

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)

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January 2026



Monthly Progress Report of January 2026

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: : 29th March 2024

ESCO and Partner Bank:

Syndicated Credit Facilities Agreement : 7th January 2024

Supplementary Credit Facilities Agreement : 22th April 2025



1.2.2 Procurement

As a continuation from the previous month's report, all procurement activities are currently in progress. The earthing mat design has been completed and we are reviewing the report submitted by the consultant before procurement. Procurement processes for the remaining items are ongoing and are progressing as planned.

1.3 Key Challenges Encountered and Solutions Implemented

Due to cold weather, work at the site is halted. T&D contractors have shown some reluctance in work progress due to financial issues. The EM contractor has proposed the Factory Assessment Test in the second week of February, so shipping of EM components to port shall subsequently be delayed and transportation to site will be unlikely before the trekking season starts.

2. Work Progress Overview

The civil contractor has been transporting the Non-local construction materials during this month. So far, the T&D contractor has shown some progress and is preparing to transport the tested LT cables and conductors to site. The HM contractor is preparing for EDF of expansion joints and shall transport them to site. The bends have been prepared at the roadhead as well. The EM contractor has significantly progressed the fabrication work and planned for FAT in mid-February.

2.1 Activities

2.1.1 Human Resource Management

During the month of January, the Human Resource Department successfully carried out its regular operational activities with a strong focus on staff coordination, record management, contractor detail updates, and stakeholder communication. By the mid of January, the board of AMHL had decided to terminate the contract of Civil Engineer, Mechanical Engineer and HR Manager citing the financial issues. The management is planning to resolve the vacant position soon.

2.1.2 Meetings and Events

A. Stakeholders' Meeting of AMHL

On 1st January 2026, a catch up meeting between stakeholders of Amadablam Mini Hydro Limited was conducted. Representatives from MGEAP, CREF, AMHL and SBL had a discussion on



Status, Progress and Way Forward of the Amadablam Mini Hydro Subproject at the meeting hall of SBL, Hattisar from 10:30 to 12 noon.

B. Meeting on Planning and Implementation

On 5th January 2026, a planning and implementation meeting was held at the meeting hall of AEPC from 10:30 to 13:00. Representatives of AEPC/MGEAP, AMHL and contractors of Civil, Hydro-mechanical and Transmission & Distribution attended the meeting and the contractors presented the Updated Project Implementation Schedule and Disbursement Schedule.

C. Annual General Meeting

The third AGM of Amadablam Mini Hydro Limited was held on 7th January 2026 at Siddhartha Boutique Hotel, Boudha, Kathmandu. The meeting was followed by the formal program wherein the Chairperson of the Khumbu Pasanglhamu Rural Municipality highlighted about the importance of the project in the area being the Chief Guest of the event. The Chairperson of the AMHL has also visualised the existence of the project. The event was participated by more than fifty community people from the Khumbu region.

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. Penstock alignment excavation is ongoing, with approximately 700m of track opening in progress, and powerhouse excavation continuing up to a depth of 2m. With transportation of HM components being carried out, significant progress about fabrication of EM components and procurement of T&D components, the project remains on track to achieve its next set of milestones.

Work Category	Physical Progress (%)
Civil Works	20
Hydro-mechanical Works	40
Electro-mechanical Works	33
Transmission & Distribution Works	18

Weighted Average Overall Physical Progress: **27.75%**



2.2.1 Civil Works

a. Headworks Construction and Material Mobilization

Work halted due to cold weather.

b. Intake and Gravel Trap

Work halted due to cold weather.

c. Desanding Basin cum Forebay

Work halted due to cold weather.

d. Penstock Pipe Alignment and Excavation

Work halted due to cold weather.

e. Powerhouse Construction

Excavation works at the powerhouse have halted after the first week of January. The earthing mat design report has been submitted and is currently under review.

2.2.2 Hydro-Mechanical Works

A. Progress Achieved

During the reporting period, notable progress was achieved in the Hydro-Mechanical (HM) works. Of the total 604 penstock pipes, 567 pipes have been successfully airlifted to the project site, representing a substantial completion of pipe transportation activities. The remaining 37 pipes were used for bend fabrication at Surke.

As of the reporting date, 14 bends have been fabricated, and all 57 expansion joints have been delivered to Surke. The HM Contractor has planned the airlifting of all remaining pipes, fabricated bends, expansion joints, and associated HM equipment in February 2026, with the intention of ensuring continuity and timely execution of penstock installation works.

B. Recommendation

Considering that the delays encountered are primarily regulatory, climatic, and logistical in nature, and are beyond the Contractor's reasonable control, it is recommended that a reasonable Extension of time (EoT) was granted to the contractor 30th June 2026.



2.2.3 Electro-Mechanical Works

With continuous efforts from both ESCO and the EM Contractor in advancing contractual and administrative matters, ESCO successfully received the Advance Payment Guarantee (APG) and subsequently released the 10% advance payment and 20% on approval of drawing in accordance with the Contract Agreement.

Furthermore, discussions were held regarding the Factory Acceptance Test (FAT) to be conducted in Greece, tentatively scheduled for mid-February 2026. The EM Contractor has sent the invitation letter and the team is gearing up for visa application processes.

2.2.4 Transmission & Distribution Works

During the reporting month, with completion of factory testing of the low-tension (LT) cable and service cable subsequently, the process for EDF clearance and transportation of the above-mentioned cables to the nearest roadhead at Surkey, and onward to the project site, was initiated. However, due to the contractor's financial constraints, a request was made to adopt a third-party payment mechanism with Janta Cable Industries Pvt. Ltd. Accordingly, a tripartite MoU was prepared between AMHL, JCI, and the Contractor to facilitate payment and dispatch of the cables. It is expected that cable payment will be completed within the final week of this month or the first week of the next month, after which dispatch will proceed.

Similarly, on 20 January 2026, the contractor submitted a request for approval of poles and cross-arms, HT and LT joining and termination kits, earthing rods, and aerial markers. These items are currently under technical review, and the final approval letter will be issued following joint discussion and approval from all AEPC & other stakeholders.

Regarding the HT cable, the contractor has been requested to submit a revised proposal incorporating the overall variation in cost and transportation, to be covered under the project contingency and variation. The previously submitted HT cable proposal was not achievable within the available project contingency.

Upon receipt of prior approval for the above-mentioned accessories by the first week of February, the contractor will proceed with procurement activities. The upcoming month will therefore be critical, with procurement of accessories and expected dispatch, transportation of cables to the nearest roadhead and onward to the project site.



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**

The land documents were already submitted to the Ministry of Forests and Environment (MoFE). However, MoFE has declined to proceed with the documents unless they are fully aligned with the approved Environmental Impact Assessment (EIA) report. As requested by MoFE, additional documentation work is currently in progress, including coordination with MOWERI and the Department of Electricity Development (DoED). At present, the documents are in the process of being submitted to MOWERI through DoED. If all processes are completed within the stipulated timeframe, we will be able to forward the land documents within a week to the Cabinet for further approval through MoFE.

- **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. (*Note: Although construction work has stopped due to cold weather conditions.*)



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.

- **Construction Site Labor Logbook Management**

Construction activities are ongoing at the project site. Detailed labor information is 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 Staff Meetings and other Meetings**

The monthly environment, health, and safety (EHS) meeting was not held this month, as construction activities remain paused due to cold weather conditions. However, the Company's Third Annual General Meeting (AGM) was successfully held on 7 January. Following the AGM, a coordination meeting was conducted on 14 January with all respective contractors. During this meeting, key Environmental, Health and Safety (EHS) requirements, along with applicable social safeguard measures, were comprehensively discussed. The meeting emphasized compliance



obligation, risk management practices, and the responsibilities of contractors in implementing EHS standards and social safeguards during project execution.

- **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 (February 2026)

- Conduct a workshop to develop and review the Emergency Response Plan and to establish a dedicated rescue team.

(Note: Although construction work has stopped due to cold weather conditions.)

3. Monthly Financial Progress Report – January 2026

This report presents the **financial progress of the Amadablam Mini Hydro Project** for the quarter ended **January 2026**. The report focuses exclusively on **project construction–phase financial activities** and summarizes key developments relating to **subsidy disbursements, loan and equity management, settlement of project-related expenses, procurement financing, and issuance and management of bank guarantees**, all of which are critical to advancing the project’s **civil, hydro-mechanical, and electro-mechanical works**.

The total approved project budget amounting to **NPR 61,89,01,638.89** represents the **approved baseline project cost as per the Detailed Feasibility Study (DFS) and Detailed Engineering Design (DED)**.

This approved budget is treated as the **baseline cost**, and all expenditures incurred during the reporting period are **monitored, controlled, and accounted for against the respective approved cost heads**.

As of the reporting quarter, **no revision, cost escalation, or deviation** from the approved project budget has been identified or approved. All expenditures incurred are **pre-operating in nature** and have been **capitalized as Construction Work-in-Progress (CWIP)**, as the project has **not yet achieved Commercial Operation Date (COD)**.



Budget Summary		
	Particular	Amount
1	Civil Construction	13,06,10,963.74
2	Mechanical Works	18,55,29,137.21
3	Electrical, Transmission and Distribution	22,54,61,359.27
4	Sub Total (2+3)	54,16,01,460.22
5	Environmental Social Management Plan	52,77,320.03
6	Physical Contingency	3,57,64,802.15
7	Financing and Interest During Construction	2,14,89,818.95
8	Pre-Operating Expenses	1,47,68,237.54
	Total (1+4+5+6+7+8)	61,89,01,638.89

Source of Funds – Project Financing Structure

The total approved project cost of **NPR 61,89,01,638.89**, as per **DFS and DED**, is being financed through a combination of **government subsidies, Investment of RM, bank financing, and equity contributions**, as detailed below.

3.1 Source of Fund and Disbursement

SN	Source of Fund	Amount (NRs.)	Disbursed Amount (NRs.)
1	Subsidy		
1.1	Subsidy (AEPC)	12,83,07,000.00	-
1.2	VGF Support (SECF)	17,00,50,000.00	12,91,07,429.49
2	Loan from Partner Bank (SBL)	15,00,00,000.00	4,24,35,833.80
3	Equity of ESCO	9,05,44,638.89	4,90,30,000.00
4	Investment of RM	8,00,00,000.00	80,00,000.00
Total Subproject Cost (1+2+3+4)		61,89,01,638.89	22,85,73,263.29

Details of Sources of Funds

1. Financial Support

1.1 Subsidy (AEPC)

The subsidy of **NPR 12,83,07,000.00** approved by the **Alternative Energy Promotion Centre (AEPC)** is expected to be disbursed upon achievement of specified construction milestones and compliance with subsidy guidelines. No disbursement has been received as of the reporting quarter.



1.2 VGF Support (SECF)

The **Viability Gap Funding (VGF)** support amounting to **NPR 17,00,50,000.00** has been approved, out of which **NPR 12,91,07,429.49** has been received as of the reporting quarter. Remaining funds will be released upon fulfillment of subsequent milestones.

2. Loan from Partner Bank (SBL)

A term loan facility of **NPR 15,00,00,000.00** has been sanctioned by **SBL**. Loan drawdowns amounting to **NPR 4,24,35,833.80** have been made based on certified construction progress and in accordance with the loan agreement.

3. Equity Contribution – ESCO

The project sponsor, **ESCO**, has committed equity of **NPR 9,05,44,638.89**, of which **NPR 4,90,30,000.00** has been contributed as of the reporting quarter. Remaining equity will be infused as per project funding requirements.

4. Investment Contribution – RM

An investment commitment of **NPR 8,00,00,000.00** has been made by **RM** as part of the project's investor funding structure. As of the reporting month, **NPR 80,00,000.00** has been received. Further contributions will be made in line with the agreed investment schedule.

Confirmation – Source of Funds

All funds received during the reporting period have been **utilized solely for project construction activities** and are **recorded as Construction Work-in-Progress (CWIP)**. The funding structure remains **adequate, compliant, and aligned with the approved project budget and financing plan**.

3.2 Civil Works – Contract, Financial Progress, Advances & Guarantees

Civil Works Contractor Details

- **Contractor: CRC Nepal – D.L. Structure and Builders J.V.**
- **Scope of Work: Civil construction works as per approved DFS & DED**
- **Contract Signing Date: 26 September 2024**



Financial & Physical Progress

Particulars	Amount (NPR)
IPC / Milestone Payments Certified till Date	9,31,33,752.35
Remaining Contract Value	4,66,98,419.24
Physical / Financial Completion	66.60%

Payments made to date relate to **certified contractual milestones and verified work progress** and are recorded as **Construction Work-in-Progress (CWIP)**.

Advance Payment Guarantee (APG) Status

Advance payments under the HM contract were secured through an **Advance Payment Guarantee (APG)**. As per contractual recovery provisions, **10% of the APG has been released against certified IPCs**, while the remaining portion continues to secure the outstanding advance balance.

Particulars	Details
Original APG Coverage	20% of Contract Value
APG Released Against IPCs	10%
Remaining APG Coverage	10%
Remaining APG Amount	NPR 1,23,78,267.40
APG Validity	Up to 31 July 2026

The remaining APG will be released progressively in line with future IPC recoveries.

Performance Bank Guarantee (PBG)

A **Performance Bank Guarantee** has been obtained to secure contractual performance obligations.

Particulars	Details
Performance Bank Guarantee Amount	NPR 69,91,608.58
Purpose	Performance security as per contract
PBG Validity	Up to 31 July 2027

The PBG remains valid and enforceable for the duration required under the contract.



3.4 Electro-Mechanical (EM) Works – Procurement, Financial Progress

- **Supplier / Contractor: Poseidon SA, Greece**
- **Scope of Work:** Design, manufacture, supply, installation, testing, and commissioning of electro-mechanical equipment including turbine-generator units, control and protection systems, and associated auxiliaries, in accordance with the approved **Detailed Feasibility Study (DFS)** and **Detailed Engineering Design (DED)**
- **Project Phase:** Under Construction

Procurement & Letter of Credit (LC) Status

Particulars	Details
Procurement Mode	Supply through Letter of Credit (LC)
LC Number	MT700-001ILSF250702002
LC Opening Date	2 July 2025
LC Expiry Date	2 July 2026
LC Status	Valid as of January 2026

Contract Value & Advance Payment Status

The electro-mechanical contract is denominated in **United States Dollars (USD)**. Advance payments have been structured in accordance with contractual provisions and approved milestones.

Contract Value

Particulars	Amount
Total Contract Value	USD 550,903.94

Advance Payments Released

Particulars	Basis	Amount
Advance Payment – 10%	Against Bank Guarantee (BG)	USD 55,090.39 (approx.)
Advance Payment – 20%	Against Design Approval	USD 110,180.79 (approx.)
Total Advance Released	30% of Contract Value	USD 165,271.18 (approx.)

Note (for clarity):

- 10% of USD 550,903.94 = **USD 55,090.394**
- 20% of USD 550,903.94 = **USD 110,180.788**
- Figures are rounded for reporting purposes.



The **10% advance** has been released against submission of a valid **Bank Guarantee**, and the **20% advance** has been released upon **approval of the detailed design**, in line with the contract and LC terms.

Guarantee Status

Particulars	Details
Advance Payment Guarantee (APG)	Received and valid
APG Validity	Up to 12 September 2026
Purpose	Security for advance payments
Coverage	As per contractual provisions

The Advance Payment Guarantee adequately secures the advances released under the electro-mechanical contract.

All advance payments released under the electro-mechanical works component have been **recorded as Construction Work-in-Progress (CWIP)**. Subsequent payments will be made against achievement of contractual supply, delivery, installation, and testing milestones in accordance with the Letter of Credit and contract terms.

3.5 Transmission & Distribution (T&D) Works

Contractor: Koju Engineering & Builders Pvt. Ltd.

Scope: Installation of underground transmission and distribution components of Amadablam Mini Hydro Project (911 kW) at Khumbu Pasanglhamu Rural Municipality, Ward No. 4, Solukhumbu

Contract Signing Date: 1 April 2025

Cost Basis: As per approved DFS & DED

Project Status: Under Construction

Advance & Guarantee Details

Item	Details
Advance Payment	10% of contract amount
Advance Amount Released	NPR 8,798,208.00
Security	Advance Payment Guarantee (APG)
APG Validity	Up to 1 July 2026
Performance Bond (PB)	Received
PB Validity	Up to 30 June 2027



Accounting Treatment

All expenditures incurred under the T&D works, including advance payments, are **pre-operating in nature** and have been **capitalized as Construction Work-in-Progress (CWIP)**.

3.6 Operational Advances – Lot-wise Summary

The **Alternative Energy Promotion Centre (AEPC)** has provided operational advances to **Amadablam Mini Hydro Limited (ESCO)** to support operational and site-level expenses during the construction phase of the Amadablam Mini Hydro Subproject.

Operational Advance – Disbursement Details

- The **first lot** of operational advance amounting to **NPR 5,000,000.00** was disbursed on **14 July 2024** as the initial operational payment.
- After adjusting the **unutilized balance from the first lot**, the **second lot** of operational advance amounting to **NPR 2,391,689.80** was received on **3 July 2025**.
- Subsequently, the **third lot** of operational advance amounting to **NPR 2,590,945.58** was received on **16 September 2025**, following submission of the requisite request and supporting documentation to AEPC.

These advances were provided to meet **project-related operational expenses** during the construction phase.

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

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. QA/QC of distribution cables, service cables and ACSR conductors have been done. FAT of EM components have been proposed at the suppliers factory.



5. Social Media Outreach and Engagement Statistics

5.1 Overview

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.

During this month, Amadablam Mini Hydro Limited successfully published the notice of the completion of its Annual General Meeting (AGM) through its official communication channels to inform shareholders and the general public.

Following the AGM notice, the company also published detailed information regarding the electricity transmission and distribution user areas, ensuring clear understanding for local communities and electricity users.

These publications were carried out to promote transparency, enhance public awareness, and ensure effective communication with stakeholders.

5.2 Social Media Performance Summary

5.2.1 Facebook

Facebook remained the most active platform during the reporting period. Follower numbers showed a gradual increase, and posts generated regular interaction, with approximately 15 reactions and around 6 comments per post, demonstrating consistent audience engagement.

5.2.2 Instagram

The Instagram account recorded 32 followers during the month. While posts continued to receive reactions and occasional comments, the absence of shares indicates relatively lower engagement, suggesting scope for improving content strategy to enhance reach.

5.2.3 LinkedIn

LinkedIn continued to show positive progress, with a steady increase in followers. Engagement during the month included reactions and reposts, indicating growing professional interest and improved visibility of the company's initiatives.



6. Risks and Mitigation Measures

6.1 Technical Risks

The timely completion of the intake structures before the 2026 monsoon is critical, as any delay beyond this period will result in an additional one (1) year delay in the overall project schedule. There is a significant risk between anchor blocks 20 to 24 and anchor blocks 37 to 43 due to steep terrain and the presence of large boulders, which will make the execution of pipeline construction difficult.

6.2 Financial Risks and Mitigation Measures

1. Financing, Interest Rate, and Cost Overrun Risk

Risk: Potential exposure to interest rate fluctuations, delayed subsidy or equity inflows, and cost overruns across civil, HM, and EM components may impact project cash flow and timelines.

Mitigation Measures:

- Maintain contingency provisions for unforeseen cost escalations.
- Prefer fixed-price or well-defined contracts where feasible.
- Conduct regular financial reviews and expense monitoring against the approved budget.
- Ensure timely follow-up on subsidy releases and equity infusions.

2. Contractor Non-Compliance Risk

Risk: Delays in submission of guarantees, slow execution, or non-compliance with contractual requirements may lead to schedule slippages, additional financing costs, and reputational risk.

Mitigation Measures:

- Closely track contractor performance against contractual milestones.
- Enforce timely submission of guarantees and compliance documents.
- Apply progress-linked payments and contractual penalty provisions where applicable.
- Maintain proactive communication with lenders, AEPC, and regulatory authorities to manage financial and operational implications effectively.

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 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 to intense cold climate A minimum environmental flow of 50% of the mean monthly flow will be 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.

(Note: Although construction work has stopped due to cold weather conditions.)



7. Challenges and Recommendation

Due to the extreme cold weather conditions, laborers were unable to continue working at the project site, and by mid-December, most of them had left. Due to the involvement of multiple contractors, the task synchronisation has been a challenge.

8. Next Steps

8.1 Factory Visit/Factory Assessment Test of Electro-Mechanical Components

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 is going on after an invitation from the supplier.

8.2 Procurement of remaining accessories

Regarding this, the technical and financial report of the procurement of two power transformers and one station transformer is at final stage and will be forwarded to all related parties for the procedure within the first week of January. Also, the earthing mat design has been approved and the procurement of mat and other necessary accessories for Power house earthing will be commenced as per the approved design.

8.3 Review of Performance Based Agreement

As per the discussion between CREF, AEPC and AMHL, there has been the requirement of review of PBA for successful completion of the project. The preparation of necessary suggestions will be prepared by AMHL and planned for the review meeting most probably in the first week of February.



9. Appendices

ANNEX 1: Photographs



Fig1. Event at the Third AGM of Amadablam Mini Hydro Limited



Fig2. BOD meeting during AGM



Fig3. Group picture of BOD during AGM



Fig4. Participants during the event followed by AGM



Fig5. Presentation during the planning meeting with the contractors' of AMHL



Fig6. Feedback to the Implementation Plan of the Contractors'



Fig 7. Fabricated Bends at Surke



Fig 8. Expansion Joints arrived at Surke



Fig 9. Trench formation for penstock pipe alignment

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

(Note: Although construction work has stopped due to cold weather conditions.)



ANNEX 3: Photographs of Occupational Health and Safety (OHS)



Figure: Labor are working at construction site



Figure: Labor Camp at Construction Site (Powerhouse)



Figure: Existing Construction Signages

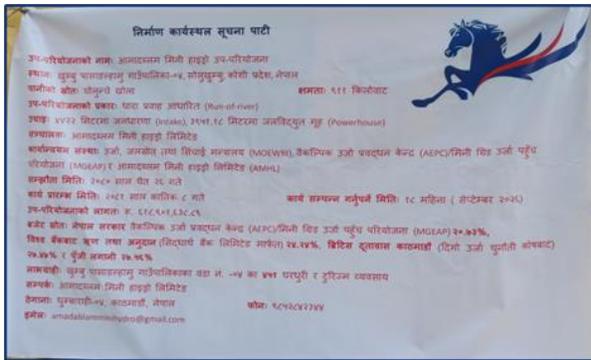


Figure: Project information board at construction site

Figure: Portable water near the labor camp



Figure: First aid box at construction site



Figure: Toilet near the labor camp (Intake area)

(Note: Although construction work has stopped due to cold weather conditions.)

ANNEX 4: Labor Data

<https://docs.google.com/spreadsheets/d/1PueHjWV0iXO5ijHT1NDS3SQikEPAIih5g1h6g07HMtg/edit?usp=sharing>