



**TAMING CORONAVIRUS RAMPAGE**

# Staying afloat amid pandemic is equal to making profit

*ACI Consumer Brands' Managing Director Syed Alamgir says in an interview*

AHSAN HABIB

Businesses should focus on keeping the supply chain smooth by churning out products and rendering services instead of making profits in 2020 as people are facing a huge challenge to survive because of the coronavirus pandemic, said Syed Alamgir, managing director of ACI Consumer Brands.

"If you are alive and your business stays afloat despite the raging pandemic, this could be your best profit," he said in an interview over telephone with The Daily Star last week.

"If anyone wants to make huge profits now, they will be loser in the long-run."

Alamgir is a well-known figure in the country's consumer brands' segment thanks to his long career spanning more than four decades and he has been called a marketing superstar by the Bangladesh Brands Forum (BBF).

In order to ensure proper service, ACI has kept its supply chain up and running by maintaining all health-related rules so that its products do not spread the contagion and people can access them at affordable prices at the same time, he said.

"We are rendering services to the countrymen by supplying many hygiene and sanitary products needed at this crisis hour to safeguard their health and environment."

Alamgir thinks that ACI Consumer Brands, the maker of ACI Aerosol, Savlon, ACI Mosquito Coil & ACI Pure Spices and Flour, would make a huge contribution to the nation through their day-to-day necessary high-quality products at affordable prices.

"If we can survive and our business can survive in 2020, we would say in 2021 that last year was a good year."

The lockdowns and travel restrictions imposed by the country have led to a steep decline in business activity. Many people became jobless and their consumption and spending has been affected, hitting businesses and the economy hard.

About 15 lakh retail shops were partly closed all over the country. Around 60 lakh people were employed at these shops and all of them bore the brunt of the shutdown, he said.

Many companies supply products to these shops where day labourers



Syed Alamgir

are used. This poor people have been hit hard as many of them had no work during the period.

Impact of coronavirus on a densely populated country like Bangladesh would be more severe and it would take time to get rid of the pathogen, Alamgir said, referring to the World Health Organisation.

"The impact might be dreadful to our economy."

The spending and consumptions of all affected peoples might drop and it will continue for a few years. "As a result, businesses will be impacted and the economic growth would decline."

Despite a rise in the price of the imported raw materials and transportation costs, ACI Consumer Brands has not increased the price of its products to keep them affordable for the consumers.

"In ACI, we have continued our production on the basis of a policy, that is "service is the first and foremost thing."

"Consumers need ACI products even during the lockdown. So, we have kept producing despite the huge risk posed by the deadly virus," he said.

Alamgir, who had previously worked for British pharmaceutical company May & Baker, Pegasus Shoes, Jamuna Knitting & Dyeing and Aromatic Cosmetics Ltd, has introduced many ideas in the fast-moving consumer products segment that shook the markets.

He shot to fame when he pioneered the idea of halal soap in Bangladesh in the 1990s as the marketing director of Jamuna Group of Companies.

The 'halal marketing' has kickstarted a worldwide marketing phenomenon and made him the first Bangladeshi marketer to be cited in the 13th edition of the prestigious marketing book "Principle of Marketing" by marketing guru Philip Kotler.

He was also the winner of the first-ever Marketing Superstar Award in 2019, according to the Bangladesh

Brands Forum.

In 1998, he joined ACI, one of the fast-growing FMCG companies in Bangladesh.

He has initiated many brands in the company. One of them is "Pure" brand. The brand was launched in 2005 and was awarded seven times by the BBF as one of the best brands in the country.

"We are running the business on two mottos now. One is ensuring safety for our employees and the other is to ensure product availability in every corner of the country."

"If we don't supply products, it will create problems in the market," said Alamgir, who completed his MBA from the Institute of Business Administration under the University of Dhaka and received PhD from the New Castle University in the US.

Alamgir welcomed the various stimulus packages introduced by the government to help people, companies, businesses, industries, entrepreneurs and farmers to stay afloat during the pandemic.

"If the stimulus packages are implemented properly, the private sector will get some relief surely."

He called for reconsidering the recent 60 per cent hike in bus fares as it would increase the cost of living for the people, who are already suffering because of the loss of livelihoods.

The government should not turn away from its focus on lowering the interest rate in the banking sector to the single digit, he said.

"A lower interest rate will give a big relief to the private sector."

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## ADB finances landmark private sector solar plant

STAR BUSINESS REPORT

The Asian Development Bank has signed a \$17.7 million financing package with Spectra Solar Park Limited to invest in a 35-megawatt utility-scale solar photovoltaic plant in Bangladesh.

The solar park is one of the first private sector solar plants in Bangladesh to be financed by multilateral institutions, and will support the country's efforts to attain long-term energy security and meet climate goals by stepping up its use of clean energy, according to a statement.



The agreement for the Spectra solar power project was signed by Shantanu Chakraborty, director of infrastructure finance for South Asia, Central Asia and West Asia at the ADB's private sector operations department, and Khan Md Aftabuddin, managing director of Spectra Solar Park.

Deutsche Investitions-und Entwicklungsgesellschaft (DEG), a development finance institution based in Germany, is co-financing the project with ADB.

Once operational, the plant is expected to provide over 50 gigawatt-hours of clean electricity annually to the national grid and avoid 33,200 tonnes of carbon dioxide emissions.

The project aligns with the Bangladesh government's aim to reduce the country's dependence on fossil fuels through renewable energy under Bangladesh Vision 2021.

"This project strongly demonstrates that the solar energy sector in Bangladesh is an attractive destination for private sector engagement," said Chakraborty.

"This is a landmark project that will also incorporate very specific and meaningful design features to empower women and ensure a gender inclusive workplace."

Bangladesh is committed to combating climate change and increasing energy access from renewable energy sources, said Aftabuddin.

"The project establishes important precedents for the solar energy sector in Bangladesh by adopting international best practices. We are grateful to ADB for their commitment and assistance on this project."

Green Delta Capital served as lead arranger for the project. "ADB's financing with co-financing by DEG in this project will help scale up solar projects and unlock foreign investments for renewable energy in Bangladesh," said Md Rafiqul Islam, managing director and CEO of Green Delta Capital.

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**Delivery vans of member companies of the e-Commerce Association of Bangladesh arrive at East Rajabazar yesterday to supply products to consumers as the area has been on lockdown since Tuesday midnight.**

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## Allow black money in housing: REHAB



JAGARAN CHAKMA

Real estate companies have urged the government to allow black money to be invested in the housing sector through the upcoming budget without prying into the sources as it would help the vulnerable industry survive the ongoing coronavirus pandemic.

The government needs to allow it without

asking any questions about where the money came from, said Alamgir Shamsul Alamin, president of the Real Estate and Housing Association of Bangladesh (REHAB).

"Then both the industry and economy would benefit sizably from the generation of relevant value added tax and registration fees," he said.

The REHAB has already placed a budget proposal in this regard to the government in the latter part of May.

Considering the emergency situation, the government should make the money whitening scheme more enticing so that untaxed income can be used to further the country's real estate industry and economic

development, according to REHAB.

There are many instances of people legally earning money abroad but sending it home through unofficial channels to evade paying a higher amount in government taxes, said Liakat Ali Bhuiyan, first vice president of the REHAB.

If the government does not provide the scope to invest black money in the real estate sector and refrain from prying into the source, then people will simply spend the money abroad, he said.

The value for undisclosed income, generated legally, in Bangladesh is huge and so that money should be invested in developing the economy, Bhuiyan added.

The association of real estate developers also demanded the deduction of flat and land registration fees from 12 per cent to 5 per cent in a bid to ease the burden on potential investors and the allocation of a special fund to provide long term home loans to encourage property purchasing.

Government officials are allowed to avail home loans at 5 per cent interest. Therefore, the same facility should be given to the general public ensure housing for all, which is a part of the government's development plans, Alamin said.

"If the government fulfills our demands, it will lead to a direct fall in the price for apartments," he added.

For many reasons, Bangladesh's real estate industry witnessed sluggish sales for the past few years but it will likely see a drastic decline if the demand for housing drops due to the unprecedented economic uncertainty brought on by the pandemic, according to the REHAB president.

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## \$15m City Bank-ITFC loans for SMEs

STAR BUSINESS REPORT

City Bank has entered into a \$15 million trade finance partnership with International Islamic Trade Finance Corporation (ITFC) for providing short-term loan facilities to small and medium enterprises.

The SMEs will get the funds through an Islamic banking window for importing raw materials.

The financing of Jeddah-based ITFC, the trade financing arm of Islamic Development Bank (IsDB), comes as part of the IsDB's COVID-19 response strategy, says a press release.

The strategy focuses on providing life-saving support through the provision of medical supplies, staple food and fertiliser for agricultural production to some of the Organisation of Islamic Cooperation countries.

"Supporting the SMEs as they emerge out from the pandemic is ever more critical now as financial resources of OIC member countries are stretched to meet the urgent

medical and staple food supplies," said Hani Salem Sonbol, CEO of ITFC.

A central tenet of the ITFC strategy is to provide financing to local partner financial institutions like City Bank to facilitate SME access to financing that is key for the country's economic growth and their ability to participate in global value chains, he said.

"This Murabaha financing facility will enable us to provide better value to our importing clients through extensive links and support of ITFC and IsDB," said Sheikh Mohammad Maroof, additional managing director of City Bank.

"We look forward to seeing the new partnership make a lasting contribution to private sector development and socio-economic growth in Bangladesh," he added.

City Bank is the latest partner institution to work with ITFC as it expands its financing outreach to the private sector through local banks in Bangladesh, according to the statement.

