. RCC works in the gravel trap base have been completed.

c. Desanding Basin cum Forebay

RCC works for three panels of the desanding basin have been completed. The final lift of the desander inlet remains pending, while the base slab of the desander flushing section has been completed. Masonry works for both the spillway canal and the desander flushing canal have also been completed.

d. Headrace Pipe, Bellmouth at Penstock Inlet, Flushing Gates, Embedded parts for Trash rack Coordination and Planning

A 5-meter section of the headrace pipe has been delivered to the site, and 1.2 meters of the pipe has been installed at the end of the desander basin inlet. Fabrication of the bell mouth has been completed and is currently in the process of being delivered to the site. Transportation of the flushing gates is planned once weather conditions become favorable. The embedded parts for the trash racks are also in the process of being delivered.

e. Penstock Pipe Alignment and Excavation

Excavation works for the penstock alignment have commenced in coordination with the Hydro-Mechanical (HM) contractor. The works are being executed along a total stretch of approximately 500 meters. The excavation scope includes preparation for 12 anchor blocks along the penstock alignment layout.



During the excavation, several challenges have been encountered due to rainy conditions:

- Excavated portions have been repeatedly filled by slides, requiring re-excavation and additional clearing efforts.
- Landslide-prone sections along the alignment have been identified, where construction of protection walls will be necessary to stabilize the slope and safeguard ongoing works.

Despite these challenges, works are progressing in phased coordination with the HM contractor to ensure proper sequencing for the installation of penstock components.

f. Powerhouse Construction

Due to snowfall and continuous rainfall, manpower mobilization has become challenging, resulting in delays in commencing the powerhouse excavation as previously scheduled. As part of the preparatory activities, the camp setup is ongoing, collection of construction materials is planned, and separate manpower has been allocated for execution. Furthermore, an earth resistivity test for the powerhouse earthing mat design is concluded and design is in the process.

2.2.2 Hydro-Mechanical Works

The Hydro-Mechanical (HM) contractor has completed the fabrication works of the headrace pipe, bell mouth, and expansion joints. A factory inspection of these components was conducted on 29th October 2025 in the presence of the Amadablam Mini Hydro Limited (AMHL) team, comprising the Mechanical Engineer and Civil Engineer, along with representatives from the HM contractor. The fabricated components have been verified and are now ready for transportation to the project site.

The transportation of the penstock pipes was initially scheduled for 28th October 2025. However, due to unfavorable weather conditions, the mobilization has been temporarily suspended and will resume once the weather improves. AMHL is closely coordinating with the HM contractor to ensure timely and joint mobilization to the project site once conditions permit.

In parallel, the civil contractor has been instructed to mobilize the required workforce to the project site at the earliest possible time to ensure alignment of site activities with the delivery and installation schedule of the hydro-mechanical components.



2.2.3 Electro-Mechanical Works

As of today, the first advance payment has not yet been released to the Contractor, despite the Letter of Credit (LC) having been opened in early July 2025. Although the Advance Payment Guarantee has already been issued by State Bank of India (SBI), there have been some procedural issues delaying the fund transfer. The payment process is currently pending the payment request letter from the beneficiary bank in Germany to Siddhartha Bank in Nepal. The Electro-Mechanical (EM) Contractor has assured that the necessary request has been made and that the payment request letter will be sent to Siddhartha Bank by the first week of November 2025.

On 26th September 2025, a virtual discussion was held with Poseidon S.A. to review the current progress and status of the electro-mechanical components. During the discussion, several key technical and coordination matters were reviewed and decisions taken accordingly. Poseidon confirmed that the generator weight has been verified at 2,050 kg, and efforts are ongoing to reduce the weight to meet the helicopter transportation limits. In the event that the generator exceeds the allowable lifting capacity, certain components will be disassembled and reassembled at the project site to ensure safe transport and installation. Poseidon also committed to providing the earthing layout and riser positioning drawings at the earliest to facilitate smooth coordination with civil and electrical works. The generator fabrication is currently in progress and is expected to be completed by mid-January 2026, while the turbine manufacturing is ongoing with runner components being outsourced to a specialized manufacturer. The PLC/VC panels and switchgear have been ordered, and their manufacturing is scheduled to begin in January 2026. The vibration levels of the electro-mechanical equipment have been confirmed to be within design limits and can be effectively controlled through proper anchorage and foundation works during installation.

The Factory Acceptance Test (FAT) is planned to be conducted at Poseidon's facility by the end of December 2025 or early January 2026, depending on fabrication progress and readiness of the equipment. Regarding the shipping and delivery schedule, Poseidon plans to dispatch all electro-mechanical equipment by mid-February 2026 from the designated port in Greece, with the shipment expected to arrive at the Nepal Dry Port by the end of April 2026. AMHL has advised Poseidon to ensure that transportation to the project site is completed by the end of April 2026, considering the onset of the monsoon season and potential government-imposed restrictions on heavy cargo movement during that period. This timeline will help avoid weather-related delays and ensure the timely installation and commissioning of the electro-mechanical systems at the project site.



2.2.4 Transmission & Distribution Works

During this month, there has been a co-ordination meeting regarding the slow progress and delay of the contractor regarding the transmission and distribution works of AMHL at AEPC on 14th of October with virtual presence of Mr. Keshav Pradhanang, where the issues regarding the slow progress such as manufacturing of distribution cable, procurement of distribution transformer, unable to provide APG and other relevant documents for second advance payments, finalization of vendor for distribution boxes and accessories, and jointly finalization of HT Cable issues were addressed jointly in presence of Project Manager, contractor, and all AEPC representatives. In that meeting, the contractor was issued a strict timeline and only upon satisfactory completion of specified tasks mentioned, will there be further contract extension of the contractor.

Likewise, the joint site verification report is due to submit by 31st October to AMHL and KPLRM individually, and the report will be further forwarded to AEPC and relative parties through AMHL in further days where the variation and changes requirement provided, should be further accessed and approved by all parties.

2.2.5 Environment & Social Safeguard

This section provides an update on the progress of environmental and social safeguards implemented at the project site. Environmental, health, and safety (EHS) rules are being followed at all ESCO construction sites. Workers have been given personal protective equipment (PPE) and life insurance to keep them safe and protected. First aid boxes are maintained on-site following clear guidelines to ensure that all medicines are properly stored and are not expired. The installation of project area delineation and construction signage has been completed at the site. The project information board is installed in a visible place accessible to everyone at the construction site. Labor camps consisting of tents have been established in accordance with site conditions. Housekeeping and waste management practices are being maintained effectively to ensure a safe and clean working environment. The Occupational Health and Safety (OHS) checklist and supporting photographs are attached in **Annex 2 and Annex 3**.

Key Activities during this Month

- Review of Environmental Reports**

Reviewed the Environmental Impact Assessment (EIA) and Environmental and Social Impact Assessment (ESIA) reports to ensure that site activities are carried out in full compliance with the Environmental and Social Management Plan (ESMP).



- **Follow-up on Land-Related Documents**

Coordination with the Ministry of Forest and Environment (MOFE) was carried out regarding AMHL land-related documentation. The land documents are under the Watershed Department and are currently awaiting a Supreme Court order for further processing. We must wait for this order before proceeding. All development projects within conservation and protected areas are currently on hold. However, our project is classified as a national pride project, and amendments to the National Park and Wildlife Conservation Act 2029 are expected soon.

- **Orientation to the labor regarding occupational health and safety**

An orientation session was conducted for additional laborers on Occupational Health and Safety (OHS) practices, with a focus on prioritizing safety at the work site. The session included detailed guidance on the proper use of Personal Protective Equipment (PPE) to ensure maximum protection. Furthermore, the importance of maintaining good housekeeping practices was emphasized to keep the construction site safe, organized, and free from potential hazards.

- **Installation of Project Information Board at Construction Site**

The project information board has been installed at the construction site in a clearly visible location. It provides clear details about the project, including its duration, budget, donor, and other relevant information.

- **Waste Management at the Construction Site**

Kitchen waste is being managed properly by collecting all kitchen refuse in a designated pit, which is covered with soil daily. The pit is barricaded to prevent potential hazards. Other solid wastes are collected, segregated, and managed following the principles of waste reduction, reuse, and recycling. Collected waste will be transported to the Pangboche waste collection site for safe disposal.

- **Coordination Meeting with Pangboche Health Post**

Effective coordination with local government bodies is essential for project governance and addressing grievances during construction and implementation. Amadablam Mini Hydro Limited, Pangboche Health Post plays a key role in supporting the project by providing medical check-ups for labor and staff, as well as immediate care in case of accidents at the project site. The meeting minutes and pictures are attached in **Annex 3**.



- **Construction Site Labor Logbook Management**

In October, a total of **56 workers**, including skilled and unskilled workers, were employed at the construction site, primarily in the intake area. However, construction work at the site is currently pending due to heavy snowfall. Labor details are provided in **Annex 4**.

- **Construction Site Emergency Contact Number Update**

Emergency contact numbers have been updated on the information boards at the construction site and nearby villages to ensure prompt rescue in case of any emergency or injury. However, phone network coverage is unavailable on-site but can be accessed about 10 minutes from the construction area.

- **Installation and Enforcement of Code of Conduct for Workers on Construction Site**

Laborers receive daily orientations on the code of conduct, which clearly outlines acceptable and prohibited behaviors on the construction site. The code of conduct has clearly displayed at the site for continuous reference. Furthermore, laborers have signed self-declaration forms acknowledging their understanding of the code, including their commitment to preventing sexual harassment and exploitation.

- **Regular Monthly and Weekly Meetings with Office Staff**

On 26th and 28th October 2025, meetings were held at the Kathmandu office to review the project's progress and plan the next steps. The team discussed delays in construction at the intake and pipeline alignment caused by recent snowfall and reviewed detailed plans to resume and complete the pending work. The meeting also included updates on Occupational Health and Safety (OHS) at the site and planning for the upcoming month and week.

- **Communication and Coordination with Contractor Team**

Coordination and communication with the contractor and contractor representative are actively maintained on-site concerning Occupational Health and Safety (OHS), site housekeeping, waste management, availability of PPE, labor insurance policies, timely installation of the project information board, and other activities related to the construction labor code of conduct.

ESS Activities for Next Month (November 2025)

- Finalization of EIA Budget Breakdown.
- Project site monitoring and supervision as per ESMP.



3. Monthly Financial Progress Report – October 2025

This report presents the financial progress of the Amadablam Mini Hydro Project for October 2025. It summarizes subsidy disbursements, loan and equity management, operational expense settlements, procurement financing, and bank guarantees that are essential for advancing the project across civil, hydro-mechanical, and electro-mechanical components.

3.1 AEPC Subsidy and Viability Gap Funding (VGF) Support

During the month of October 2025, no new subsidy inflow was received for the project. However, the pending subsidy amount of NPR 11,160,769.67 (Nepalese Rupees Eleven Million One Hundred Sixty Thousand Seven Hundred Sixty-Nine and Sixty-Seven Paisa) against the first running bill of Maa Shakti Engineering and Hydropower Pvt. Ltd. had been received earlier on 25th September 2025. The remaining balance of NPR 2,484,375.45 (Nepalese Rupees Two Million Four Hundred Eighty-Four Thousand Three Hundred Seventy-Five and Forty-Five Paisa) is still under process at AEPC. Consequently, the cumulative subsidy received by the project remains at NPR 103,799,283.76 (Nepalese Rupees One Hundred Three Million Seven Hundred Ninety-Nine Thousand Two Hundred Eighty-Three and Seventy-Six Paisa), which continues to play a vital role in supporting the ongoing implementation and progress of the project.

3.2 Update on Electro-Mechanical Procurement – October 2025

The Letter of Credit (LC No. MT700-001ILSF250702002) opened in July 2025 for the electro-mechanical component continues to remain valid. The project is awaiting the submission of the final APG so that the advance payment can be released without further delay. The Letter of Credit (LC No. MT700-001ILSF250702002), opened in July 2025 for the electro-mechanical component, continues to remain valid. However, as of October 2025, the final Advance Payment Guarantee (APG) from Poseidon SA, Greece, has not yet been submitted, and the claim for the 10% advance payment has not been received from the foreign bank. Due to this delay, the 10% advance payment to the supplier, as stipulated in the LC terms, is still pending.

Furthermore, it is to be noted that, in connection with this payment, ESCO has already submitted a letter to AEPC titled *“Request for Facilitation of Loan Arrangement to Fund 10% Advance Payment to Electromechanical Supplier – Poseidon SA”* under Reference No. 30, dated 7th October 2025, requesting necessary facilitation for the loan arrangement to release the said advance payment without further delay.

3.3 Advance Payment Guarantee Adjustment

An Advance Payment Guarantee (APG) amounting to NPR 29,835,700.00 (Nepalese Rupees Two Crore Ninety-Eight Lakh Thirty-Five Thousand Seven Hundred Only) was submitted under APG No. 001GTAP240526001. As per the first running bill (Bill No. MS/SB-115/81-82) of Maa Shakti



Engineering & Hydropower Pvt. Ltd., the total value of works executed amounts to NPR 66,588,941.73 (Nepalese Rupees Six Crore Sixty-Five Lakh Eighty-Eight Thousand Nine Hundred Forty-One and Paisa Seventy-Three Only). Out of this, an advance adjustment of NPR 19,976,682.52 (Nepalese Rupees One Crore Ninety-Nine Lakh Seventy-Six Thousand Six Hundred Eighty-Two and Paisa Fifty-Two Only), representing 30% of the total value of the first running bill, has already been made, leaving an eligible payment of NPR 46,612,259.21 (Nepalese Rupees Four Crore Sixty-Six Lakh Twelve Thousand Two Hundred Fifty-Nine and Paisa Twenty-One Only).

Accordingly, from the total Advance Payment Guarantee of NPR 29,835,700.00, an amount of NPR 19,976,682.52 has been adjusted, leaving a revised outstanding balance of NPR 9,859,017.48 (Nepalese Rupees Ninety-Eight Lakh Fifty-Nine Thousand Seventeen and Paisa Forty-Eight Only). It is to be noted that this Advance Payment Guarantee adjustment was made by Siddhartha Bank Limited on 23rd September 2025, resulting in the revised outstanding balance mentioned above.

3.4 Operational Advances – Lot-wise Summary

Initially, the Alternative Energy Promotion Centre (AEPC) disbursed NPR 5,000,000.00 (Nepalese Rupees Five Million Only) to Amadablam Mini Hydro Limited (ESCO) as the first operational payment on 14th July 2024 (Ref. No. 2080-81/55 dated 14th July 2024).

Subsequently, after adjusting the unutilized balance from the first lot, the second lot of operational advance amounting to NPR 2,391,689.80 (Nepalese Rupees Two Million Three Hundred Ninety-One Thousand Six Hundred Eighty-Nine and Paisa Eighty Only) was received on 3rd July 2025 (Ref. No. 2081-82/150 dated 29th June 2025). In total, NPR 7,391,689.80 (Nepalese Rupees Seven Million Three Hundred Ninety-One Thousand Six Hundred Eighty-Nine and Paisa Eighty Only) had been disbursed up to that point to meet operational expenses for the construction of the Amadablam Mini Hydro Subproject.

Additionally, Amadablam Mini Hydro Limited (ESCO) received the third lot of operational payment amounting to NPR 2,590,945.58 (Nepalese Rupees Two Million Five Hundred Ninety Thousand Nine Hundred Forty-Five and Paisa Fifty-Eight Only) on 16th September 2025, as per the letter submitted to AEPC dated 28th July 2025 (Ref. No. 2082-83/01). To date, the total operational advance received by ESCO is summarized below:

Lot No.	Date of Request	Reference No.	Date of Receipt	Amount Received (NPR)
1st Lot	14th July 2024	2080-81/55	14th July 2024	5,000,000.00
2nd Lot	29th June 2025	2081-82/150	3rd July 2025	2,391,689.80
3rd Lot	28th July 2025	2082-83/01	16th September 2025	2,590,945.58
Total				9,982,635.38



3.5 Operational Expense –Settlement of Operational Advance

The operational advances received from the Alternative Energy Promotion Centre (AEPC) were utilized for key operational and administrative activities of the Amadablam Mini Hydro Subproject. The total expenditure claimed for utilization amounts to NPR 5,332,860.87 (Nepalese Rupees Five Million Three Hundred Thirty-Two Thousand Eight Hundred Sixty and Paisa Eighty-Seven Only). Out of this, NPR 2,391,689.80 (Nepalese Rupees Two Million Three Hundred Ninety-One Thousand Six Hundred Eighty-Nine and Paisa Eighty Only) was claimed and approved under the first lot, while NPR 2,941,171.07 (Nepalese Rupees Two Million Nine Hundred Forty-One Thousand One Hundred Seventy-One and Paisa Seven Only) was claimed under the second lot.

The advances were primarily utilized under major expenditure categories such as Advertisement, Project Staff Salaries, Head Works Materials, Transportation, Laptop Purchase, Printing, Meeting Expenses, Consultant Fees, and Travel & Allowance. All expenditures were made in accordance with the approved cost heads and supported by necessary bills, vouchers, and other relevant documents to ensure transparency and compliance with AEPC's financial guidelines.

The detailed expenses have been submitted for settlement, ensuring smooth continuation of project activities as follows:

Category	Total Claimed (NPR)	Claimed and Approved in 1st Lot (NPR)	Claimed in 2nd Lot (NPR)
Advertisement	2,96,466.80	2,17,366.80	79,100.00
Project Staff Salaries	32,22,245.9 8	5,90,000.00	26,32,245.98
Head Works Materials	9,07,390.00	9,07,390.00	–
Transportation Cost	5,78,627.00	5,78,627.00	–
Laptop Purchase	81,134.00	81,134.00	–
Printing Expenses	10,122.00	10,122.00	–
Meeting Expenses	7,050.00	7,050.00	–
Consultants	1,69,117.65	–	1,69,117.65
Travel & Allowance	60,707.44	–	60,707.44
Total	53,32,860.8 7	23,91,689.80	29,41,171.07

3.6 Equity Contributions

During October 2025, an additional equity contribution of NPR 500,000.00 (Nepalese Rupees Five Lakh Only) was made by ESCO. Prior to this addition, ESCO's total equity contribution stood at NPR 44,330,000.00 (Nepalese Rupees Forty-Four Million Three Hundred Thirty Thousand Only), while Khumbu Pasanglhamu Rural Municipality's contribution to the project remained at NPR 4,000,000.00 (Nepalese Rupees Four Million Only). Accordingly, the cumulative equity contribution to the project up to October 2025 has increased to NPR 44,830,000.00 (Nepalese Rupees Forty-Four Million Eight Hundred Thirty Thousand Only).

3.7 Summary of financial status

The month of October 2025 marked a phase of steady and measurable progress for the Amadablam Mini Hydro Project, with notable advancements in financial management, operational execution, and fund utilization. Even though no new subsidy was received during the month, the project continued to move forward through the effective deployment of previously disbursed subsidies, operational advances, and equity contributions. The project team maintained rigorous compliance with AEPC's guidelines, ensuring transparency and accountability in all financial transactions. Progress on the electro-mechanical procurement is being closely monitored, with ongoing coordination to facilitate the timely release of the 10% advance payment to the supplier. The successful adjustment of the Advance Payment Guarantee and judicious utilization of operational advances further highlight the project's commitment to sound financial management and efficient execution. Additionally, continued equity support from ESCO underscores strong institutional backing and ownership commitment. Overall, the financial and operational achievements in October 2025 have reinforced the project's foundation, positioning it well for upcoming milestones while contributing meaningfully to Nepal's renewable energy development objectives.

4. Quality Assurance and Quality Control

AMHL has strongly instructed the civil contractor to test the construction materials and concrete during construction and shall be monitored by the technical team. The civil contractor has conducted the 28-day cube strength test for the intake structures and submitted the report on 28th of October 2025.

5. Social Media Outreach and Engagement Statistics

Since August 2025, Amadablam Mini Hydro Limited has been actively utilizing its official social media platforms to strengthen project visibility and enhance stakeholder engagement. The dedicated accounts on Facebook, Instagram, and LinkedIn continue to share regular updates highlighting project milestones, community benefits, and awareness on renewable energy development.



5.1 Recent Activities and Announcements

Project Progress Updates:

- Transformer location has been finalized.
- Distribution boxes have been installed.
- Transmission line routes and cable lengths have been verified.

5.2 Agreements and Approvals

During this reporting period, previously completed agreements and approvals were shared through official social media platforms to keep stakeholders informed and maintain transparency regarding project milestones.

The post highlighted that:

- The agreements are with Alternative Energy Promotion Centre (AEPC), Siddhartha Bank Limited and Khumbu Pasang Lhamu Rural Municipality.
- The Environmental Impact Assessment (EIA) for the Amadablam Mini Hydro Project has been approved by the Government of Nepal.

Amadablam Mini Hydro Sub-Project Contractors are:

- Civil Works: CRC Nepal-D.L. Structure & Builders J.V
- Hydro-Mechanical Works: Maa Shakti Engineering and Hydropower Pvt. Ltd.
- Electro-Mechanical Works: Poiseidon S.A., Greece
- Transmission & Distribution Works: Koju Engineering & Builders Pvt. Ltd

5.3 Construction Progress

Construction work at the intake section is progressing steadily, with excavation of 12 anchor blocks successfully completed. However, due to recent snowfall at the project site, activities at the intake and pipeline sections have been temporarily halted. Work will resume as soon as weather conditions improve and the snow has melted. Preparations for the powerhouse construction are actively underway, and work is expected to commence promptly once conditions are favorable.

5.4 Current Status of Social Media Platforms

The company's social media platforms have remained active and demonstrated positive engagement growth. On Facebook, the page continues to perform well with a total of 217 followers. The platform recorded 8 shares, 39 reactions, and 4,160 views this month.

The Instagram profile also remains active, currently having 21 followers. This month, the page received 10 likes and 227 views, although there were no shares. This indicates that Instagram is currently less utilized by the audience.



SDM

On LinkedIn, the company page has shown steady growth with 45 followers, reflecting an increase from the previous count. The page received 40 reactions and 5 reposts this month, indicating a rise in professional engagement and growing interest in the company's activities and updates.

6. Risks and Mitigation Measures

6.1 Technical Risks

The Amadablam Mini Hydro Subproject is experiencing a combination of technical, logistical, and contractual challenges that require close attention. Adverse weather conditions have already contributed to delays, affecting site access and transportation, particularly for helicopter-based deliveries. Civil works are progressing more slowly than anticipated due to limited manpower, and excavation at the intake and under sluice is not feasible this season. On the electro-mechanical side, delays in submitting the Advance Payment Guarantee and powerhouse design drawings are affecting the timely sequencing of civil works. Transmission and distribution activities also carry risks due to pending FAT of cables, vendor approvals, and possible scope variations. Strengthened coordination, timely approvals, and proactive planning will be essential to mitigate these risks and maintain project momentum.

6.2 Financial Risks and Mitigation Measures

a. Financing, Interest Rate, and Cost Overrun Risk

Risk:

The Amadablam Mini Hydro Project faces potential risks from fluctuating interest rates, delayed subsidy or equity inflows, and cost overruns in civil, hydro-mechanical, and electro-mechanical components. For instance, pending subsidy processing and delays in advance payments to the electro-mechanical supplier could impact cash flow and timely payments to contractors.

Mitigation Measures:

- Maintain contingency funds to cover unexpected cost escalations.
- Utilize fixed-price contracts where feasible to limit exposure to cost variations.
- Conduct regular financial audits and closely monitor operational and project expenses to ensure adherence to the approved budget.
- Follow up promptly on subsidy releases and equity contributions to maintain uninterrupted project funding.



b. Contractor Non-Compliance Risk

Risk:

Delays in submission of required documents (such as Advance Payment Guarantees), slow project execution, or non-compliance with contractual obligations can lead to increased financing charges, penalties, lost revenue, and reputational impact. Delays in the submission of guarantees from contractors could affect procurement and construction schedules.

Mitigation Measures:

- Closely monitor contractor performance against contractual timelines, ensuring systematic tracking of advance payments and project milestones.
- Follow up promptly on required guarantees, approvals, and compliance documentation to avoid delays.
- Implement penalty clauses and progress-linked payments to incentivize timely completion.
- Maintain clear communication with lenders, AEPC, and regulatory authorities to manage any arising financial implications and support smooth project execution.

6.3 Physical, Biological, Environmental and Social Impact/ Risk

The subproject area is located in the northeastern mountain region of Nepal. The subproject area geologically lies on the Higher Himalayan Crystalline Zone in the eastern part of Nepal. The subproject area possesses the high-grade metamorphic rocks. The subproject area has gneisses, schists and marbles of the Higher Himalayan Zone and Tethyan sediments (limestone, shale, sandstone etc. belonging to the Tibetan-Tethys Zone. Most of the area is exposed bedrock with thin colluvial soil cover. The colluvial soil comprises boulders, gravels, cobble and pebbles of gneiss with sand. The subproject area lies in subalpine to alpine climatic zone. The average annual rainfall is 1524 mm. January is the coldest month and July is the warmest month of the subproject area. The minimum temperature of the Pangboche area goes down below 0°C about 7 months of the year. The weir will be in the river while penstock pipe lies in grassland. The powerhouse will be constructed in grassland. Transmission and distribution lines pass through tourist trekking routes.



6.3.1 Adverse Impacts

a. Physical Environment

Change in land use, topography, soil erosion, sedimentation in river water, spoil generation, impact on hydrology and river morphology and loss of topsoil are major adverse impacts on the physical environment during construction.

b. Biological Impacts

A total of 5.719 ha land of SNP has been required to construct various subproject components. Pressure on forest for fuelwood, impact on wildlife movement, aquatic flora and fauna, NTFPs, forest fire, wildlife hunting and poaching and increase in human wildlife conflict are identified as adverse impacts during construction.

c. Socio-economic and Cultural Impacts

Pressure on existing facilities, services and resources of subproject area, health and sanitation and public safety, occupational health and safety, socio-cultural conflicts between locals and migrant workforce, gender-based violence, issues related to disturbances to community and child labour issues are the identified potential impacts during construction.

d. SNP and Outstanding Universal Value (OUV)

The proposed subproject is located in the SNP and might have an impact on scenic beauty. There has been negligible impact on local social and cultural integrity as locals are already exposed to diverse groups of people since the last 75 years.

6.3.2 Mitigation Measures

a. Physical Environment

Land clearance has been minimized to the extent possible to prevent erosion and landslides. Excavated materials have been used for land reclamation and rehabilitation. Trenches, quarry sites, and disposal sites have been rehabilitated immediately. Spoils have been stored in designated areas (27°50'56.52" N, 86°49'6.15" E & 27°51'12.98" N, 86°49'49.21" E). People will be made aware about the early warning system and emergency preparedness plan through an awareness program.

b. Biological Environment

Unnecessary visits and smoking in the forest area have been prohibited for subproject staff and construction workers to reduce the possible risk of forest fire, hunting, and poaching. Due to intense cold climate A minimum environmental flow of 50% of the mean monthly flow will be



maintained during operation. Due to very cold climate in 3.5 Km long dewater area, fish cannot be found and the water flow is also sub-surface in many places, it does not seem to affect the biological environment. In addition, water flow from 50% release will be abundant to sustain the life of animals and plants if any in the area. All the workers and subproject staff have been provided with LPG for cooking to reduce pressure on the forest. The subproject requires 5.719 ha of land and the land comes under the jurisdiction of Sagarmatha National Park. The subproject will provide replacement of land and a total of 9150 seedlings will be planted at the rate of 1600 per ha and nurtured for next five years. All these activities will be done in accordance with the Procedures for Construction of Infrastructure in Protected Areas 2080. Community people, school children and subproject workers will be sensitized on conservation of environment, biodiversity and wildlife.

c. Socio-economic and Cultural Environment

All the workers and staff have been provided with workplace insurance and PPEs. To reduce conflict between workers and locals, the code of conduct including SEA/SH has been strictly implemented. All staff and construction workers have been oriented about GBV, including SEA/SH, and the social and legal consequences faced for involvement in any form of GBV. A separate SEA/SH code of conduct has been implemented to avoid the risk of gender-based violence, sexual exploitation and abuse, and sexual harassment. Trenches especially made for underground T&D lines will be reclaimed immediately to avoid accidents.

The subproject has been actively implementing the mitigation measures outlined in the EIA and ESIA reports to minimize negative impacts during the construction phases. The subproject has responsibility to mitigate the negative impacts on the physical, chemical, biological, social, economic, and cultural sectors at the local level during construction and operation phases. The EMP/ESMP has defined the roles and responsibilities of various institutions to address issues including spoil management, pollution control, occupational health and sanitation, public safety, integrity of OUV of SNP, clear budgets, timelines and emergency preparedness provisions.

7. Challenges and Recommendation

Transportation restrictions have impacted construction timelines, mobility and transport of heavy machinery and materials to the project areas. Postponement of supply and timely delivery of equipment as per the contract has obviously halted the project development. A prompt mechanism is suggested to deploy from the center to overcome the delay. The unexpected snowfall during October has adversely affected the activities at site.



8. Next Steps

8.1 Factory Visit of EM contractor by the Board Members

Upon invitation from the EM contractor, the board has decided and suggested two board members to plan for the factory visit of the Poseidon SA in Greece. AMHL is working on finalizing the tasks to be carried out during the stay and checklist being prepared for the visit. The visa processing work shall be finalized by the end of November.

8.2 Procurement of remaining accessories

The board has decided to form a committee for purchasing of remaining accessories wherein the committee prepares the report, the management will check and send AEPC for approval processes. These tasks would be finalized by mid-November.

8.3 Preparatory meeting between AMHL and stakeholders

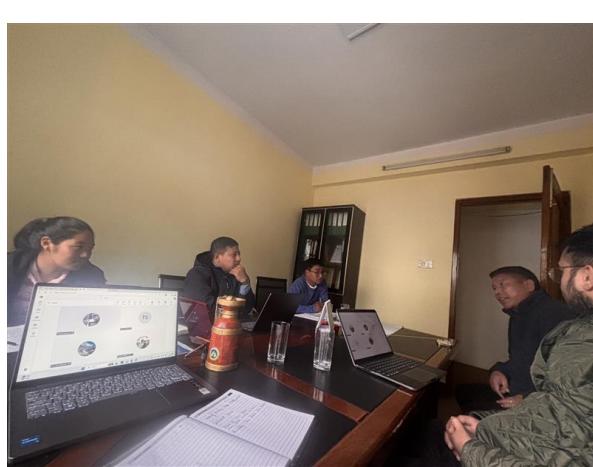
The management and the board of AMHL has sought a meeting with all the stakeholders to discuss the status of the project and the way forward. There are also some agendas which need to be discussed that arise during the course of project implementation. The meeting is proposed in the last week of November 2025.



9. Appendices

ANNEX 1: Photographs about activities

Intake site	
Intake site after snowfall on October 4	Desander basin after the snow melts



Monthly Staff Meeting – Amadablam Mini Hydro Ltd. (October 28, 2025)



Latest pictures of turbine accessories, Greece



Factory Inspection of HM equipment





ANNEX 2: Environment health and safety status at project site

S.N.	Activities	Implementation Status	Remarks/Details
1.	Occupational Health and Safety (OHS) Measures		
1.1	Set of PPE available at Subproject	Yes	
1.2	PPE Provided to workers	Yes	
1.3	Helmet, Gloves, Jackets, Harness and Boots	Yes	
1.4	First Box with sufficient medicines at site	Yes	
2.	Human Resources at Subproject		
2.1	Project Manager	Yes	Active supervision and frequent field visit as required
2.2	Environmental and Social Safeguard Staff	Yes	Available at project site
2.3	Civil Engineer	Yes	Available at project site
2.4	Electrical Engineer	Yes	Available at project site
2.5	Mechanical Engineer	Yes	Available at project site



2.6	Workers /Labour	Yes	Available at project site
2.7	Insurance of Workers	Yes	Group Insurance
3.	Information Board and Suggestion Box		
3.1	Information Board of Subproject	Yes	
3.2	Suggestion Box	Yes	The record file is kept at the construction site.
4.	Community Consultation		
4.1	Number of Consultation Conducted	2	GRC1 Reformulation and Coordination Meeting with Pangboche Health Post
4.2	Number of People Participated in Consultation	22 and 9 (31)	Twenty-two people participated in the GRC1 reformulation meeting and nine people attended the meeting with Pangboche Health Post.
5.	Grievance Redress Mechanism		
5.1	Grievance Redress Committee Formed	Yes	GRC1 reformulation with nine committee members
5.2	Name of designated Grievance/ SEA/SH Handing Focal Person	Kalpana Dangol	ESS Officer



5.3	Grievance Registration Book	Yes	The record file is kept at the construction site.
5.4	Record of Grievance Received (If any)	NA	
6.	Placement of Signage		
6.1	Signage at Subproject Site	Yes	
6.2	Suggestion Box	Yes	The record file is kept at the construction site.
7.	Waste Management/Material Storage		
7.1	Waste Disposable Designated Area	Yes	Kitchen waste is being managed properly by collecting all kitchen refuse in a designated pit, which is covered with soil daily. The pit is barricaded to prevent potential hazards. Other solid wastes are collected, segregated, and managed following the principles of waste reduction, reuse, and recycling. Collected waste will be transported to the Pangboche waste collection site for safe disposal.
7.2	Material Storage Designated Area	Yes	Intake and Powerhouse



SM
Malaya

Annex 3: Photographs of Occupational Health and Safety (OHS) Measures and other activities



Figure: Opening of the program with the ceremonial lighting of the lamp and the respectful offering of the Khada scarf (GRC1 Reformulation Program)



Figure: Orientation provided to participants regarding the GRC 1



Figure: Newly elected member of the GRC 1



Figure: Group photo of all participants

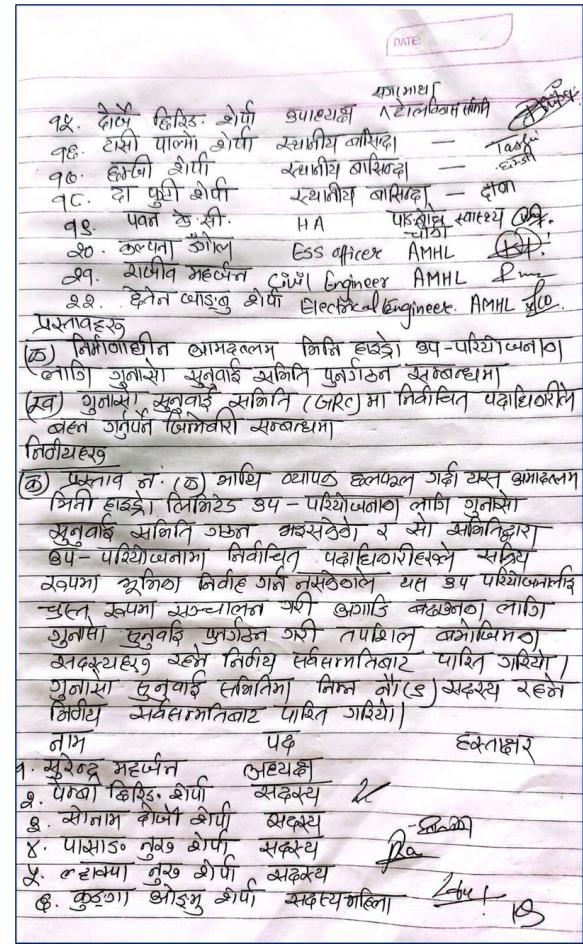
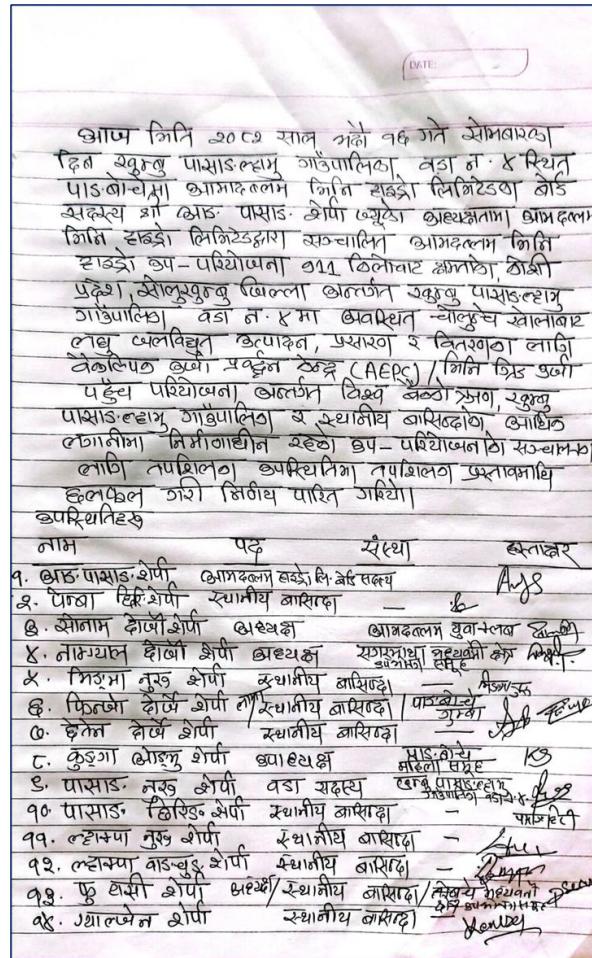


Figure: Meeting Minutes of GRC 1 Reformulation

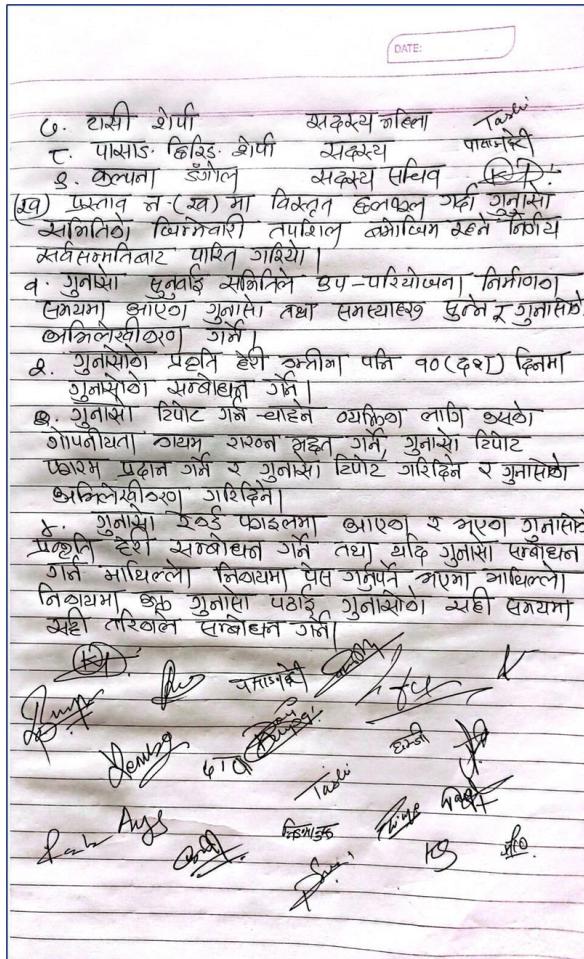


Figure: Meeting Minutes of GRC 1 Reformulation



Figure: Meeting with the Pangboche Health Post team



Figure: Pangboche Health Post (Upper Pangboche)

DATE: _____

ज्ञान निति २०८२ साल अंडे १० जून गोंगलबारको
द्वारा रुद्रांग पासांड-लहानु गाड्डालिङा वडा नं. ४ रिव्यत
पाड्बोलामा ज्ञामद्वालम निति द्वारा लिङ्गेटका लोड
सदस्य श्री आड-पासांड कोर्पा रुद्रांग अव्यक्तामा आमद्वालम
निति द्वारा लिङ्गेटका रुद्रांग अव्यक्तामा आमद्वालम निति
द्वारा रुप-परियोजना ७११ क्या (डिलोवाट) क्षेत्रों
कोडी प्रदेश सेलुलर बिल्ला अलग्नन रुद्रांग पासांड-
लहानु गाड्डालिङा वडा नं. ४ मा अव्यक्त चालन्च
चोलागाट लघु ब्लैन्डिंग उत्पादन प्रसारण र वितरण
लागि वैकल्पिक छाप प्रैन्टिंग केन्द्र (AERC) निति
किंवद्दन एक्स्प्रेस परियोजना अलग्नन विश्व बोकला
स्टेट, रुद्रांग पासांड-लहानु गाड्डालिङा र चालन्च
लासिका ब्लैन्डिंग आधिक लगातार नितीनाथीन
रहेको रुप-परियोजनाको अव्यक्तालिङ्ग लागि तपशिलग
अपरियोजना तपशिलग प्रस्तावमाथि क्लिफल जरीनिर्णय
पारित गरियो।

अपरिचितहरू

१. आड-पासांड कोर्पा लोड सदस्य AMHL Aug
२. दाव उद्योग कोर्पा वडा सचिव रुद्रांग पासांड-लहानु गाड्डालिङा
३. पन के.सी. HA पाड्बोलामा Pawan K.C.
४. पुर्णकुमारी मारु अ.न.मी. पाड्बोलामा
५. दाल्दम बामाड. लायल सहेली पाड्बोलामा
६. ठेपुनी डोले ESS officer AMHL
७. शाखिव ग्राहर्जन Civil Engineer AMHL
८. इलेक्ट्रिकल इंजीनीर Electrical En. AMHL
९. फुट रासी कोर्पा लोड सदस्य पाड्बोलामा

प्रस्ताव र निर्णयहरू

१. ज्ञामद्वालम निति द्वारा लिङ्गेटका रुद्रांग पासांड-लहानु
गाड्डालिङा वडा नं. ४ मा रियत चालन्च चोलागाट
लघु ब्लैन्डिंग उत्पादन प्रसारण र वितरण लागि
आमद्वालम निति द्वारा रुप-परियोजना सम्बालन्ना।

Aug 8

Scanned with CamScanner

DATE: _____

रहेको ज्ञान निति सालबाटा क्लिफल जरी रुप-
परियोजना पाड्बोलामा अव्यक्त चालन्च चोकलेह
बोकलरी गरियो।

१. उप-परियोजनाको निमित्त अवधिअरमा यस उप-
परियोजनामा राष्ट्रिय क्लिफल तथा क्लिफल इकाई
क्लिफल रिक्षा गाने र आरम्भित इकाई
अप्रमा पाड्बोलामा अव्यक्त चालन्च चोकलेह
क्लिफल जरी अव्यक्त गाने सालबाटा
क्लिफल गरी पाड्बोलामा अव्यक्त चालन्च चोकलेह
प्रवाह कुन आवश्यक रेखा लिने निर्णय सर-
सम्मिलित पारित गरियो।

Aug 8

Pawan K.C.
Health Post Incharge

Figure: Meeting Minutes with Pangboche Health Post



Figure: Information about AMHL was provided to the Gumba Lama visiting Mingbo Village for worship.



Figure: The AMHL project's emergency and suggestion numbers with contact details of responsible personnel are displayed on the information board.



Figure: The newly formed GRC 1 team visited the project site.



Figure: The newly formed GRC 1 team visited the project site.

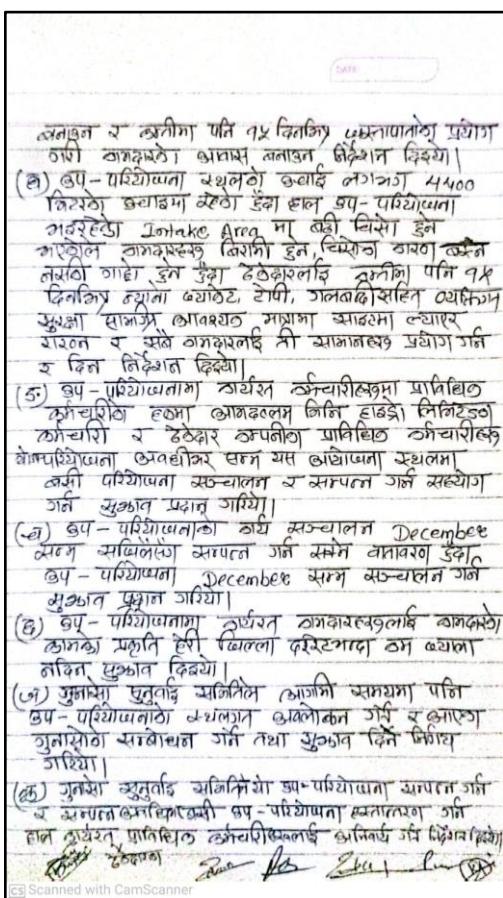
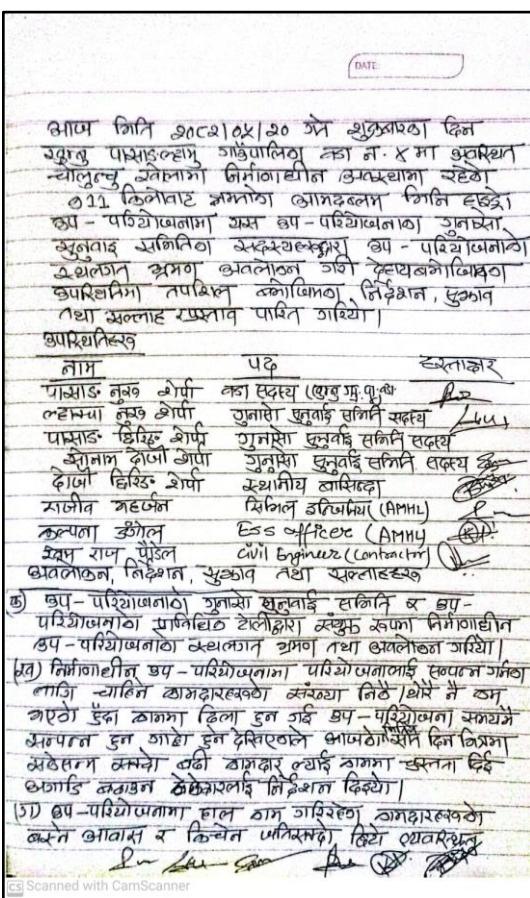


Figure: Meeting minutes of the GRC 1 team's project site visit.



Figure: Labor are working at construction site



Figure: Existing Construction Signages

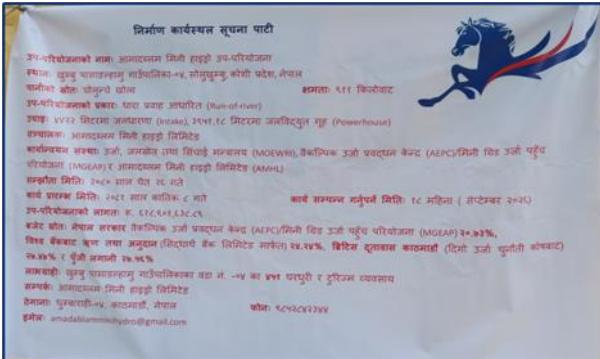


Figure: Project information board at construction site



Figure: Portable water near the labor camp



Figure: Demarcation of Project Area

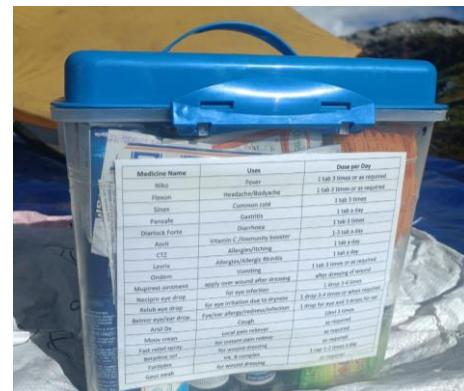
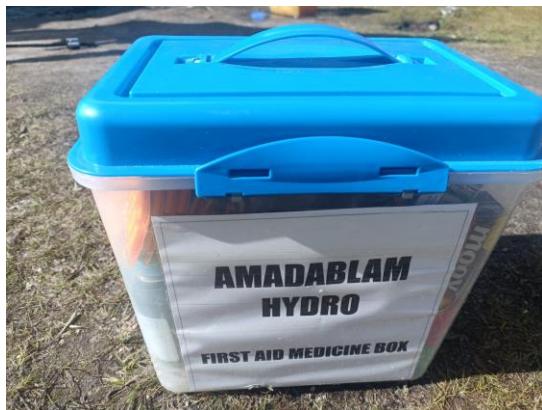


Figure: First aid box at construction site



Figure: Toilet near the labor camp

Annex 4: Labor Data (October 2025)

<https://docs.google.com/spreadsheets/d/1PueHjWV0iXO5ijHT1NDS3SQikEPAIIh5g1h6g07HMtg/edit?usp=sharing>

