



FRAPPE BRONZE PARTNER · ERPNEXT & FRAPPE HR

Tally to ERPNext

A practical migration guide for growing businesses and enterprises

When to move, what to plan for, how to migrate your data without losing a rupee, and the mistakes we see on almost every project.

For owners, CFOs and finance heads of businesses and enterprises in India moving off Tally · Edition 1, November 2026

innovatrontechnologies.com · Sales@innovatrontechnologies.com

1. Have you outgrown Tally?

Tally is excellent accounting software. Most of the businesses we work with ran on it happily for years. The trouble starts when the business stops being only an accounting problem: when stock, production, approvals and multiple locations need to talk to the books in real time.

If three or more of these are true for you, you have outgrown it:

- ☐ Stock in the books and stock on the shop floor don't match, and month-end is spent reconciling them.
- ☐ Product costing lives in Excel because there is no BOM-based costing in the system.
- ☐ Purchase approvals happen on WhatsApp and email, with no audit trail.
- ☐ You run more than one plant, warehouse or company, and consolidation is manual.
- ☐ Sales, dispatch and receivables are tracked in separate sheets by separate people.
- ☐ Your auditor asks for change logs and user-level controls you cannot produce.
- ☐ The owner gets numbers once a month, after the accountant has finished closing.

The real cost of staying is rarely the software. It is the 2–3 people doing reconciliation, the stock write-offs nobody can explain, and decisions made on last month's numbers.

2. Why ERPNext — and how it compares

ERPNext is a 100% open-source ERP built by Frappe Technologies in India. It covers accounting, buying, selling, stock, manufacturing, quality, projects, CRM, HR and payroll in one system, with GST and Indian compliance built in. There are no per-user licence fees.

How ERPNext compares for a 25-user business

Area	ERPNext	SAP Business One	Odoo Enterprise	Zoho (Books + Inventory + People)
Licences / subscriptions	None (open source)	Per-user licence + annual maintenance	Per-user subscription	Per-user subscription
Hosting	Frappe Cloud or own server	Server or partner cloud	Odoo.sh or own server	Included
Implementation	Fixed scope, milestone-linked	Typically higher	Comparable	Lower, but limited manufacturing depth
Manufacturing (BOM, work orders, costing)	Built in	Built in	Built in	Limited

Customisation	Full source access; low-code	Partner/SDK dependent	Full in Community; licensed modules	Within platform limits
Vendor lock-in	None: your data, your code	High	Medium	Medium

Ask us for a side-by-side for your business; it takes one conversation.

3. What a migration actually moves

A Tally migration is not a file export. It is a data-quality project. Tally tolerates years of inconsistency; ERPNext's structured records will refuse it. There are three layers:

Layer	What it includes	Our recommendation
Masters	Chart of accounts, customers, suppliers, items, HSN codes, warehouses, tax templates, cost centres	Clean and de-duplicate before import. Always.
Opening balances	Trial balance, party-wise outstandings (bill-by-bill), stock quantity and value by warehouse/batch, fixed assets	Migrate as at a clean cut-over date (month- or quarter-end). Must tie to the rupee.
Open transactions	Pending sales/purchase orders, partly delivered or billed documents, advances, post-dated cheques	Re-enter in ERPNext so they flow through the new process.
History (optional)	Past vouchers and invoices	Usually keep Tally read-only for reference. Migrate history only if there is a clear reporting need.

4. The migration plan, week by week

Phase	Duration	What happens
Discovery & design	1-2 weeks	Process walkthroughs per department, gap list, functional requirement document (FRD) signed off by process owners.
Data clean-up	1-2 weeks (in parallel)	Ledger mapping, duplicate parties merged, HSN/UOM fixed, negative stock resolved, suspense entries explained.
Configuration	2-4 weeks	Company, COA, taxes, workflows and approvals, print formats, BOMs, reports. Customisation only where it earns its keep.
Trial migration & UAT	1-2 weeks	Masters and openings loaded on a test site; key users run real scenarios end to end; trial balance reconciled.
Training & cut-over	1 week	Role-based training, final balances at the cut-over date, Tally frozen for new entries.

Hypercare	2–4 weeks	Daily support, first month-end close done together, issues logged and closed.
-----------	-----------	---

Phase it. For most manufacturers we go live in waves: **Wave 1** finance + buying + stock + selling; **Wave 2** manufacturing and costing; **Wave 3** HR & payroll, CRM, quality. Each wave goes live in 6–10 weeks, so the business sees value before the whole project ends.

5. Mistakes we see on almost every project

1. **Duplicate party ledgers.** "ABC Ltd", "ABC Limited" and "ABC Ltd – Chennai" are one customer. Migrate them as three and your receivables are wrong from day one.
2. **Trial balance "approximately" matching.** It must match to the rupee before go-live. Reconcile, do not approximate.
3. **Stock quantity right, value wrong.** Tally stock valuation is often disconnected from real movements. Agree opening stock quantity *and* rate per item per warehouse, signed off by stores and finance.
4. **Suspense and "miscellaneous" accounts.** Every rupee in them needs an explanation before cut-over, or it will sit in your new system for years.
5. **Missing HSN codes and mixed units.** GST and stock reports break when items have no HSN or are bought in kg and sold in pieces without conversions.
6. **Open orders left behind.** Pending POs and SOs not re-entered mean the first week of receipts and dispatches cannot be processed.
7. **Recreating Excel inside the ERP.** The day you bend the system to match a broken process, you lose most of the benefit. Fix the process first.
8. **No process owner.** Every module needs one person on your side who decides. Without them, the project drifts.

6. Readiness checklist

- ☐ A named project owner on your side, with authority to decide
- ☐ A cut-over date at a month- or quarter-end
- ☐ Chart of accounts reviewed with your CA
- ☐ Customer and supplier lists de-duplicated, with GSTIN and addresses
- ☐ Item master with HSN, UOM and valuation method agreed
- ☐ Physical stock count planned for the cut-over date
- ☐ Bill-wise outstanding receivables and payables available
- ☐ List of open sales and purchase orders as at cut-over
- ☐ Approval matrix (who approves what, up to what value)
- ☐ Key users identified per department and available for training and UAT

7. What to expect on scope and timeline

Business profile	Typical scope	Timeline
Trading / distribution, 1 location, up to 15 users	Accounts, buying, selling, stock, GST	6–8 weeks
Manufacturer, 1 plant, 15–40 users	+ BOM, work orders, costing, quality	10–16 weeks
Multi-plant / multi-company, 40+ users	+ consolidation, integrations, HR & payroll	4–6 months (phased)

Every project is scoped and quoted after a short discovery call: fixed scope, milestone-linked, with any change handled against a written change request.

Free 30-minute migration assessment

Tell us how you work today. We'll tell you honestly whether ERPNext fits, what a phased plan would look like, and a realistic cost range. No obligation.

Mukund Krishnan, CEO · Sales@innovatrontechnologies.com · innovatrontechnologies.com
Innovatron Technologies LLP · Frappe Bronze Partner · Holiday Village Road, Vajarahalli, Bengaluru 560062