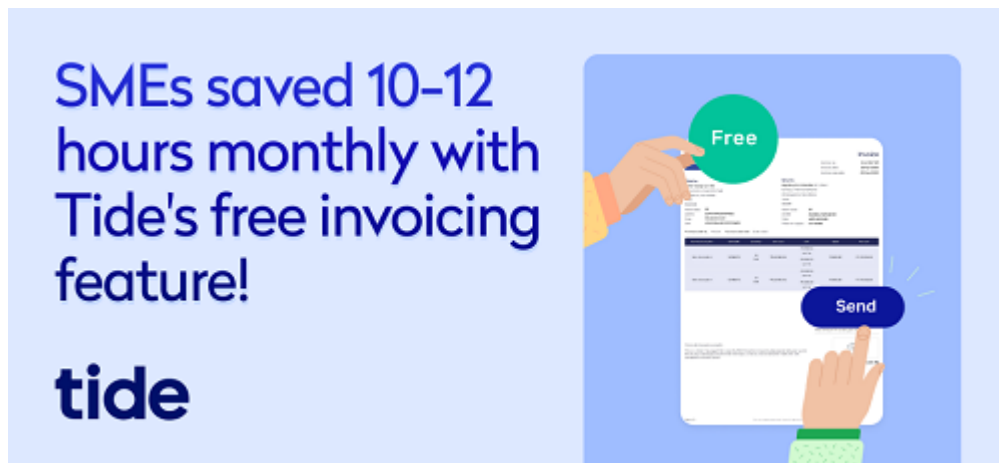


SMEs Save an Average of 10-12 Hours a Month with Tide's Invoicing Feature

Category: Business

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- Invoicing is an unlimited free feature on the Tide app
- Auto-chasing and get paid via UPI helps mitigate the risk of delayed payments

Tide in India, the leading business financial platform for SMEs, says its invoicing solution is saving 10 – 12 hours per month, one year after launching the product. The solution helps to optimise processes by chasing unpaid invoices, reducing costs, and increasing organisational efficiency.

MSME Samadhaan – a portal launched by the Ministry of MSME to address the issue of delayed payments shows that approximately Rs. 26876 crore are stuck in delayed payments. Delayed payments are known to have a significant negative impact on small businesses, creating cash flow challenges that hinder their ability to meet operational expenses. These delays don't just lead to disruptions in business continuity, but force SMEs to resort to expensive informal lending to manage short-term needs.

Digitising traditional invoicing is complex for small enterprises, who lack resources and technological expertise to streamline their billing admin. A survey conducted by Tide in 2023 revealed that 50 percent SMEs find bookkeeping and invoicing, technology adoption, and upgrading accounting systems a challenge.

Tide's Invoicing solution helps SMEs generate GST-compliant tax invoices and Bill of Supply (non-tax invoice). A small business generates an average of 100 invoices in a month, and spends an average of 2-2.5 hours per week creating and generating these invoices manually and managing expenses on spreadsheets, and an additional 1.5 hours chasing pending invoices.

Tide addressed these pain points with the Invoicing tool that includes:

- **Automatic invoice chasing** – automated reminder emails for unpaid invoices
- **Automatic invoice matching** – notifications sent as soon as a small business is paid, payments automatically linked to invoices for easy bookkeeping
- **Get paid via UPI** – Helping our members get paid with Indias most popular instant payment method
- More than 400,000 SMEs have joined Tide since its launch in December 2022, and a total of about 6500 invoices have been generated through the Invoicing feature on the Tide app. Out of which 40% have already been paid.

Gurjodhpal Singh, CEO, Tide India said, *"The negative impact of late payments on small businesses has been well documented. Late payments stifle growth, as businesses find it difficult to reinvest in expansion or innovation. For many small businesses, whose survival depends on steady cash inflows, delayed payments also damage supplier relationships and diminish trust, making it harder for them to secure goods and services on credit. This creates a ripple effect that affects*

their overall growth in the long term."

"We at Tide, believe in helping businesses – whether it is a contractor, freelancer, sole trader, or small business owner save time and money. Our invoicing solution takes us one step further in this direction and allows us to streamline processes for SMEs- by helping them raise GST-compliant invoices, auto-chase invoices as well as get paid via UPI – thus mitigate the risk of delayed payments."

Despite the 45-day payment rule mandated by the Section 43B(h) of the Income Tax Act, a recent report(2) says that 52% of MSME B2B payments are overdue for 90+ days. Delayed payments are a major factor that affects the working capital of SMEs, often leading to business closures because of losses.

Tide is not a bank in India, but a business financial platform. Tide, in the UK is the leading digital platform in business banking services. We believe that a platform approach is the future of business and admin needs, allowing us to offer both financial and admin services to SMEs, saving them time (and money) to allow them to focus on what they love: running their businesses.

Based on a report published by Recordent, a credit and payments reporting platform for B2B transactions, that conducted a survey on B2B payment trends and challenges faced by over 2800 SMEs, from across the country.