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

Dhumbarahi - 4 Kathmandu, Nepal

Email: amadablamhydro@gmail

February 2026

Monthly Progress Report of February 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 in the process of agreement with the competitive bidder. Procurement processes for the remaining items like EOT crane, Power Transformers and Diesel Genset are ongoing.

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 shipping of EM components to India port shall subsequently be delayed due to ongoing hurdles in the middle east.

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 the team conducted the FAT in February end.

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. The management is planning to resolve the vacant position soon.

2.1.2 Meetings and Events

A. Conduction of Factory Acceptance Test (FAT)

On 23rd February 2026, representatives of AEPC/MGEAP and AMHL have travelled to the factory of EM supplier for FAT as per the contract agreement between the AMHL and Poseidon Hydropower wherein the team has actively participated and witnessed the testing of Electro-mechanical components from 25th February to 27th February 2026 as per the FAT protocol.

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. 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.

2.2.2 Hydro-Mechanical Works

A. Progress Achieved

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 March 2026, with the intention of ensuring continuity and timely execution of penstock installation works. The bifurcation and associated components shall be transferred to the scope of Electro-Mechanical contractor, Poseidon FA.

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, the representatives from AMHL and AEPC/MGEAP conducted the Factory Acceptance Test (FAT) in Greece from 23 February to 1 March, 2026. The EM contractor has prepared the components as per the performa invoice and planning to dispatch on approval of FAT.

2.2.4 Transmission & Distribution Works

During the reporting month, as per the provisions of the Tripartite MoU, payment was made by Amadablam Mini Hydro Limited (AMHL) directly to Janta Cable Industries Pvt. Ltd. against the ordered quantity of 1.1 kV cables and ACSR Conductor as per BoQ by the contractor.

Following completion of payment, on 11th February, AMHL formally requested the contractor to submit a detailed transportation plan, agreement, and contract documentation including insurance coverage of goods to facilitate dispatch and transportation of cables up to the nearest roadhead at Surkey for EDF procedures, as per the agreed MoU framework. However, the requested

documentation and procedure have not been completed within the stipulated timeframe, resulting in delays in dispatch, transportation, and EDF processing of the cables.

Similarly, on 2nd February, the contractor sought approval for High Tension Cable, Distribution Box, and Smart Meter. Accordingly, on 4th February, a team comprising representatives of the contractor, Contractor Engineer, Project Manager of AMHL, Chairperson, and a Board Member of AMHL conducted an office visit to SG Power Product Private Limited, Corenthum Iconic Tower, Sector 62, Noida, India, regarding Earthing Rods and materials. The visit was satisfactory, and formal approval of the earthing set was subsequently provided in the later week.

On the same day 4th February, the team also conducted an office visit to Lan Engineering & Technologies, Sector 83, Noida, regarding Smart Meter and Distribution Box. However, due to the complexity of software requirements in the smart meters and design constraints stipulated in the Contract Document for the Distribution Box, approval of the Smart Meter and Distribution Box has been kept on hold pending detailed study and formal approval from AEPC and other relevant stakeholders.

On 5th February, the team conducted a factory visit to Havells India regarding High Tension Cable. The quality of the factory and its products was found to be satisfactory and impressive. However, the quoted price for the required High-Tension Cable from Havells India Pvt. Ltd. exceeds the project contingency allocation. Therefore, a final decision remains pending, subject to discussion in the AMHL Board Meeting and consultation with AEPC.

On 7th February, the team conducted a factory visit to Vikram Power Technologies Pvt. Ltd. concerning 11 kV and 1.1 kV cable jointing kits and cable termination kits. During the visit, the team was informed that the 1.1 kV cable tee or branch joint specified in our BoQ is outdated, and replacement with cable end termination was recommended. This proposed change requires formal approval from the AMHL Board and consultation with AEPC. Furthermore, newly identified items such as Aerial Markers, 1.1 kV straight-through joints of various sizes, and quantity variation items in previous BoQ identified during the Final Field Verification Report submitted on 13th January also require approval. A joint meeting between AMHL Board Members and AEPC is being planned for final decision and conclusion on these matters.

Likewise, on 13th February, technical approval of the general technical parameters of Poles, HT & LT Joining Kits, and Earthing Sets of the selected manufacturer was granted to the contractor to proceed with procurement procedures and contract agreements with respective vendors.

Moreover, following submission of the final Earthing Design Report of the Powerhouse of Amadablam Mini Hydro Ltd. on 25th January, prepared by Clean Power Pvt. Ltd., Lalitpur, a Request for Quotation (RFQ) for supply of earthing materials up to the AMHL Office, Dhumbarahi-4, Kathmandu excluding installation, testing & transportation up to site Yaren, P, was

issued on 16th February to at least three suppliers from Nepal and India as per the BoQ of the approved design. Upon receipt of all quotations, a detailed technical and financial evaluation report will be prepared and submitted to AEPC and relevant stakeholders. Upon approval, the supply contract for earthing materials is expected to be awarded within the second week of March.

Furthermore, with March approaching and as per the previously submitted Project Implementation Plan of the contractor, LT Cable laying was scheduled to commence from the first week of March. However, due to various constraints, the planned execution has not been initiated. Therefore, on 24th February, AMHL formally requested the contractor to submit an updated Project Implementation Plan and Disbursement Schedule, clearly specifying the LT Cable Transportation and Laying Program.

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 MOFE through MOWERI. 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.

- **Rescue Committee Formation**

A workshop for the formation of the Rescue Committee under the Emergency Management Plan (EMP) was conducted on **17 February 2026** at the **Head Office of Amadablam Mini Hydro Limited, Dhumbarahi, Kathmandu**. The primary objective of the workshop was to establish a Rescue Committee that would be responsible for coordinating emergency response and rescue operations related to the Sub-Project.

The workshop was organized in accordance with the **Environmental and Social Management Plan (ESMP)** to strengthen preparedness and ensure effective response mechanisms in case of emergencies that may occur during the construction and operational phases of the project. The session also focused on enhancing coordination, communication, and rapid response capacity among responsible individuals during emergency situations.

Following discussions and consultation among the participants, a **seven-member Rescue Committee** was formally formed. The committee members are **residents of Pangboche**, located near the project area, and possess **high-altitude training and experience**, which is essential for conducting rescue and emergency response activities in mountainous and high-altitude environments. Their familiarity with the local terrain, climate conditions, and community will significantly support timely and effective rescue operations if any emergency arises during the project implementation.

The formation of this committee represents an important step toward strengthening the project's **safety management and emergency preparedness system**, ensuring that trained and locally based personnel are available to respond promptly and efficiently to potential incidents.

- **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 (March 2026)

- Conduct a workshop in compliance with the ESMP requirements.

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

3. Monthly Financial Progress Report – February 2026

This report presents the **financial progress of the Amadablam Mini Hydro Project** for the quarter ended **February 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 month. 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 4,93,80,000.00** has been contributed as of the reporting month. 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**

Approved Contract Status

Particulars	Details
Contract Amount	**NPR 11,19,04,868.64**
Contract Signing Date	26 September 2024
Original Completion Period	As per Contract Agreement
Extended Completion Date	**31 May 2026**
Basis of Extension	Approved as per contractual provisions

Financial Progress Status

Particulars	Amount (NPR)
IPC Certified Till Date	**1,03,82,572.04**
Remaining Contract Value	**10,15,22,296.60**
Financial Completion	**9.28%**

All IPCs certified to date relate to **measured and verified civil works executed at site** and have been settled in accordance with contractual terms.

Advance Payment Details

To support contractor mobilization and continuity of civil construction activities, **advance payments equivalent to 10% of the contract amount were released twice**, resulting in a **total advance of 20% of the contract value (before VAT)**.

Particulars	Amount (NPR)
Contract Value	11,19,04,868.64
Advance Rate	**10% × 2 (Total 20%)**
Total Advance Paid	**1,96,29,180.12**
Security	Advance Payment Guarantee (APG)
APG Validity	**Up to 30 June 2026**

The advance payments are **fully secured through a valid Advance Payment Guarantee (APG)** and are **recoverable progressively through deductions from future Interim Payment Certificates (IPCs)** in accordance with the contract.

Performance Bank Guarantee (PBG)

In addition to the advance security, the contractor has furnished a **Performance Bank Guarantee** to secure due performance of contractual obligations.

Particulars	Details
Performance Bank Guarantee Amount	**NPR 55,95,244.00**
Purpose	Performance security as per contract

PBG Validity	**Up to 30 June 2027**

The PBG remains **valid, enforceable, and adequate**, covering the construction and defect liability obligations of the contractor.

All civil works expenditures, advance payments, and guarantees are **contractually compliant, adequately secured, and subject to robust financial controls**.

The civil works component remains **within the approved DFS & DED project cost framework**.

3.3 Hydro-Mechanical (HM) Works – Contract, Financial Progress & Guarantees

- **Contractor: Maa Shakti Engineering and Hydropower Pvt. Ltd.**
- **Scope of Work:** Design, fabrication, supply, delivery, installation, and testing of hydro-mechanical components in accordance with the approved **Detailed Feasibility Study (DFS)** and **Detailed Engineering Design (DED)**
- **Contract Signing Date: 23 August 2024**

Contract Status

Particulars	Details
Contract Amount	**NPR 13,98,32,171.59**
Contract Signing Date	23 August 2024
Original Completion Period	As per Contract Agreement
Revised Completion Date	**30 June 2026**
Contract Status	Active
Cost Framework	DFS & DED Approved

Financial Progress

Particulars	Amount (NPR)
IPC / Milestone Payments Certified Till Date	9,31,33,752.35
Remaining Contract Value	4,66,98,419.24
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 Status

Particulars	Details
Contract Amount	**NPR 99,811,036.80**
Contract Signing Date	1 April 2025
Original Completion Period	As per Contract Agreement
Revised Completion Date	**31 March 2026**
Contract Status	Active
Cost Framework	DFS & DED Approved

Financial Progress Status

Particulars	Amount (NPR)
IPC Certified Till Date	**16,818,377.6**
Remaining Contract Value	**82,992,659.20**
Financial Completion	**16.85%**

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 conducted 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, the following activities were carried out on the company's social media platforms are:

1. Cable Manufacturing and Testing Milestone:

Amadablam Mini Hydro Limited successfully completed the cable manufacturing work for the Amadablam Mini Hydro Project, in collaboration with Janta Cable Pvt. Limited, with all products tested and verified according to the specified IS standards.

The manufactured cables include ACSR conductors, copper armoured cables, 4-core and 2-core aluminium cables, and service wires of various specifications.

These are intended to support electricity transmission and distribution across the Khumbu region, benefiting homes, schools, lodges, and local enterprises.

2. Festive Greeting – Gyalpo Lhosar 2153 (2026 A.D.):
On behalf of Amadablam Hydro Limited, warm wishes were extended on the occasion of Gyalpo Lhosar 2153 (2026 A.D.).

The company wished for peace, prosperity, happiness, and renewed hope for all.

Additionally, unity, harmony, and positive growth within the communities were emphasized.

5.2 Social Media Performance Summary

5.2.1 Facebook

The performance of the company's **Facebook page** this month was as follows:

- Total Page Likes: 117
- Page Followers: 271
- Shares for Posts This Month: 2

Observation:

- The page has a moderate follower base with 117 total likes.
- Posts are being shared minimally, indicating potential to increase audience engagement and visibility.

5.2.2 Instagram Account Insights

- Total Views: 156 | Accounts Reached: 29 (Followers: 91.7%, Non-Followers: 8.3%)
- Content Type: Posts 98.6%, Reels 1.4%
- Top Posts (Views): Feb 5 – 86, Feb 17 – 50
- Total Interactions: 11 | Accounts Engaged: 7 (Followers: 90.9%, Non-Followers: 9.1%)
- Top Posts (Interactions): Feb 5 – 5, Feb 17 – 4
- Profile Visits: 9 | Total Followers: 37

Observation:
Most reach and engagement came from existing followers, with posts performing better than reels. Profile visits are low, indicating scope to attract new followers.

5.2.3 LinkedIn Post Performance

- Target Audience: 270 followers
- Impressions / Engagements: 46 / 46 | Engagement Rate: 17.04%
- Clicks / CTR: 39 / 14.44%

- Reactions: 6 | Comments: 0 | Reposts: 1

Observation:
Most interactions were clicks and reactions. Active discussion and sharing are limited, indicating potential to improve engagement through more interactive content.

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 cold weather conditions, physical work at the project site is still halted during February 2026. Due to the involvement of multiple contractors, the task synchronisation has been a challenge.

8. Next Steps

8.1 Approval of FAT and shipping of Electro-Mechanical Components

AMHL has conducted the FAT and is planning for submission of approval of FAT of electro-mechanical components and the supplier is subsequently planning for shipping to the Port of Kolkata.

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 March. Also, the earthing mat is being prepared for agreement with the successful bidder by March.

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 March 2026.

9. Appendices

ANNEX 1: Photographs

<table>
<tr><td>  </td><td>  </td></tr>
<tr><td>Fig.1. Factory Visit of Havells India Limited, Alwar, Rajasthan</td><td>Fig.2. Office Visit at Lan Engineering & Technologies, B-7, Sector 83, Noida</td></tr>
<tr><td>  </td><td> 
</td></tr>
<tr><td>Fig.3.Factory Visit of Vikram Power Technologies Pvt. Ltd, 39, Industrial Estate, Phase-II, Yamuna Nagar, Haryana</td><td>Fig.4.Office Visit of SG Power Product Private Limited, 17th Floor, Corenthum Iconic Tower, Sector 62, Noida</td></tr>
</table>

Fig. 4: Turbine and accessories

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

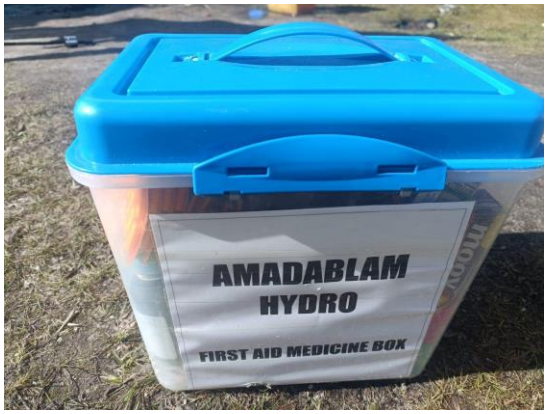
Figure: Labor Camp at Construction Site (Powerhouse)

Figure: Existing Construction Signages

Figure: Project information board at construction site

Figure: Portable water near the labor camp

Figure: Demarcation of Project Area



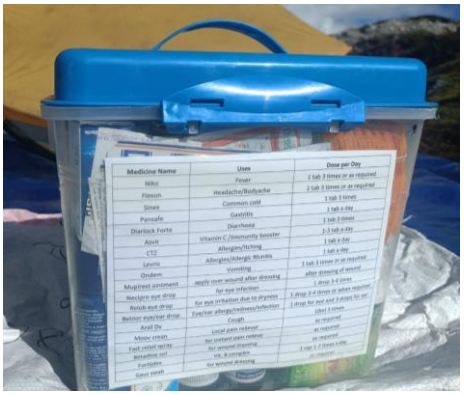
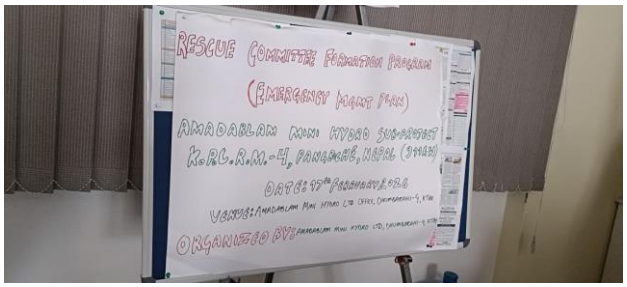


Figure: First aid box at construction site

Figure: Toilet near the labor camp (Intake area)



आज मिति २०८२/११/०५ गते मंगलबारका दिन अमादब्लम मिनि हाईड्रो प्रा: लि.को कार्यालयमा, काठमाडौं महानगरपालिका वडा नं. ४, धुम्बाराही अवस्थित अमादब्लम मिनि हाईड्रो प्रा: लि का परियोजना प्रमुख श्री सुरेन्द्र महर्जनको अध्यक्षतामा बैठक बसी तपसिल बमोजिमका उपस्थितिमा निम्न प्रस्तावहरुमा छलफल गरी निर्णय गरियो ।

उपस्थिति

१. लक्ष्मण अधिकारी
२. सुरेन्द्र महर्जन
३. शिव हरि बुढाथोकी
४. श्रीर्जन राम श्रेष्ठ
५. कल्पना डंगोल
६. छेतेन जाङबु शेर्पा
७. मिङमा कान्छी शेर्पा
८. संगीता सुनुवार
९. सोनाम दोर्जी शेर्पा
१०. छेवाङ गुर्मेन शेर्पा
११. थिले पासाङ शेर्पा
१२. पेम्बा नुरु शेर्पा

१३. नुरु वाङचुङ शेर्पा

प्रस्तावहरु

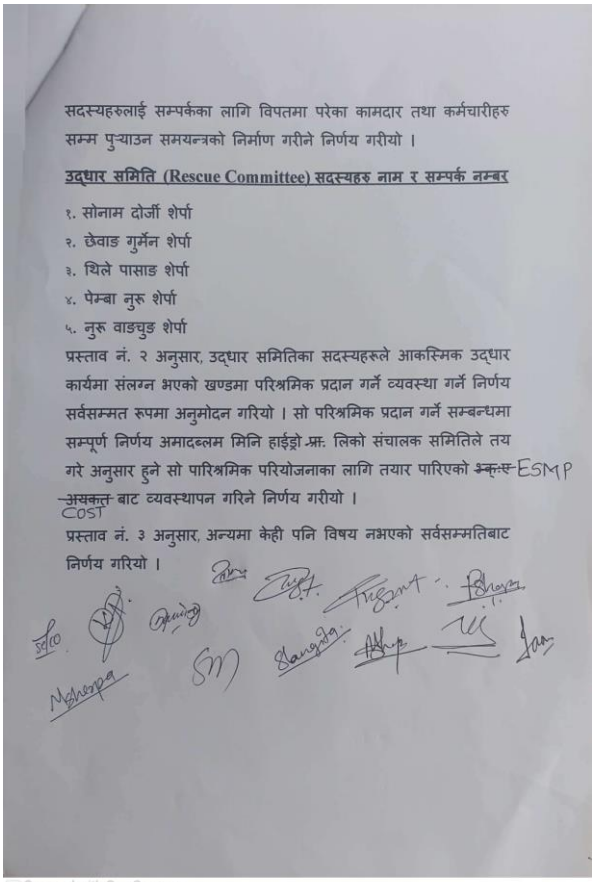
१. अमादब्लम मिनि हाईड्रो प्रा: लि.द्वारा निर्माणाधिन परियोजना स्थलको Headworks Area, Powerhouse Area, Penstock Alignment and T&D Area मा विभिन्न काम लागि परिचालित कामदारहरु लागि बनाईएका labour camp मा बसोबास गर्ने कामदारहरु तथा परियोजनाका लागि खटिएका अन्य कर्मचारीहरु प्राकृतिक प्रकोपहरुको (जस्तैः अति वर्षा, हिंमपात तथा बाढिपहिरो) उच्च जोखिमा रहेको हुँदा, त्यस्ता प्रकोपहरु घट्न सक्ने अवस्थालाई दृष्टिगत गरी परियोजनाका लागि खटिएका कामदारहरु तथा कर्मचारीहरुलाई उद्धारका लागि परियोजनाका लागि एक उद्धार समिति (Rescue Committee) गठन गर्ने ।

२. परियोजनका लागि गठन भएका उद्धार समिति (Rescue Committee) सदस्यहरु परियोजना स्थलमा खटिएका कामदारहरु तथा कर्मचारीहरुको उद्धार कार्यमा संलग्न भएको खण्डमा, समितिका सदस्यहरुलाई परिश्रमिक प्रदान गर्ने व्यवस्था गर्ने ।

३.अन्य

निर्णयहरु

प्रस्ताव नं. १ माथि उल्लिखित अनुसार परियोजनाका लागि एक ७ सदस्य उद्धार समिति गठन गर्ने निर्णय सर्वसम्मत रूपमा अनुमोदन गरियो । उक्त समितिका सदस्यहरु निम्न बमोजिम हुने र सो समितिका



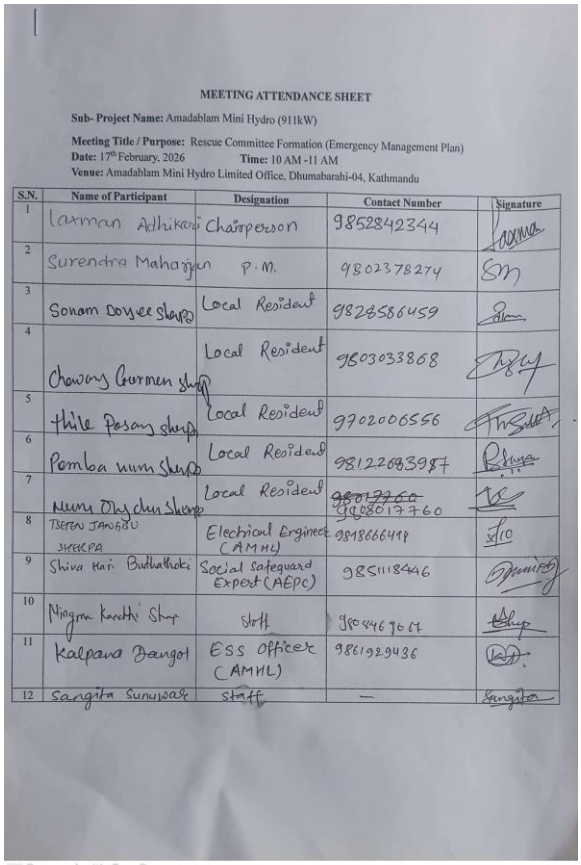
सदस्यहरुलाई सम्पर्कका लागि विपतमा परेका कामदार तथा कर्मचारीहरु सम्म पुऱ्याउन समयन्त्रको निर्माण गरीने निर्णय गरीयो ।

उद्धार समिति (Rescue Committee) सदस्यहरु नाम र सम्पर्क नम्बर

१. सोनाम दोर्जी शेर्पा
२. छेवाङ गुर्मेन शेर्पा
३. थिले पासाङ शेर्पा
४. पेम्बा नुरु शेर्पा
५. नुरु वाङचुङ शेर्पा

प्रस्ताव नं. २ अनुसार, उद्धार समितिका सदस्यहरूले आकस्मिक उद्धार कार्यमा संलग्न भएको खण्डमा परिश्रमिक प्रदान गर्ने व्यवस्था गर्ने निर्णय सर्वसम्मत रूपमा अनुमोदन गरियो । सो परिश्रमिक प्रदान गर्ने सम्बन्धमा सम्पूर्ण निर्णय अमादब्लम मिनि हाईड्रो प्रा. लिको संचालक समितिले तय गरे अनुसार हुने सो पारिश्रमिक परियोजनाका लागि तयार पारिएको ~~श्कःस~~ ESMP ~~अयक्त~~ COST बाट व्यवस्थापन गरिने निर्णय गरीयो ।

प्रस्ताव नं. ३ अनुसार, अन्यमा केही पनि विषय नभएको सर्वसम्मतिबाट निर्णय गरियो ।



MEETING ATTENDANCE SHEET

Sub- Project Name: Amadablam Mini Hydro (911kW)

Meeting Title / Purpose: Rescue Committee Formation (Emergency Management Plan)
Date: 17th February, 2026 **Time:** 10 AM -11 AM
Venue: Amadablam Mini Hydro Limited Office, Dhumabarahi-04, Kathmandu

S.N.	Name of Participant	Designation	Contact Number	Signature
1	Laxman Adhikari	Chairperson	9852842344	
2	Surendra Maharjan	P.M.	9802378274	
3	Sonam Dorjee Sherpa	Local Resident	9828586459	
4	Chewang Gurmen Sherpa	Local Resident	9803033868	
5	Thile Pasang Sherpa	Local Resident	9702006556	
6	Pemba Nuru Sherpa	Local Resident	9812283987	
7	Nuru Dhichu Sherpa	Local Resident	~~9801737~~ 9802017760	
8	TSEPEN JANGBU SHERPA	Electrical Engineer (AMHL)	9841866491	
9	Shiva Hari Budhathoki	Social Safeguard Expert (AEPC)	9851118446	
10	Mingma Kanchi Sherpa	Staff	9804467067	
11	Kalpana Bangol	ESS Officer (AMHL)	9861929436	
12	Sangita Sunuwar	Staff	—	

Figure: Rescue Committee Formation Workshop

(***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