

# **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

**April 2026**



# Monthly Progress Report of April 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
	<b>Total Subproject Cost (1+2+3)</b>	<b>618,901,638.89</b>

## 1.2 Summary of key accomplishments to date

### 1.2.1 Agreements between Stakeholders

#### ESCO and RM:

First agreement : 1<sup>st</sup> 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 : 7<sup>th</sup> January 2024

Supplementary Credit Facilities Agreement : 22<sup>th</sup> April 2025



## **1.2.2 Procurement**

During this month, procurement of Power Transformer and EOT crane has been initiated through a competitive bidding process. Some components of the powerhouse electrical system need to be procured and planned for the coming months.

## **1.3 Key Challenges Encountered and Solutions Implemented**

Snowfall during the early April has harshly affected the civil works as well as helicopter transportation. T&D contractor have shown some reluctance in work progress due to financial issues.

## **2. Work Progress Overview**

The civil contractor has been transporting the non-local construction materials during this month. Civil works have been initiated and excavation works at power house and along the penstock alignment has been going on. So far, the T&D contractor has shown some progress and has transported the tested LT cables and conductors to site. The joint technical team of developer and contractor have been visiting the site for possible relocation of T&D routes. The HM contractor has completed transporting the expansion joints, bend pipes, anchor bolts, c-clamps and accessories to site. The EM contractor has sent the packaging lists that have been shipped to the India port.

### **2.1 Activities**

#### **2.1.1 Human Resource Management**

AMHL has completed the fulfillment of human resources required for the project completion and the team have resumed the job from 1st April 2026.

#### **2.1.2 Meetings and Events**

##### **A. Monthly Staff Meeting**

On 16th of April, a regular monthly meeting was conducted in presence of all the staff. Discussions were basically focused on the progress and way forward of the project.



## B. Meeting with the contractors

On 21st April, a meeting was conducted at AEPC in presence of the representatives of the AMHL, AEPC and contractors (civil, mechanical and T&D) to discuss the progress of work, plan of action and the possible extension of the contract.

### 2.2 Summary of Completed and Ongoing Tasks

The civil construction works at the AMHL project have been advancing notably, with RCC works coming to an end at gravel trap and desanding structures. With transportation of HM components being completed, significant progress in 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	48
Electro-mechanical Works	66.5
Transmission & Distribution Works	18

Weighted Average Overall Physical Progress: **38.125%**

#### 2.2.1 Civil Works

##### a. Headworks Construction and Material Mobilization

Due to snow fall in late April, works are halted in headworks construction, though a decent quantity of construction materials are stocked.

##### b. Intake and Gravel Trap

Construction of Intake and Gravel Trap was halted due to unforeseen weather conditions in late April.



### **c. Desanding Basin cum Forebay**

The workers deployed to work in Desanding Basin cum Forebay for remaining works were withdrawn to work in penstock alignment due to snowfall in late April.

### **d. Penstock Pipe Alignment and Excavation**

A group of 28 laborers are deployed for the excavation work of penstock pipe alignment. They have been given clear guidance about alignment of the Penstock Pipe and location of anchorage block. A team of civil engineers have been giving the proper location and depth of excavation for the penstock alignment.

### **e. Powerhouse Construction**

The excavation work is completed with required size and depth for all footings. The foundation level for Turbine-Generator is checked and excavated to required depth. The location of plinth level & tail water level are marked. Location & level of bifurcation are fixed.

## **2.2.2 Hydro-Mechanical Works**

The Hydromechanical Contractor successfully completed the airlifting of all penstock pipes and associated equipment to the project site by 16th April 2026.

- 2390m of penstock pipes with different thickness (including 54 bends and 3 bends to be fabricated at site due to change in alignment to omit Gumba land)
- 57 expansion joints
- 10m headrace pipe with 450mm internal diameter
- Bellmouth
- 368 C-clamps with bolts
- Air vent pipe

Amadablam Mini Hydro Limited (AMHL) is maintaining close coordination with the contractor to ensure timely site mobilization. The contractor has confirmed that welders and supporting labour will arrive on site alongside with the delivery of welding equipment, enabling immediate start of installation works.

As of the reporting date, essential logistics—including fuel for generators, camp equipment, and welding machinery—are being transported to the sub-project site via mule and yak. These materials are expected to reach the site by 7th May 2026.



Furthermore, regarding welding personnel, AMHL has formally requested the contractor to submit valid welder certification documents, ensuring that all welders hold qualifications that have been tested and approved within the last six months, in compliance with project quality assurance requirements.

### **2.2.3 Electro-Mechanical Works**

Following the issuance of the Letter of Acceptance, the Contractor proceeded with the dispatch of electro-mechanical equipment. The container carrying the equipment was loaded at the factory on 6th April 2026 for shipment.

Originally, the vessel was scheduled to depart from Thessaloniki Port on 16th April 2026 en-route to Kolkata Port, India. However, the contractor, Poseidon S.A., has informed that due to technical issues, the vessel's departure was delayed, and the container departed on 19th April 2026. Based on the updated shipping schedule, the consignment is expected to arrive at Kolkata Port within approximately 6 to 8 weeks from the departure date.

### **2.2.4 Transmission & Distribution Works**

During the reporting month, in accordance with the provisions of EDF Procedure, the total quantities of cables verified at Surkey included: 7.53 km of 4-core 95 sq mm (4C95), 5 km of 4C35, 0.43 km of 2C25, 14 km of service cable (2C10), 1.9 km of ACSR (Weasel), and 100 m of 1C25 copper conductor armored cable were transported to various project site location starting from 8th of April & all quantities were successfully transported by 22nd of April by helicopter.

In parallel with the transportation of LT cables, the contractor is expected to submit a detailed manpower deployment plan for the laying of LT cables and service wires. Furthermore, for effective execution of cable laying works, procurement of 1.1kV jointing kits which were excluded in DFS-DED report & in BoQ of contract. Accordingly, previously estimated quantities of 1.1 kV 4C95 straight-through jointing kits, 1.1 kV 4C35 straight-through jointing kits in site verification report did not match due to the transportation limit of the helicopter. Therefore, proper calculation is due to conduct and accordingly the procurement will be proceeded.

On 2 February 2026, the contractor sought approval for High Tension (HT) Cable, Distribution Box, and Smart Meter. However, due to the complexity associated with software integration in smart meters and design constraints specified in the Contract Documents for the Distribution Box,



approval for both items has been kept on hold pending detailed technical evaluation and formal approval from AEPC and other relevant stakeholders.

Regarding Smart Meter & Distribution Box, on 2 April 2026, a team comprising representatives from Contractor and AMHL made a visit at Smart Consult Pvt Ltd where all the specification, difficulties, & advantages of their Smart Meter were explained. The Contractor has requested for the General Technical Parameters of the Smart Meter, afterwards the contractor is expected to seek the approval for procurement. Likewise, regarding the Distribution Box on 7 April 2026, a visit was made at Yonjan Electrical Engineering Fabricator Pvt Ltd where our specification mentioned in the Contract Document was submitted & discussed with the technical team of the company. They issued redesigning of the components of the Distribution Box for proper functioning & protection of the distribution network in the future. Also, they issued that the PVC material proposed in the contract document is not readily available in the market and recommended change.

Regarding the High-Tension Cable, the variation proposed by the contractor in the Techno-Financial Proposal submitted on 1 February 2026 exceeds the allowable variation provisions of the Contract. Following a series of joint discussions with the contractor, the contractor formally requested removal of HT cable procurement from their scope on 31 March 2026. Consequently, procurement of the HT cable will be undertaken separately subject to the decision of the AMHL Board, and updates will be reported in subsequent reporting periods.

With respect to poles, accessories, and the distribution transformer, the contractor submitted a commitment letter on 31 March 2026 indicating that contract finalization and procurement initiation to be completed by 15 April 2026.

Similarly on 26 & 27 April, verification of route from Debuche to Phortse, & Phortse to Dole was performed which will be reported separately in the amended site verification report. Moreover, on 27, 28, & 29 April a visit was made to Phortse Micro Hydro Plant & Khumbu Bijuli Company, Thame to assess and learn about the distribution box details and load controlling mechanism utilized by them.

Furthermore, concerning powerhouse grounding materials, all required quantities of earthing materials have been received by AMHL & accordingly the materials are in process of transportation to nearest roadhead Surkey and further to Power house area by helicopter transportation. Upon transportation, the installation process will be initiated at earliest by contracting the installation with a local manpower company.



### **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 have been submitted to the Ministry of Forests and Environment (MoFE). At present, the documents are on hold at MoFE, with further processing ongoing. Once all requirements are fulfilled within the stipulated timeframe, the documents are expected to be forwarded to the Cabinet for approval through MoFE within a week.

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

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



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

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

- **Waste Management at the Construction Site**

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

- **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.

- **Preparation of site required documents according to the ESMP**

Prepared the required site documents in accordance with the ESMP, including the list of safety-related documents necessary for the project construction site. Also collected quotations from vendors and shared all relevant documents with the office management team for further



processing. In addition, all other required official documents have been systematically prepared for use at the project construction site.

- **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 (May, 2026)**

- Conduct a workshop in compliance with the ESMP requirements at the construction site.

### **3. Monthly Financial Progress Report**

This report presents the **financial progress of the Amadablam Mini Hydro Project** for the quarter ended **April 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)**.



<b>Budget Summary</b>		
	<b>Particular</b>	<b>Amount</b>
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)	<b>54,16,01,460.22</b>
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
	<b>Total (1+4+5+6+7+8)</b>	<b>61,89,01,638.89</b>

### 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	5,45,80,10 0.00
4	Investment of RM	8,00,00,000.00	80,00,000.00
<b>Total Subproject Cost (1+2+3+4)</b>		<b>61,89,01,638.89</b>	<b>23,41,23,363.29</b>

### 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, and received fully 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 5,45,80,100.00** 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	<b>NPR 11,19,04,868.64</b>
Contract Signing Date	26 September 2024
Original Completion Period	As per Contract Agreement
<b>Extended Completion Date</b>	<b>31 May 2026</b>
Basis of Extension	Approved as per contractual provisions

### Financial Progress Status

Particulars	Amount (NPR)
IPC Certified Till Date	<b>1,95,14,751.79</b>
Remaining Contract Value	<b>9,23,90,116.85</b>
Financial Completion	<b>17.44%</b>

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

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.

<b>Particulars</b>	<b>Details</b>
Performance Bank Guarantee Amount	<b>NPR 55,95,244.00</b>
Purpose	Performance security as per contract
<b>PBG Validity</b>	<b>Up to 30 June 2027</b>

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	<b>NPR 13,98,32,171.59</b>
Contract Signing Date	23 August 2024
Original Completion Period	As per Contract Agreement
<b>Revised Completion Date</b>	<b>30 June 2026</b>
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	<b>10%</b>
<b>Remaining APG Coverage</b>	<b>10%</b>
<b>Remaining APG Amount</b>	<b>NPR 1,23,78,267.40</b>
<b>APG Validity</b>	<b>Up to 31 July 2026</b>

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	<b>NPR 69,91,608.58</b>
Purpose	Performance security as per contract
<b>PBG Validity</b>	<b>Up to 31 July 2027</b>

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)
<b>LC Number</b>	<b>MT700-001ILSF250702002</b>
<b>LC Opening Date</b>	<b>2 July 2025</b>
<b>LC Expiry Date</b>	<b>2 July 2026</b>
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
<b>Total Contract Value</b>	<b>USD 550,903.94</b>

### Advance Payments Released

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

#### 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
<b>APG Validity</b>	<b>Up to 12 September 2026</b>
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:** Kaju 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	<b>NPR 99,811,036.80</b>
Contract Signing Date	1 April 2025
Original Completion Period	As per Contract Agreement
<b>Revised Completion Date</b>	<b>30 April 2026</b>
Contract Status	Active
Cost Framework	DFS & DED Approved

#### Financial Progress Status

Particulars	Amount (NPR)
IPC Certified till Date	<b>16,818,377.6</b>
Remaining Contract Value	<b>82,992,659.20</b>
Financial Completion	<b>16.85%</b>

#### Advance & Guarantee Details

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



## 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.

<b>Lot No.</b>	<b>Date of Request</b>	<b>Reference No.</b>	<b>Date of Receipt</b>	<b>Amount Received (NPR)</b>
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
<b>Total</b>				<b>9,982,635.38</b>

## 4. Quality Assurance and Quality Control

QA/QC of distribution cables, service cables and ACSR conductors have been done. FAT of EM components have been conducted at the suppliers' factory so far. AMHL will check the quality of



welds of the penstock joints during the laying of penstock pipes. Quality check of the powerhouse earthing materials have also been tested during this month.

## 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 company maintains a presence on Facebook, Instagram, and LinkedIn, where it regularly shares updates on project milestones, community benefits, and renewable energy awareness.

During this reporting period, the following key activities were carried out:

- **Nepali New Year Post:** A festive message was shared to extend best wishes to the audience, helping maintain cultural connection and brand presence.
- **UK Aid Congratulations Post:** A congratulatory post was published acknowledging UK Aid, highlighting collaboration and project support.

#### 5.2.1 Facebook

### 5.2 Social Media Performance Summary

#### 5.2.1 Facebook

**Observation:**

The page currently has a moderate follower base of 276 users. Post shares are gradually increasing, indicating growing content reach. However, overall engagement (likes, comments, shares) remains limited.

#### 5.2.2 Instagram Account Insights

**Observation:**

Engagement is mainly driven by existing followers. Static posts performed better than reels during this period. Profile visits are low, suggesting limited discovery by new audiences.



### 5.2.3 LinkedIn Performance

#### Observation:

Most interactions consisted of clicks and reactions, with limited comments and reposts, indicating low audience engagement. However, the steady increase in followers suggests growing interest, highlighting the need for more engaging and discussion-driven content.

## 6. Risks and Mitigation Measures

### 6.1 Technical Risks

The timely completion of the intake structures before the 2026 monsoon is critical. 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 along the route is time consuming by hand.

### 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.

## **7. Challenges and Recommendation**

Due to the cold weather conditions and subsequent snowfall, physical work at the project site is still semi-interrupted during April 2026. Due to the involvement of multiple contractors, the task synchronization has been a challenge. The joint survey team of developer and contractor have recently visited the site along the transmission route and suggested opting for an overhead transmission system rather than underground. The road condition along the BP highway has halted the equipment being transported to roadhead Surke from Kathmandu. The delay in procurement of T&D components has certainly pushed the project timeline beyond the stipulated date of 1st September 2026.

## **8. Next Steps**

### **8.1 Shipping and Clearance of Electro-Mechanical Components**

AMHL has been coordinating with the supplier company for tracking of the ship and documentation for custom clearance at Biratnagar Custom Office, India-Nepal Border.

### **8.2 Procurement of remaining accessories**

Regarding this, AMHL is preparing for procurement of HT cables, accessories of powerhouse electrical systems, Switchyard system and some safety systems as mentioned in the ESMP.

### **8.3 Review of Bill of Quantities as per DFS/DED**

As per the discussion between CREF, AEPC and AMHL, there has been the requirement of review of BoQ mentioned in DFS/DED for successful completion of the project. The preparation of necessary suggestions has been prepared and shared by AMHL and planned for the review meeting most probably in early May 2026.



9. Appendices

ANNEX 1: Photographs



Figure 1 &2: Transportation of HM components from roadhead, Surke



**Figure 3, 4 & 5: Heli Transportation of Hydromechanical Material**



**Figure 6 & 7: Preparation for footing of Powerhouse and Powerhouse Earthing System**



**Figure 8: Work halted by Snowfall at the site during the month of April**



**Figure 9: Components of Powerhouse Earthing System**



**Figure 10: Transportation of Powerhouse Earthing Systems to roadhead, Surke from Kathmandu**



**Figure 11 & 12: Transportation of LT cables from roadhead to Site**



**Figure 13: Airlifting of LT cable drums to site**



**Figure 14: Packaging of EM components at Greece**



**Fig 15. Visit at Hyonjan Electrical Engineering Fabricator Pvt Ltd for DB box specification.**



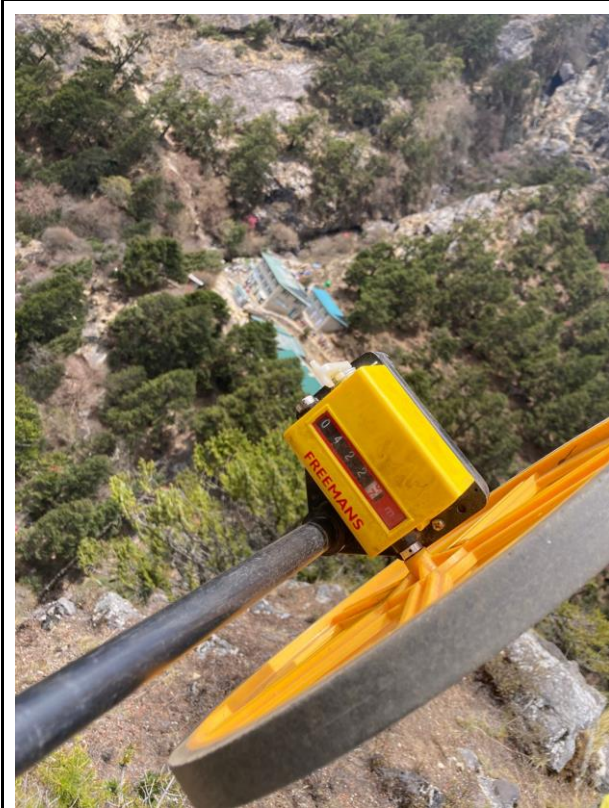
**Fig 16. Visit at Smart Consult Pvt Ltd for Smart meter specification and functioning.**



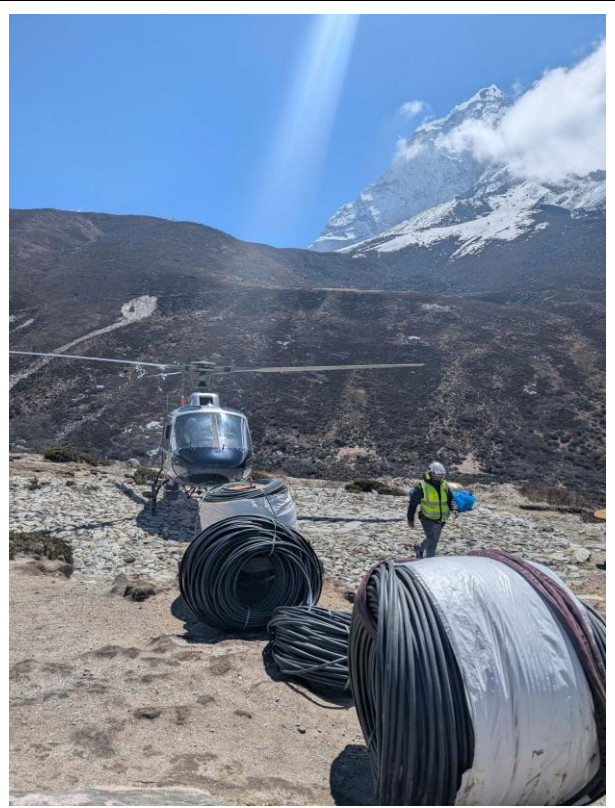
**Fig 17. Transport of LT Cable at Pheriche.**



**Fig 18. Consultation with KBC Technician**



**Fig 19. Reroute measurement of DB 1 TO DB 19 in Phortse.**



**Fig 20. Transportation of LT Cable at project site Dingboche.**

## ANNEX 2: Environment health and safety status at project site

S.N.	Activities	Implementation Status	Remarks/Details
<b>1. Occupational Health and Safety (OHS) Measures</b>			
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	
<b>2. Human Resources at Subproject</b>			
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
<b>3. Information Board and Suggestion Box</b>			



*S.M. Mulya*

3.1	Information Board of Subproject	Yes	
3.2	Suggestion Box	Yes	The record file is kept at the construction site.
<b>4.</b>	<b>Community Consultation</b>		
4.1	Number of Consultation Conducted	4	<ul style="list-style-type: none"> <li>● GRC1 Reformulation</li> <li>● Coordination Meeting with Pangboche Health Post</li> <li>● Rescue Committee Formation</li> <li>● Workshop on OHS and ESMP implementation at construction site</li> </ul>
4.2	Number of People Participated in Consultation	53	<ul style="list-style-type: none"> <li>● Twenty-two (22) people participated in the GRC1 reformulation meeting</li> <li>● Nine (9) people attended the meeting with Pangboche Health Post.</li> <li>● Twelve (12) participants attended the workshop on Rescue Committee Formation</li> <li>● A total of ten (10) participants attended the workshop on OHS and ESMP implementation at the construction site.</li> </ul>
<b>5.</b>	<b>Grievance Redress Mechanism</b>		
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



S.M. Dangol

5.3	Grievance Registration Book	Yes	The record file is kept at the construction site.
5.4	Record of Grievance Received (If any)	NA	
<b>6.</b>	<b>Placement of Signage</b>		
6.1	Signage at Subproject Site	Yes	
6.2	Suggestion Box	Yes	The record file is kept at the construction site.
<b>7.</b>	<b>Waste Management/Material Storage</b>		
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

**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)**





**Figure: Labor are working at powerhouse site**

#### **ANNEX 4: Labor Data**

<https://docs.google.com/spreadsheets/d/1PueHjWV0iXO5ijHT1NDS3SQikEPAIih5g1h6g07HMTg/edit?usp=sharing>