**Question:** Why buying Sundarban is liability for Amazon?

**Ans:**

**1. Financial Performance of Sundarban**

If Sundarban is struggling financially, Amazon might face challenges in turning it around, especially if there are significant debts, operational inefficiencies, or losses.

If Sundarban has a healthy financial track record and a growing customer base, it can be an asset for Amazon to expand in a new region.

**2. Market Potential in Bangladesh**

If the Bangladeshi market already has strong competitors (e.g., Daraz or Pathao), capturing significant market share may require heavy investment.

With Bangladesh's growing economy and increasing internet penetration, acquiring Sundarban could be a strategic entry point for Amazon into South Asia's emerging e-commerce space.

**3. Alignment with Amazon's Strategy**

If Sundarban’s business model (e.g., local logistics-heavy services or niche product focus) doesn't align with Amazon's global or regional strategies, integrating it could become a costly burden.

Sundarban might bring local expertise, operational frameworks, or technology that complements Amazon’s capabilities.

**4. Operational and Legal Challenges**

Liability with high operational costs: Adapting Sundarban to Amazon's standards (e.g., delivery speed, quality control, and customer service) could be costly.

Liability with regulatory risks: If the Bangladeshi government enforces strict regulations on foreign companies or imposes heavy taxation, this could limit profitability.

Asset with manageable challenges: A clear regulatory framework and the potential for economies of scale in operations could minimize risks.

**5. Brand and Customer Loyalty**

Liability if poorly perceived: If Sundarban’s reputation is weak or customers don’t trust its services, Amazon may have to invest heavily in rebranding and marketing.

Asset if trusted: If Sundarban has a loyal customer base, it could accelerate Amazon’s growth in Bangladesh.

As Sundarban is an emerging e-commerce platform and from the above discussion the company Sundarban may be a liability of Amazon after being the property of Amazon.