



Nepal Tent & Tarpaulin Pvt. Ltd

Case Study

Nepal Tent & Tarpaulin (NT&T), a Rs 20 million business with over 50 employees, produces trekking and tarpaulin products in Kathmandu, Nepal.

NT&T is the market leader of trekking equipment in Nepal and has a reputation of delivering quality products for over 30 years. However, the Maoist conflict in Nepal over the last years has had a negative impact in the tourist industry and NT&T like many other Nepali businesses has been adversely affected. Qvalla Ltd was asked to assess and advise how this SME could improve turnover and profitability.

4. Align raw material to strategic direction in specialist tent and tarpaulin products
5. Improve financial control with introduction of monthly management reports on inventory, production, cash flow, new orders and order fulfilment.
6. Invest in new production facilities that utilises core skills in the workforce or reduces production costs



Product assembly at NT&T

Following an initial SWOT analysis it was agreed with the leadership team to:

1. Focus production on higher margin specialist products, primarily specialist tents and tarpaulin covers
2. Reduce inventory of sleeping bags and backpacks finished goods to free up cash flow and reduce debt
3. Implement production and inventory control system to reduce waste and maximise productivity

Qvalla Ltd advised NT&T on the implementation of these changes which has led to increased demand including successful delivery of large orders to the UN (UNMIN and UNICEF). These enhancements have generated 15% growth on turnover and 30% increased operating margin. This has enabled further investments on the premises including bringing production of steel and aluminium frames in-house.



Production Planning at NT&T