



NEWS HIGHLIGHTS

WhatsApp brings digital payment to users in Brazil

2020 Inclusive Fintech 50 Now Accepting Applications

Alibaba Cloud to invest \$283 million to accelerate global partner ecosystem.

BEENEXT closes \$160M in two new funds; to have major focus on Indian startups

Today's View

Building Mental Health (2)

In our yesterday's article, we have seen how innovative technology is being leveraged to improve mental health. Incidentally, multiple institutions including fintechs are taking help of technology to improve mental health.

As per **World Health Organization (WHO)**, majority of the people in low-and-middle-income countries receive no treatment for their mental health disorders. **National Mental Health Survey (NMHS)** states that nearly 150-million Indians suffer from some form of mental health concerns and only about 30 million seek help from families, friends or counsellors.

Some smartphones apps have been developed which focus on mental health. One such app called **Calm** allows users to learn how to meditate, have breathing sessions to relax mind and body, listen to calming bedtime stories before going to sleep or watch soothing nature scenes any time during the day.

Similarly, **HealthEminds**, a Bengaluru-based start-up provides counselling and mental health support, both on the personal and professional front. The success of the platforms can be understood from the fact that enquiries on the platform have increased from four-five enquiries a week in 2015 to about 110 a day at present.

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**Bharat to haul ecomm GMV past the \$100 billion mark by 2025: Study**

India's e-commerce growth will likely be driven by Bharat, or users from outside large metro and tier I cities, over the next five-year period.



Source – The Economic Times

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16<sup>th</sup> June 2020

The ability of the digital space to provide ease of access to mental health professionals has also prompted **the National Institute of Mental Health and Neurosciences (Nimhans)** to roll out Push-D (Practice and Use Self Help for Depression). Launched in a testing phase last year, the mobile app uses activities, audio-visuals, statistics, infographics and other materials that helped users to recognise depressive symptoms, seek treatment and get counselling over a month.

Government authorities are also taking steps to strengthen mental health eco-system. The Mental Health Care Bill passed by the Parliament empowers people suffering from mental health issues to access treatment without discrimination, recognises consent, discourages seclusion and solitary confinement and allows people take full charge of the course of their treatment. IRDA has also directed all insurance companies to make provisions to cover mental illness in their policies.

We believe that the legislative push, along with tech-driven initiatives like apps will encourage people to talk without fear of being shamed or mocked, thereby creating a support ecosystem for improving the mental health of individuals.

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## Today's News

### WhatsApp brings digital payment to users in Brazil

Facebook's WhatsApp messaging service rolled out a system across Brazil on Monday that will allow users to send money to individuals or local businesses within a chat, attaching payment as they would a photo or video. WhatsApp tested the payment system in India beginning in 2018. The Brazil launch will be the first nationwide rollout and will introduce the ability to directly pay a business.

The company has over 120 million individual users in Brazil, its second-largest market behind India. "WhatsApp is heavily used there, both by people and small businesses," Matt Idema, chief operating officer of WhatsApp, said of Brazil. "We think we can help grow digital payments, help grow the digital economy with small businesses, and help support financial inclusion," he told Reuters in an interview.

Source – *The Economic Times*

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### 2020 Inclusive Fintech 50 Now Accepting Applications

2020 Inclusive Fintech 50 is now accepting applications for Fintechs driving innovation and providing financial services for the underbanked or non-banked population. In its second year of operation, IF50 seeks to identify a cohort of 50 high-potential, early-stage, and innovative fintech startups driving financial inclusion and resilience for the 3 billion financially underserved people worldwide.

Fintech solutions including credit, Insurtech, payments and remittances, savings and personal financial management, and more are encouraged to apply. The initiative brings selected Fintechs together with investors while developing industry insights from aggregated and anonymized applicant data. The process is said to identify startups poised for success through four criteria: inclusiveness, innovation, scale potential, and traction.

Source – *Crowd Fund Insider*

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## Global FinTech Market by Technology, Service, Application, Deployment Mode, Region and Vendor - Forecast to 2025 - ResearchAndMarkets.com

The Global Fintech Market is anticipated to grow at a CAGR of around 20% during the forecast period. The market is expected to witness progressive growth and reach the market value of around \$ 305 billion by 2025.

The key reason for the growth of the fintech market includes high investment in technology-based solutions by banks and firms.

Source – *Business Wire*

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### Wary of FDI rules, Chinese VCs put new funding on hold

Chinese venture capital investors are turning increasingly anxious about India's new foreign direct investment policy, after the government last month mandated that all investments from countries sharing a land border with India will require its prior approval.

Two investors told ET that deal flows into the country have already been impacted. Some investors have even withdrawn term sheets that were on the table, the investors said on condition of anonymity, adding that they were waiting for clarifications from the government on the policy tweak.

Source – *The Economic Times*

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## BEENEXT closes \$160M in two new funds; to have major focus on Indian startups

Singapore-based venture capital firm BEENEXT has announced it has closed two new funds by raising a total of \$160 million. The primary focus of these funds will be to invest in startups across India, South East Asia, and Japan. According to a press statement issued by BEENEXT, the first fund - BEENEXT Emerging Asia Fund - will have a corpus of \$110 million, and will focus on early-stage startups and founders in India as well as Southeast Asia.

BEENEXT said it plans to allocate about 50 percent of the fund exclusively for the Indian startup ecosystem, which it has been doing consistently since its inception in the country in 2015. Teruhide Sato, Founder & Managing Partner, BEENEXT said, "We have not paused our engagement with potential founders, and are continuing to increase our momentum to find talented leaders in India and elsewhere, building the next great products and solutions."

Source – Your Story

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## Alibaba Cloud to invest \$283 million to accelerate global partner ecosystem

Alibaba Cloud, the data intelligence backbone of Alibaba Group, on Tuesday said it will invest RMB 2 billion (USD 283 million or about Rs 2,144 crore) during this fiscal year to empower global partners and accelerate joint innovations in the post-pandemic era. The investment aims to help its partners in accelerating their digitalisation capabilities and create joint products and solutions to benefit even more customers across all sectors, a statement said.

Commenting on the Indian ecosystem, Alibaba Cloud South Asia General Manager Alex Li said, Alibaba Cloud has cultivated strategic partnerships with Global System Integrators like Infosys to drive business growth in India, China, and the rest of the world. "We are committed to working and cultivating partnerships with Global System Integrators across several areas including sales, delivery, technology and services," he added.

Source – Financial Express

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## Fintech funding in Asia-Pacific fell 58.5% in Q1: report

THE total amount of venture capital raised by fintech companies in the Asia-Pacific region in the first quarter of the year fell 58.5 per cent sequentially to US\$1.3 billion (\$\$1.81 billion), a report by S&P Global Market Intelligence on Tuesday said. It added that the outlook for fundraising activities in the near term is likely to be subdued. SoftBank's ongoing struggle to pare down portfolio losses and attract investors for its second Vision Fund "could be an indication that technology startups around the world will face difficulties in raising money in the months ahead", it added.

And while India-based fintech firms led Asia-Pacific in attracting the most funding in Q1 - at US\$543.4 million, or 42.9 per cent of the region's total - the country is clamping down on foreign investments from neighboring countries, including China, to prevent opportunistic takeovers of local corporates amid depressed asset prices arising from the pandemic, the report said.

Source – Business Times

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## Jolted by virus, Indian startups finally get down to making money

Online food delivery service Swiggy now also drops groceries at doorsteps, so does cab aggregator Uber, which along with rival Ola, is offering emergency rides to hospitals as well. Scooter-hailing firms are cutting down their fleets by selling vehicles or giving them on a long lease.

The Indian startup space is going through a churn, or a reawakening if you will. The rules of business dictate that a company's objective is to make money in exchange for a good or a service but in the last few years, startups were doing anything but that.

Source – Money Control

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## India's startup story hanging by a thread

India's startup sector is bleeding due to business disruptions caused by the Covid-19 pandemic, with nine in 10 startups registering a decline in revenues and a little over a third halting operations temporarily or permanently, according to a survey by technology industry body Nasscom.

The worst hit segments are early and mid-stage businesses, especially in the business to consumer space. Nasscom found that around 60% of all B2C startups were facing closure, two months into the nationwide lockdown that has so-far kept businesses shut.

Source – The Economic Times

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