

## Ledger in Tally Prime – Brief Notes

### What is a Ledger?

A **ledger** in Tally Prime is the most basic and essential accounting unit where all accounting transactions are recorded. Every transaction recorded in Tally must be posted under at least two ledgers (as per the double-entry system).

---

### Key Points about Ledgers in Tally Prime:

#### 1. Ledger Creation:

- Go to: Gateway of Tally → Create → Ledger
- Or use Alt + G (Go To) and search "Create Ledger"
- Assign the ledger to the appropriate **Group** (e.g., Sales, Purchase, Bank, Capital, Expenses, etc.)

#### 2. Ledger Groups:

- Tally has 28 predefined groups, out of which 15 are primary.
- Ledgers must be categorized under relevant groups for correct accounting and reporting.

#### 3. Examples of Common Ledgers:

- Cash Account (under **Cash-in-Hand**)
- Bank Account (under **Bank Accounts**)
- Sales Account (under **Sales Accounts**)
- Purchase Account (under **Purchase Accounts**)
- Capital Account (under **Capital Account**)
- Rent Expense (under **Indirect Expenses**)

#### 4. Opening Balance:

- While creating a ledger, you can enter the **Opening Balance** if the ledger already exists from a previous accounting period.

#### 5. Ledger Display & Alteration:

- To view: Gateway of Tally → Display → Account Books → Ledger
- To edit: Gateway of Tally → Alter → Ledger

#### 6. Ledger Features:

- Can set credit limits
  - Configure tax details (for GST, TDS, etc.)
  - Enable bill-wise details for Sundry Debtors/Creditors
- 

### Benefits of Ledgers in Tally Prime:

- Systematic transaction recording
- Accurate financial reports like Balance Sheet, P&L, Trial Balance
- Helps in tracking party-wise outstanding
- Tax compliance and reporting