

## **PTCL violate CSR for generating profits**

Pakistan Telecommunication Company limited (PTCL) maintains a leading position in Pakistan as an infrastructure provider to other telecom operators and corporate customers of the country. With the employee strength of 65,000 and 5.7 million customers and the largest telecommunications provider in Pakistan, It has the potential to be an instrumental agent in Pakistan's economic growth. PTCL was being privatized in July 2005 and Etisalat UAE Telecom Company attains its share along the management control. PTCL was privatized with main objective and hope that it will increase its standards and reduce its poor performance. However Etisalat, has yet failed to lift the standards of PTCL which it claimed at the time of privatization.

PTCL According to Pakistan telecom authority (PTA) independent regulator, data as of December, 2007 has fixed line subscribers of about 4.7 millions where as the fixed line density in Pakistan is 4.33%. This profit oriented non performing cash cow has been nowadays facing huge losses expected up to 9 billions as its profits are consistently falling since last 3 years due to the less consumption made by its domestic landline subscribers who are rapidly shifting from landline services to mobile phone service consumption. One of the major reasons behind this downfall is the inefficient service of PTCL along with its unethical practices and schemes of minting money from the people.

The recent strategy made by this telecom giant is to cover up the losses is again an unethical attempt by reducing call duration from 5 to 2 minutes with effect from 1<sup>st</sup> April. This strategy is expected to add 4.1 billion to annual earnings of company financial year 2009. However, this short term profit generating strategy will be a severe threat to damage PTCL goodwill and the severe violation of corporate social responsibility. As it is the responsibility of the corporate behaviour to give clarity of information the customers before introducing new packages, revising their prices, or reducing the call duration etc. In the perspective of Etisalat, just click on [www.etisalat.co.ae/aboutus](http://www.etisalat.co.ae/aboutus), you will find our values "openness" and stated value is "As a company, we are welcoming social and friendly to customers, suppliers and employees, we deal with people in a clear, direct way and are always honest and fair in business dealings". So this violation depicting that Etisalat is not meeting the standards of their prescribed our values.

These common unethical behaviour and corporate misconducts examples are observe in developing countries like Pakistan due to inefficient regulatory checks their implementation and because of ignorance by corporations towards seeking true understanding and implementation of CSR.