

NEW INNOVATION IN MOBILE COMMERCE - MOBILE PHONE TURNS INTO A VIRTUAL WALLET

Airtel, ICICI & VISA join hands to launch mChq

- *The first of its kind credit card on the mobile SIM - The first mobile-to-mobile payment option between customers & retailers*
- *Huge convenience to customers, merchants, of Airtel, ICICI Bank & VISA –A mobile will now serve as a Secure Point of Sale (POS) terminal and payment mechanism*
- *Enables micro transactions and hence replaces the need to carry cash – Can be used for proximity as well as remote payments*

New Delhi, September 19, 2005: The ubiquitous mobile phone now turns into a virtual wallet – a new innovation in mobile commerce. Airtel, ICICI Bank & VISA have joined hands to launch mChq – a revolutionary new service – a credit card on the mobile phone. This is the first mobile-to-mobile payment option which enables Airtel customers and ICICI Bank Visa cardholders to pay for their purchases with their Airtel mobile phones.

The service eliminates the need of carrying physical cash etc for making a purchase and also does away with the need of a Point of Sale (POS) terminal since the mobile phone serves as a secure POS and a payment mechanism. In the first phase, this service will be available to Airtel and ICICI Bank customers in Delhi, Mumbai, & NCR across 100 retail outlets, including departmental stores, restaurants and bookshops and will be expanded to other cities in the coming months.

Airtel customers subscribing to this service will be issued a new SIM card free of cost while ICICI Bank cardholders will be issued an Add-On card on the basis of their existing ICICI Bank - Visa credit card.

According to **Mr. Akhil Gupta, Joint Managing Director, Bharti Tele-Ventures Ltd.**, “Innovation has been a key driver for us at Bharti. It has been instrumental in Airtel taking a leadership position and has also helped us sustain the growth that the company is witnessing. With the launch of this new service today, mobile phones now turn into virtual wallets and there is chance that the entire concept of payment may change. The product is a boon for customers, financial service providers, retailers and mobile service providers.”

Ms. Chanda Kochhar, Executive Director, ICICI Bank said, “MChq is another revolutionary step in keeping with our philosophy of churning out innovative products. It completely transforms the way people shop. This service provides value-addition to the way we use credit cards and mobile phones. Customers now have one more convenient channel to pay for their shopping requirements, thus increasing their payments options. With the rapid penetration of mobile phones in the Indian market, ICICI Bank sees a great potential in servicing customers in this segment”.

The mChq technology is powered by A.Little.World IDRBT (technology arm of RBI) is the root key management (KMA) for mChq and the principal certification authority (CA) for use of public key infrastructure in mChq.

mChq – The process

The service enables a simple and fully secure transaction since every transaction is pre-approved by the cardholder and digitally signed for, through a PIN number. The transaction process is one where the retailer/merchant sends an SMS mentioning the amount to the customer. The customer enters his/her personalized PIN number and sends an SMS back to the retailer acknowledging the amount to be paid. Both the parties then get a confirmatory SMS indicating the completion of the transaction.

About Bharti

Bharti Tele-Ventures is one of India's leading private sector provider of telecommunications services with an aggregate of 14.42 million customers as of end of August '05, consisting of approximately 13.41 million mobile customers. The company is the only operator to provide mobile services in all the 23 circles in India. The company also provides telephone services and Internet access over DSL in 15 circles. The company complements its mobile, broadband & telephone services with national and international long distance services. The company also has a submarine cable landing station at Chennai, which connects the submarine cable connecting Chennai and Singapore. The company provides reliable end-to-end data and enterprise services to the corporate customers by leveraging its nationwide fiber optic backbone, last mile connectivity in fixed-line and mobile circles, VSATs, ISP and international bandwidth access through the gateways and landing station. For more information, visit www.bhartiteleventures.com

About ICICI Bank:

ICICI Bank (NYSE:IBN) is India's second largest bank with an asset base of Rs. 1812.27 billion as on June 30, 2005. ICICI Bank provides a broad spectrum of financial services to individuals and companies. This includes mortgages, car and personal loans, credit and debit cards, corporate and agricultural finance. The Bank services a growing customer base of more than 13 million customers through a multi-channel access network which includes over 570 branches and extension counters, 2025 ATMs, call centres and Internet banking (www.icicibank.com). ICICI Bank runs one of the largest credit card programmes in India with over 3.5 million cardholders.