Pricing Procedure in SD

There are many queries on Pricing Procedures in SD module in the forum.

Pricing Procedure is indeed an heart of SD module, reason being if everything else is working fine, but price is not being calculated correctly, the purpose of billing fails.

An Overview of Determination & Configuration of Pricing Procedure is as follows:

In SD, Pricing Procedure (TCode OVKK) is determined based on:

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\text{Pricing Procedure} = \text{Sales Organization} + \text{Distribution Centre} + \text{Division} + \text{Customer Pricing Procedure} + \text{Document Pricing Procedure}
\]

Sales Area is determined in Sales Order Header Level. Customer Pricing Procedure is determined from Customer Master - Sales Data - Sales Tab - Pricing Section. Document Pricing Procedure is determined from Sales Document Type (TCode VOV8) / Billing Type (TCode VOFA) (if configured). Once the pricing procedure is determined, Condition records are fetched. If appropriate condition records are found, the price is determined. If Mandatory pricing condition is missing, system will throw an error message.

In SD, the steps to configure Pricing procedure are as under:
Step 1:
**Condition table** (TCode V/03, V/04 & V/05): If existing condition table meets the requirement, we need not create a new condition table. Considering the requirement for new condition table, the configuration will be done in SPRO as follows: IMG - Sales & Distribution - Basic Function - Pricing Control - Condition Table (select the required fields combination, which will store condition record).

Step 2:
**Access Sequence** (TCode V/07): If existing access sequence meets the requirement, we need not create a new access sequence. Considering the requirement for new sequence, the configuration will be done in SPRO as follows: IMG - Sales & Distribution - Basic Function - Pricing Control - Access Sequence (Access sequence is made up of Accesses (Tables) & the order of priority in which it is to be accessed. Here we assign the condition table to access sequence.). So, we can say that the access sequence is a search strategy which the System uses to search for condition records valid for a condition type. We create new or modify an existing access sequence follow rule "Specific to General" while maintaining the accesses for the access sequence by specifying the condition tables in the desired sequence. For example,

Step 3:
**Condition Type** (TCode V/06): If existing condition type meets the requirement, we need not create a new condition type. Considering the requirement for new condition type, the configuration will be done in SPRO as follows: IMG - Sales & Distribution - Basic Function - Pricing Control - Condition Type. It is always recommended to copy an existing similar condition type & make the necessary changes. Here we assign Access sequence to Condition type.

Step 4:
**a. Pricing Procedure** (TCode V/08): It is recommended to copy a similar pricing procedure & make the necessary changes in new pricing procedure (Note: It should suffice business requirement). Pricing Procedure is a set of condition type & arranged in the sequence in which it has to perform the calculation. Considering the requirement for new Pricing Procedure, the configuration will be done in SPRO as follows: IMG - Sales and Distribution - Basic Function - Price Control - Pricing Procedure - Maintain Pricing Procedure.

**b. Pricing Procedure Determination** (TCode OVKK): After maintaining the pricing procedure the next step will be determination of pricing procedure. Configuration for determining pricing procedure in SPRO is as follows: IMG - Sales and Distribution - Basic Function - Price Control - Pricing Procedure - Determine Pricing Procedure.
Step 5:

**Condition record** (TCodes VK11, VK12, VK13): Condition record is a master data, which is required to be maintained by Core team / person responsible from the client. During new implementation, the condition records can be uploaded using tools like SCAT, LSMW, etc. It is assumed that document pricing procedure, customer pricing procedure, ... and other required config & Determination are in place.