

Drivers and Dimension of Corporate Social Responsibility by the Mobile Telecommunication Industry in Bangladesh

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Abstract: *Corporate social responsibility must be perceived in a new way, where the corporate success and social welfare would not be a zero sum game. Heightened attention to CSR made by the corporations has not been entirely voluntary. The prime objective of the study is to explore the extent of Corporate Social Responsibility by the Mobile Telecom companies in Bangladesh, with a view to project the drivers, dimensions, strategies and improvement in their CSR initiatives and reporting. This article have selected examples (cases) of top three telecom operators- Grameen Phone, Banglalink and Axiata (Robi) to represent the best practice to render social responsibility in the telecommunication industry. All three companies see CSR as a way of contributing to sustainable development and when analyzing major drivers behind CSR it was revealed that 'External factors related to changes in business environment' was identified by all three as being the main motivation. It is also revealed from the study none of the three mobile telecom operators enjoy tax benefit, due to the complicity of the law for availing tax benefit. While corporate social responsibility is by definition the task of companies, governments have a role to play in fostering a climate where companies are encouraged to meet this responsibility.*

Keywords: *Corporate Social Responsibility, Mobile Telecommunication industry, Tax.*

1 Introduction

Industrialization was the spontaneous aftermath of the spurious and incessant growth in world trade and commerce; however this desired result came at the expense of the breakdown of the global ecology. Globalization, having all its merits and advantages, had to wrestle with rising currents of societal and political unrests by bringing forth a novel idea of integrating society and business under one equation called Corporate Social Responsibility (CSR). The wind of globalization has also touched Bangladesh and CSR is being interwoven into the psyche of local businesses. However, the change process is slow and only in its infancy. Enforcement of government regulations is there but a structured view regarding the economic importance of CSR are not yet so widespread in the corporate world in Bangladesh. Heightened attention to CSR by the corporations has not been entirely voluntary. Many companies responded to it under growing pressure of the activist organizations, public response and government policies and laws. Government regulations increasingly mandate social responsibility reporting. As a consequence, the prevailing approaches made by the companies to CSR are fragmented and disconnected from the business and strategy, thereby depriving the society. Instead, if corporations analyze their prospects for social responsibility using their strategy for core business, they would discover that CSR can be much more than a cost, a charitable act. It is actually an effective source of opportunity, innovation and competitive advantage. Corporate social responsibility must be perceived in a new way, where the corporate success and social welfare would not be a zero sum game. When looked at strategically, corporate social responsibility can become a source of tremendous social progress, as the business applies its considerable resources, expertise and insights to activities that benefit society (Porter and Kramer, 2006).

In the current business environment of Bangladesh, where population size is 142,319,000 (Bangladesh bureau of Statistics census report 2011), 17.6 percent of the population are on the lower poverty line, and where the literacy rate is 57.91% for population aged 7 years and over for both gender (Bangladesh Bureau of Statistics). These trends have seen an increase since 2005 till 2010; however, this scenario can still see an unprecedented improvement through the mutual efforts of government and Corporations.

In Bangladesh currently 68.645 million people have got mobile phones (48.23% of the total population) who are the subscribers of any of the 6 mobile telecom companies serving in the country (Table:7.1). Among them Grameen phone is the market leader, retaining 44% of the market share, Banglalink, the second largest mobile phone company with 28% of market share and Robi the next biggest company serving 18% of the market. Rest of the three companies hold 10% market share. The top three leading companies earn approximately Tk 45 billion on an average as yearly income by serving the people of the country who are the main source of their earnings (Table:7.2).

The Telecommunication industry is chosen for the present study because it is seen as a growing and interesting industry to evaluate in terms of CSR through which they are addressing the social issues.

2 Literature Review

A growing concern for the ‘Sustainable Development’ of the environment led the World Commission on Environment and Development (WCED) in the year 1987 to define ‘Sustainable Development’ as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs” (WCED 1987). With the emergence of ‘Sustainable Development’, there has also evolved a discourse on “Corporate Social Responsibility (CSR)”. CSR in general terms is defined as the obligation of the firm to use its resources in ways to benefit society, through committed participation as a member of the community, taking into account the society at large and improving the welfare of society at large independent of direct gains of the company.

Various studies have been done on the concept of CSR, even a good number is done in Bangladesh context covering both private and public sector. Mahmud (1988) analyzed different aspects of the concept in a study, to show the practice of social responsibility in public enterprises of Bangladesh. After a brief discussion of the aspects of social responsibility the study examined the performance of social responsibility in different public sector corporations of the country. The study pointed out that public corporations of Bangladesh should have some sort of obligatory responsibilities to the society. It was tied with the need of establishing public corporations in the country.

Wartick and Cochran (1985) depicted the evolution of the corporate social performance model by focusing on three challenges to the concept of corporate social responsibility: economic responsibility, public responsibility, and social responsiveness. Arif (1990) conducted a study over ten private and ten public sector corporations in Chittagong. He found that employee welfare and national development were the objectives of a public sector enterprise management, while the objectives of private business enterprises were profit, growth and self sufficiency. But the manager’s conceptual understandings on the topic were found same in both the types of businesses. In case of employee welfare, the areas covered were same for the both sectors, while the involvement was quite less in case of private sector enterprises. Public sector enterprises also performed better in human resource development programs, and community development activities. Khan, Halabi & Samy (2009) examined CSR reporting by 20 selected banks in Bangladesh which are listed in Dhaka Stock Exchange and the user’s perceptions relating to CSR disclosure issues. The study found the user groups are in favor of CSR reporting and also disclosed that CSR reporting by the selected banks are not ample to measure the social responsiveness of the organizations. In a case study, Werner (2009) presented CSR projects in Bangladesh that are designed to reduce social exclusion among marginalized populations and explores whether CSR initiatives can increase economic and social capabilities to reduce exclusion. The examples provide snapshots of projects that (a) increase job-skills and employment opportunities for women, disabled women, and

rehabilitated drug-users and (b) provide healthcare services to female workers and their communities. The analysis found that CSR has potential for positive and lasting impact on developing countries, specifically on socially excluded populations. Nimalathasan (2009) conducted a case study of Grameen phone to discuss its CSR activities. In this study, he identified GP involved in CSR related activities in 3 key areas- Health, Education and Empowerment.

This particular telecommunication sector of Bangladesh, especially the mobile telecommunication sector has cropped up as the most promising as well as the highest growing sector. Hence, the present study is intended to portray the dimension of CSR activities by the mobile telecom companies of Bangladesh.

3 Objectives of the Study

The present study has been undertaken primarily to explore the extent of Corporate Social Responsibility reporting by the Mobile Telecom companies in Bangladesh and to find out the major drivers behind their involvement in CSR activities, with a view to project the dimension, strategies and improvement in their CSR reporting. This paper also attempts to show a brief overview of the CSR practice by different sectors, current status of mobile telecommunication industry, along with the tax issues relevant to the CSR practices in Bangladesh.

4 Methodology of the Study

The study is qualitative in nature. As a main part, three examples (cases) of corporate social responsibility reporting in the telecommunication sector in Bangladesh are explored. The selected companies are Grameenphone, Banglalink and Axiata (Robi). The three companies were selected on the basis of several types of criteria. The most important one is that they are seen as being 'front runners' for CSR in their industry. Another criteria is their growth in the industry in terms of subscribers and revenue. For this purpose, a description of the telecommunication industry is provided with a view to present the CSR disclosure. The three companies are first presented individually and thereafter compared with relation to several aspects, such as, how they perceive CSR, how they implement CSR, major drivers behind CSR activities and tax issues regarding their involvement in such activities. The information on CSR of the mobile companies is based on the annual reports of 2010.

The required data are collected from the secondary sources of information, i.e.; annual reports, published research papers and articles and websites. Information that was not available on the secondary sources, a small questionnaire was developed for the officials of CSR of the companies.

The companies were selected so that this could provide a measurement for best practice within the telecommunication industry and these serve as guidelines for other companies in the industry.

The Business Community has developed number of methods to evaluate the internal effects of CSR – however there remains no model to assess the broader social, economic and environmental value of CSR; once identified, this value will help organizations to understand the impact of their current CSR activities and how they can be improved in future.

4.1 Limitations of the Study

The research is carried out on the basis of case studies of three telecom companies' out of six companies to project the CSR practices of the whole industry.

The unwillingness of the companies to provide quantitative information (percentage or amount of CSR expenditure) limits the scope of the present study to measure their contribution towards the CSR compared to their revenue.

5 CSR in Bangladesh

A number of corporations are now following an increased commitment to CSR beyond just profit making and compliance with regulation. Mostly banks are involved in CSR activities in the country as Bangladesh Bank (BB) has instructed them to use more funds in support of CSR activities to raise performance indicators. The banks expenditure for social welfare jumped to Tk. 55.38 crore in 2009 from Tk 41 crore in 2008, according to Bangladesh bank report (Bangladesh Bank, 2010) first of its kind. The prime areas of their CSR activities are- Disaster relief, education, health, sports, arts and culture and others.

Traditional CSR activities in Bangladesh that encompass health, education, and community services are usually seen as distinct and unrelated to core business operations. Many companies provide healthcare as a benefit to employees and their families, and some even provide a community health clinic. Through partnership with smiling Sun health clinic, Marie Stopes Clinics society, etc big companies like Holcim Cement, British-American Tobacco, Bangladesh (BATB), Chevron Bangladesh are serving community, farmers, employees, women and child. Some CSR initiatives target community development. Lafarge cement, for example, provides enterprise development training for women in the community surrounding its manufacturing plants to encourage small and medium-sized enterprises. Despite impressive numbers of people served by the community health projects, the numbers are small in relation to the national requirements in Bangladesh (Werner, 2009).

5.1 Tax Benefit for CSR in Bangladesh

Earlier CSR expenditure was disallowed expenditure & no tax rebate was given for the CSR expenditure to the corporate houses. According to the income tax ordinance 2010, a company enjoys 10 per cent tax exemption on the amount of money for CSR activities in about 22 selected sectors defined as a major public welfare and social development area.(Appendix-1) (Gazette notification, 1 July 2010, Income tax, Sec 44(4)b). Agricultural production and processing, crop diversification, employment generation, education and training will be considered as CSR areas under economic sector, while global warming, ecological balance, pure water management, carbon emission, sea water level, forestry, city beautification and waste management will be environmental activities. Under social development, companies investing for women rights issues, extending donations to HIV-AIDS campaign agencies, welfare activities for disabled, donations for public universities, relief activities after natural calamities, welfare activities for grassroots children and acid victims will get the tax waiver facility.

In the year 2011, the law has been revised where companies will get 10% tax rebate on the expenditure for CSR only for up to 20% of total income or Tk 8 Crore, whichever is lower. No tax rebate is applicable for the excess amount (Gazette notification, 4 July 2011, Income tax, Sec 44(4) a).

Companies who want to enjoy tax benefit for their expenditure on CSR should comply with some conditions as per the existing law. The company should be regular in paying salary and incentives to its employees, income tax, VAT, duty to the government. In case of manufacturing organization it should have Waste Treatment Plan, the company should be government approved, CSR expenditure is disallowed for profit calculation, the companies need to take prior approval from the NBR for CSR expenditure and need to submit the proof of money spent on CSR activities for availing tax benefit.

But the condition of taking prior approval from the NBR, before investing into CSR activities to avail tax benefit, is making the government initiative to encourage companies investing in CSR, ineffective. For avoiding bureaucratic procedure most of the companies don't take prior approval from the NBR, thereby do not enjoy the tax benefit.

5.2 *Mobile Telecommunication Industry in Bangladesh*

Telecom sector of Bangladesh has been flourished since the last decade as many national and multi-national operators entered into the industry. To have a brief idea on the existing telecom industry of Bangladesh, some relevant information of the telecom companies have been compiled here.

The telecommunications sector in Bangladesh is undergoing rapid structural change and dramatic economic growth. High growth in telecommunications during the last decade, particularly in the mobile phone sector, has enabled subscribers in urban and rural areas to access most of the basic and value-added services. Voice; text messaging; Internet; email; and other online services such as e-business, health, education, banking, and entertainment information are now available via mobile phones. According to Bangladesh Quarterly Economic Update March 2008 (ADB), the country made a significant paradigm shift in telecommunications facilities following deregulation of the sector and the subsequent entry of several large multinational telecommunications companies investing in the mobile phone infrastructure.

In 1989, the government issued license to only one operator to provide cellular phone service. The operator, the Citycell, entered the market in 1993 and enjoyed monopoly power for four years. During this period, the growth of the sector was very slow, and the cell phone was only for people in the upper (income) echelon of the society. The second cell phone operator, the GP, entered the market in 1997. Though the call charge fell, it was not sufficient to transform cell phone's image from a 'luxury' to a 'necessity'. Probably the most important changes came when Orascom took over the Sheba Telecom Ltd and began functioning as Banglalink. To capture the market, it launched some lucrative offers of lower call charges that forced other operators to reduce their call rate.

In 2005, another operator, the 'Teletalk', entered the market with low call rates and PSTN access (Teletalk is a BTCL project). Thus, the price of cell phone services has fallen with the increased level of competition, leading to enlarged consumer benefits.

However, the market is still highly concentrated as only six firms are currently providing the services. The three largest operators (GP, Banglalink and Robi) hold 90 percent of the market share in terms of the number of subscribers and 94 percent of the total market when the revenue earning is considered. The total number of Mobile Phone Active Subscribers has reached 68.645 million at the end of December 2010, which is higher by 31% from 2009.

Table 1: Mobile Phone Subscribers and Their Growth in Last Two Years:

Market position with respect to subscribers	Operators	Active Subscribers (in Millions)		Growth in Percentage (%)
		2009	2010	
1	Grameen Phone Ltd. (GP)	23.26	29.970	28.85
2	Orascom Telecom Bangladesh Limited (Banglalink)	13.87	19.327	39.34
3	Axiata Bangladesh Limited (Robi)	9.29	12.368	33.13
4	Airtel Bangladesh Limited (Airtel) Previously known as Warid Telecom International L.L.C (Warid)	2.99	3.956	32.31
5	Pacific Bangladesh Telecom Limited (Citycell)	1.95	1.811	(7.13)
6	Teletalk Bangladesh Ltd (Teletalk)	1.07	1.211	13.18
	Total	52.43	68.645	30.93

Source: BTRC, 2010-www.btrc.gov.bd

The liberalization in the telecommunication sector has also attracted a large amount of foreign investment. The Banglalink is completely owned totally by a foreign investor, whereas the whole investment in Teletalk is from a local source. The ownership structure of the leading telecom operators are:

- ✓ **Grameen Phone Ltd:** Grameen Telecom 34.20% and Telenor mobile Communications 55.80% and general public and other institution 10%.
- ✓ **Orascom Telecom Bangladesh Limited** is 99.999% owned by Orascom Telecom Ventures Limited (OTV), which is a fully owned subsidiary of Orascom Telecom Holding S.A.E. (OTH).
- ✓ **Robi Axiata Limited** is a Joint Venture company between Axiata Group Berhad (70%) and NTT DOCOMO INC. (30%)

Here it is worth mentioning that given the scale economies due to advanced technology and marketing strategies, oligopoly is the most likely outcome in such markets. But it remains to the regulatory body to extract the most efficient outcome from the market participant in such a structure.

Table 2: Market Positions of Top 3 Operators With Respect to Revenue:

Market position with respect to revenue	Operators	2010 (in Billion Tk)	Growth in Percentage (%)
1	Grameen Phone Ltd. (GP)	74.70	14.4%
2	Orascom Telecom Bangladesh Limited (Banglalink)	32.85	29 %
3	Axiata Bangladesh Limited (Robi)	26.03	31 %

Source: Annual Report, 2010 (GP, Banglalink, Robi)

Grameen Phone has been dominating the telecommunication industry for last many years and is still in number one position in respect to highest generating revenue of 74.70 Billion Taka in 2010, which is higher by 14.4% than the previous year. Though Robi have shown the second largest growth in respect to revenue i.e., 31% from 2009 to 2010, it is still in 3rd position with respect to subscribers' number as well as revenue. Whereas, Banglalink has got 29% of growth in its revenue from 2009 to 2010.

Therefore being the largest businesses in the industry it is their foremost duty to come forward to work for the people and for the country.

5.3 Cases and Findings

It is becoming an integral part of organizations to integrate CSR into their corporate vision and mission statements and strategies. Williams (2007) in his paper projected the view that CSR is not in principle a range of additional activities that a company may adopt, and which if pursued to excess may perhaps become a distraction from its core business. Rather, it is a way of carrying out that core activity which recognizes the company's responsibility to society as part of the business environment. The social responsiveness by the corporation can be beneficial collectively for stakeholders, government, customers, subscribers, suppliers and the communal growth in which they are conducting business and it is mostly for those who are the market leaders.

Corporate Responsibility by Grameen Phone Ltd. (GP)

Commitment towards the Society GP considers itself a socially responsive, respectful and an abiding company. GP's mobile services are in many ways a social service itself, creating closeness in families and communities, and enabling business improvements and new business development. Corporate Responsibility is a complementary combination of responsible business practices and corporate behavior and externally focused initiatives to create value for societies and communities. Its Corporate Social Responsibility (CSR) program covers many aspects of life with special focus on health, education, entrepreneurship and environment through its ventures like Village Phone, Community Information Centre (CIC), Health Line, Study Line, etc.

Grameen Phone Ltd with its aim to contribute to the socio-economic development of the country launched a Corporate Social Responsibility report. The objective of the publication was to report their CSR activities among the key stakeholder groups. Grameen Phone's investment strategies are thought through beyond mere balance sheets to act as a catalyst for prosperity and innovation that can spur economic growth for the country.

Dimension and Programs	Partner	Achievements
<p><u>1. Health</u></p> <p>i) Safe Motherhood and Infant Care Project: (since May 2007)</p>	<p>Pathfinder International and USAID, Smiling Sun clinics</p>	<p>1,765,088 services have been provided to the economically disadvantaged mothers and infants under this program.</p>
<p>ii) Free Eye Care Camps: (since 2007)</p>	<p>Sight savers International.</p>	<p>In total, 24 such free eye-camps have been organized throughout the country and a total of 36,327 patients were given free eye care support,</p>
<p><u>2. Education</u></p> <p>i) Grameen Shikhhkha:</p>	<p>Grameen Shikhhkha, an organization of Grameen Bank Family,</p>	<p>Grameenphone provides scholarship to meritorious but underprivileged students through a scholarship fund at different academic levels.</p>
<p>ii) Alokdeep, Non-Formal Primary School cum Cyclone Shelter:</p>		<p>Provided financial assistance to build four education center-cum-cyclone shelters in the southern belt of the country. These cyclone shelters are used as non formal primary school throughout the year to provide non-formal primary education to underprivileged children of the locality.</p>
<p><u>3. Entrepreneurship</u></p> <p>i) Skill Development Center & CIC (Community Information Center) (February 2006)</p> <p>ii) Village phone (started in 1997)</p>	<p>UNDP, several International bodies like Katalyst and the GSMA.</p>	<p>The Grameenphone Community Information Center (CIC) is a shared premise where rural people may access a wide-range of state of art services.</p> <ul style="list-style-type: none"> • Alleviating poverty • Educating the underserved and underprivileged on information-based services • Building local entrepreneurships and improving capacity • Creating employment opportunities for the unemployed youth <p>Today the project has become a massive operation with over 500 CICs operational in nearly 450 Upzilla's.</p> <p>The Village Phone Program, also, provides a good income-earning opportunity to more than 210,000 mostly women Village Phone operators living in rural areas.</p>

		The Village Phone initiative was given the "GSM in the Community" award at the global GSM Congress held in Cannes, France in February 2000. Grameenphone was also adjudged the Best Joint Venture Enterprise of the Year at the Bangladesh Business Awards in 2002.
<p>4. Environment</p> <p>i) Combat climate change</p>	<p>Solar energy has emerged strong in the market for green technology to mitigate the effects of electricity shortages at rural levels. In this respect, GP's Climate Strategy aims to become a Green Company by shifting towards low carbon operations, practicing green standards internally and developing a greater momentum in the community with people.</p>	
<p>5. Employee:</p> <p>i) Health, Safety, Security and Environment (HSSE)</p> <p>ii) National talent pool</p>	<p>GP has been a vibrant example in Bangladesh Telecom Industry considering effective management of Health, Safety and Security issues of employees & its value chain partners</p> <p>National talent pool Intellectually-challenged athletes, who will be further nurtured for the next Special Olympics in 2011.</p>	

Corporate Responsibility by Orascom Telecom Bangladesh Limited (Banglalink):

Banglalink is wholly owned subsidiary of Egyptian Orascom Telecom. In September 2004 Orascom Telecom Holdings purchased 100% of the shares of Sheba Telecom (Pvt.) Limited ("Sheba"). Banglalink's license is a nationwide 15-year GSM license that expires in November 2011.

When Banglalink entered the Bangladesh telecom industry in February 2005, the scenario changed overnight with mobile telephony becoming an extremely useful and affordable communication tool for people across all segments. Within one year of operation, Banglalink became the fastest growing mobile operator of the country with a growth rate of 257%. This milestone was achieved with innovative and attractive products and services targeting the different market segments; aggressive improvement of network quality and dedicated customer care; and effective communication that emotionally connected customers with Banglalink.

Banglalink is today the 2nd largest mobile operator in the country and recently celebrated with 19 million customers. This has been achieved in just six years. Banglalink continues to play an active role in the area of corporate social responsibility (CSR). Because it honors the significance of corporate social responsibility over any sustainable growth of a business.

Dimension	Programs	Activities
Human Development	<u>Supplying Free Blankets in essence of Making a Difference:</u>	Free Blankets were generally distributed in several orphanages in Dhaka, Bogra, Mymensingh, Rajshahi, Pallabi in Mirpur Dhaka. Banglalink took a special initiative to distribute approximately 5000 blankets in various orphanages across the country.
	<u>Arranging Iftar Party and ensuring Welfare of the childrens</u>	During last Ramadan, Banglalink conducted a number of CSR activities concentrated on helping underprivileged children, including distributing Iftar and dinner during the whole month in various orphanages.
Health	<u>Banglalink special services at Hajj Camp</u>	Last year banglalink provided pure drinking water at the Hajj Camp and the Zia International Airport. This year, banglalink has added some extra facilities, such as pure drinking water, necessary medicines, free phone kiosks and buses for shuttle services (airport drop service for the Hajjis).
	<u>Banglalink supports persons with disabilities :</u>	Action on Disability and Development (ADD) held a half-day national seminar, with the support of Banglalink, in Dhaka. The seminar titled “Capacity Building of Persons with Disabilities in Bangladesh-step towards making a difference” discussed the scope and effort of bringing disabled people within the arena of the opportunity society.
Environment	<u>Banglalink launches agri-solutions service</u>	Banglalink has recently launched a new service ‘Banglalink jigyasha 7676’ which will provide suggestions and answers to any queries related to agriculture, vegetable and fruit farming, poultry, livestock, fisheries etc. The service will give people with easy access to advice and solutions to agriculture-related problems.
	<u>Banglalink sponsors Rajshahi city beautification</u>	Banglalink recently sponsored the beautification program of Rajshahi city.
	<u>Coastal Clean up project of banglalink:</u>	Banglalink celebrates the 'International Coastal Clean-up every year. The event was held at Cox's Bazaar sea beach. The

		<p>International Coastal Clean-up Day gets celebrated usually on the 19th of September every year through various activities in more than 90 countries. On that day, people from various corners come together to remove trash and debris from different beaches and waterways around the world and generate awareness about many activities that cause beach pollution. This is in line with Banglalink's year long beach cleaning project.</p>
<p>Tourism</p>	<p><u>Banglalink launches nationwide campaign to boost tourism</u> Banglalink is working with Bangladesh Parjaton Corporation and a session with Tour Operator association of Bangladesh.</p>	<p>Nationwide campaign through caravans along with other measures in a bid to generate votes for Cox's Bazar and the Sundarbans to help those two places top the 'New 7 Wonders of Nature' list. Banglalink is the first and only company till now to become the official nominee supporter by entering an agreement with new7wonders. Banglalink has continued to actively participate in tourism development activities under its CSR platform.</p> <p>Activation will also be run through special voting boots, which will be carrying 72 educational institutes of Dhaka city and will engage students for casting votes for Cox's Bazar and Sundarbans. Voting will be also fascinated 250 Cyber café nationwide with support of Cyber café Association where there will be dedicated computers left open for free voting for this. There will be SMS vote casts and advertise - ments in website to promote voting.</p> <p>Banglalink is also working to make Kuakata to a popular tourist destination, Banglalink is solely sponsoring `Banglar Pothey' a travel show on Channel I to encourage tourism journalism.</p> <p>Banglalink is sponsoring `Bangladesh Monitor', `Dhaka Calling', `Parjaton Bichitra' and `Vromon Barta'. Banglalink is also promoting tourism through sponsoring various events to rejuvenate Kuakata after Hurricane SIDOR, Banglalink sponsored a three-day along `Kuakata Sagor Utsab'. Banglalink</p>

		<p>sponsored the first ever tourism photography competition and exhibition jointly organized by Bangladesh Parjaton Corporation and Bangladesh Silpakala Academy.</p> <p>At Shahjalal International Airport billboards are positioned to promote tourism of Bangladesh. Banglalink contributed 1500 passenger trolleys and four phone booths at Shahjalal International Airport, which has been able to serve the long needed convenience for the passengers.</p>
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Corporate Responsibility by Axiata Bangladesh Limited (Robi)

Robi dreams of a prosperous and strong nation and thus Robi's commitment to the society is an integral part of its business. Robi intends to build a better Bangladesh by empowering people and by providing support towards the sustainable development of the community.

Through its CR initiatives, Robi intends to contribute towards the development of socio economic and ecological condition of the country. Renewing its CSR philosophy, Robi is widening its core CSR area with the launching of new brand in 2010. Robi has redefined its CSR drive under five thematic aspects - Education, ICT (information, communication and technology), Health, Environment and Culture & Heritage with prime focus on women empowerment. Among the core areas, education is the major thrust areas of Robi's CSR interventions. In line with Government's 'Digital Bangladesh Vision 2021', Robi will be working towards ICT development across the country especially in the colleges and libraries. With special focus on women, Robi is emphasizing on women health and women entrepreneurship. Thus Robi aspires to be a powerful agent of change through enriching people's lives for a better living.

Dimension	Activities
Culture	<p>'Know Bangladesh better' program for the students in the name of "Konthe O Tulite Bangladesh"</p> <p>The underlying theme of the contest is to enlighten students with the correct tune and lyrics of national anthem and at the same time to teach them how to draw country's map correctly. 100 students from 25 different schools with their parents observed this unique competition with lots of joy and enthusiasm.</p>

Health	<p>Birth sponsor for all the babies at Marie Stopes Clinic born on March 28, 2010 Robi believes in building a brighter, better and safer tomorrow for our nation. On the 28th of March, Robi celebrated life with others born on the same day and stood by all mothers who gave birth on this date at Marie Stopes Clinic facilities across Bangladesh, and sponsor all their medical fees.</p> <p>Extends hand towards the visually impaired people To facilitate the blind students with educational support, Robi has joined hands with HEAD international (Human Programme for Education and Achievement of Disable and Orphan), a social welfare organization working for the development of the disabled people.</p> <p>Protibondhita Korbo Joy- turning disability into ability With the pledge 'Protibondhita Korbo Joy, Ai Hok Prottoi', Robi is providing support to the underprivileged people of the society with a view to turning disability into ability. In the first phase, Robi is providing support to the Clubfeet children (Clubfeet is a birth defect with twisted foot (inverted). Without treatment, persons afflicted often appear to walk on their ankles, or on the sides of their feet. It is a common birth defect, occurring in about one in every 1,000 births). To combat disability and to create awareness among the mass, Robi has partnered with Impact Foundation Bangladesh, a charitable trust based in England, who has specialized hospitals for this treatment in Kustia, Meherpur and a floating hospital 'Jibontori'. Here, the patients are treated by the doctor's team from England and Belgium. As this is an avoidable disability,</p> <p>Shustho Nari Shustho Paribar:</p> <p>Free health camp for the underprivileged women of the society Robi is running Free Health Camp under the banner 'Shustho Nari, Shustho Paribar' throughout the year to help the underprivileged women of the society who are deprived of the basic health facilities, Along with free health service, Robi is also providing the women with the information in basic health and hygiene to help them stay healthy as well as take care of their family in a healthy way.</p>
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Environment	<p>Illuminating 500 homes in 50 hard-to-reach villages with solar energy As the sun shines across every part of Bangladesh, Robi is working closely to ensure that the farthest corner of our motherland is also illuminated with light. To contribute towards minimizing the ongoing energy crisis in Bangladesh, Robi, in partnership with Rahimafrooz, is illuminating 500 homes in 50 hard-to-reach villages with solar energy all over the country. Under this initiative, Robi is providing with 20WP solar panels for each of the homes and thus spreading the light of Robi across the country.</p>
Human Development	<p>Hosts Iftar for orphans in Chittagong Robi organized an Iftar Mehfil for orphans in Chittagong. The children were also given Eid celebration gifts to mark the occasion.</p>
Women empowerment	<p>Robi Axiata Limited donates sewing machines for the underprivileged women Robi Axiata Limited has donated sewing machines to a number of underprivileged women in cooperation with Ain-o Salish Kendra (ASK), a legal aids and human rights organization that has been working for providing legal and other support services to the deprived citizens of the society. On this occasion, a special program was arranged at the office premises of Ain o Salish Kendra (ASK) where the sewing machines were distributed among the individuals as well as the trainees in Dhaka and Mymensingh. Robi Axiata Limited is working on “Empowering People” and as a small effort to empower the underprivileged women of our society; it is trying to make them self-dependent. Since women play the most vital role in building nation, helping them for their own livelihood would increase the possibility of a better future for all.</p>

Major Drivers and Tax Issues for CSR

Various commercial factors may influence a company towards a socially responsible course of action in any particular case: the possible damage to its reputation with customers and staff if it took the opposite course; potential costs of remedial work after pollution; the fact that merchandise made under oppressive conditions may not be of the highest quality; and the potential political and economic instability of countries governed by dictatorial regimes. In general, perhaps, the reputation effect is one of the most significant factors in making this ‘business case’ for CSR.

Telecom Operator	Major drivers behind CSR	Tax Rebate Enjoyed
Grameen Phone (GP)	✓ External factors related to changes in business environment.	No
Banglalink	✓ Reputation among stake holders ✓ External factors related to changes in business environment	No
ROBI	✓ External factors related to changes in business environment.	No

Source: Interview data

The country's largest mobile phone operator, Grameen Phone Ltd, recently listed in Securities and Exchange Commission (SEC) on the capital market. This is the country's first and only telecom operator listed in SEC. Hence, GP is making maximum disclosure of their CSR activities among the stakeholders through its website, annual report, CSR report and other electronic and print mediums.

All three companies see CSR as a way of contributing to sustainable development and when analyzing major drivers behind CSR it was revealed that 'External factors related to changes in business environment' was identified by all three as being the main motivation. Banglalink also considers 'Reputation among stakeholders' as another driver behind the CSR activities.

All the three companies are making considerable contribution in the health, education, environment, food and clothing for the underprivileged children. These contributions to a great extent making a step toward attaining Millennium Development goals (MDG). While Banglalink's efforts towards promoting and fostering the tourism industry is worth mentioning. At the same time, the contribution of Grameen phone towards entrepreneurship development especially in villages through Village phone and Community Information Center (CIC). Whereas Robi is emphasizing on women empowerment.

It is also revealed from the study none of the three mobile telecom operators enjoy tax benefit. When asked the reason, they pointed out the complicacy of the law for availing tax benefit. The existing law that require prior approval from the NBR, discouraging the corporate houses to claim for such benefit. Though there is a provision for getting tax benefit under the existing law, it should not be a major driver behind rendering the responsibility towards the society. A reservation as to the appropriateness of such tax relief is expressed by Professor Judith Freedman, who makes the point that if a government gives tax relief for countless worthy activities (including CSR expenditure) it is encouraging the perception that paying tax is a bad thing – from which the good are excused – rather than a socially responsible thing.

Above all, it can be said, that the most interesting thing in the cases observed is their strategy of contributing to the society and environment as a part of their core activity.

6 Conclusion and Recommendations

The World Economic Forum (2006) argues that there are certain things that the private sector does extremely well. These include operating efficiently at a large scale, delivering essential products and services where markets are functioning, developing innovative solutions to technical or operational obstacles to meet customer needs and taking a performance-oriented, result-driven approach to management (Shamim, 2022). All of these competencies are needed to deliver development solutions on a large scale. The private sector also has the ability to tap additional financial resources for development through direct investment, loans or philanthropy, which can help close the finance gap for meeting the Millennium Development Goals (MDGs) .

For example – eliminating hunger requires an integrated approach that addresses poverty, builds markets and infrastructure, boosts agricultural production and nutrition, focuses on health and enables women's empowerment. Collaborative private sector efforts to reduce hunger are rare, but have tremendous potential to bring both practical solutions and political action to hungry communities.

- The common belief of CSR being a cost center rather than a profit center have not entered the corporate mindsets; therefore, practical examples need to be placed in front of them and develop a sturdy academic and practical understanding of how the CSR practices are adding to company image, sales and profitability, while keeping the lines of communication open with the corporate bodies.
- The NBR need to ease some rules of eligibility for availing tax benefit for CSR as it has found poor response.
- Bangladesh Telecom Regulatory Commission needs to promote the improvement of disclosure of CSR activities, with the total expenditure (yearly) on CSR in the annual reports of telecom companies. This will provide better transparency of corporate activity.

- Governments have a role to play in fostering a climate where companies are encouraged to meet corporate social responsibility.
- The government policy should focus on enabling favorable environment for the corporate houses to make more and more CSR initiatives, especially on the areas which help the government to meet Millennium Development Goals of the country.
- The telecommunication companies can contribute more to reducing the problems related to poverty reduction, globalization and climate change.

The government is encouraging private sector to invest more in the industry as they think that the industry is playing a vital role in developing the socioeconomic structure of the country. Many firms in Bangladesh have now started CSR activities by recognizing the obligations. If this trend can be accelerated, in near future government and multilateral agencies will become minority donors in economic and social development, while the private sector – individuals through remittances and firms through compliance, corporate giving and social investments – will become the dominant donors. Understanding, managing and responding to this transition is crucial for an effective development program for Bangladesh.

The positive achievements of CSR activities may be difficult to measure, and may rely on subjective judgments. A further difficulty in the area of reporting is that, because it is largely voluntary in nature, there are no formal sanctions for those who report erroneously or over-optimistically, or not at all. On the other hand, this voluntary aspect may encourage an approach that looks at what is helpful to users rather than limiting it to what is strictly required.

Today's alike telecom companies, some other leading companies seem to be much conscious to publish their CSR activities on their websites, making advertising campaigns and using SMS (Short message service) for informing and highlighting their CSR activities. It is more likely to be practiced as pre-emption strategy by the corporation against the unforeseen risks and corporate scandals, possible environmental accidents, governmental rules and regulations; even it is used as a strategic tool to ensure profits, for brand differentiation and to establish a good rapport with the public.

CSR is also practiced because customers as well as governments today are demanding more ethical behaviors from organization (Ali, Rehman, et. al, 2010).

Further study:

The author came up with a view after going through the literature that increased promotion of CSR actions may lead to more customer awareness and improved organizational performance. Studies can be conducted to assess the relationship for the telecom sector in Bangladesh.

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Appendix- 1

*Areas of performing CSR are- (ITO-2010)	**Areas of performing CSR are-(ITO-2011)
<ul style="list-style-type: none"> Pure water management organization Forestation activity City beautification Waste management Relief activities after natural calamities Extending donations establishing old homes. Welfare of mentally or physically challenged children Education program for grassroots children Housing project of slum dwellers 0.Organization campaigning against women rights and dowry. 1.Welfare and rehabilitation of activities for grassroots children 2. Institute involving Research on liberation war and freedom fighters 3. Sanitation program in Hill tracts, River erosion areas etc. 4.Organization engaged in mitigating cancer, leprosy etc. 5.Welfare activities for acid victims 5.Specialized hospital for cancer, leprosy, lever, kidney etc for poor patient. 7.Organization engaged in family planning activity 8.Public universities 9.Technical and vocational training for poor meritorious student 0.Establishment of Computer Lab or English learning courses in Govt. or MPO enrolled institute. 1.Technical and vocational training for skilled/ semiskilled labor for man power export 2.Infrastructure/development of sports in national level. 	<ul style="list-style-type: none"> Relief activities after natural calamities Extending donations establishing old homes. Welfare of mentally or physically challenged children Education program for grassroots children Housing project of slum dwellers Organization campaigning against women rights and dowry. Welfare and rehabilitation of activities for grassroots children Institute involving Research on liberation war and freedom fighters Sanitation program in Hill tracts, River erosion areas etc. 0.Organization engaged in mitigating cancer, leprosy etc. 1.Welfare activities for acid victims 2.Specialized hospital for cancer, leprosy, lever, kidney etc for poor patient. 3.Public universities 4.Technical and vocational training for poor meritorious student 5.Establishment of Computer Lab or English learning courses in Govt. or MPO enrolled institute. 5.Technical and vocational training for skilled/ semiskilled labor for man power export 7.Infrastructure/development of sports in national level. 8.Donation to the National Museum in the memories of liberation war. 9.Donation to any National organization established Museum in the memories of father of nation. 0.Donation to Prime minister higher education fund.

*Gazette notification dated 1 July 2010, Ministry of Finance: SRO-270-Ain/Income tax/2010 in ref. ITO Sec 44(4) (b)

**Gazette notification dated 4 July 2011, Ministry of Finance: SRO-229-Ain/Income tax/2011 in ref. ITO Sec 44(4) (b)