Functions follow the computer-science definition in that they MUST return a value and cannot alter the data they receive as parameters (the arguments). Functions are not allowed to change anything, must have at least one parameter, and they must return a value. Stored procs do not have to have a parameter, can change database objects, and do not have to return a value.

| **Stored Procedure (SP)** | **Function (UDF - User Defined)** |
| --- | --- |
| SP can return zero, single or multiple values. | Function must return a single value (which may be a scalar or a table). |
| We can use transaction in SP. | We can't use transaction in UDF. |
| SP can have input/output parameter. | Only input parameter. |
| We can call function from SP. | We can't call SP from function. |
| We can't use SP in SELECT/ WHERE/ HAVING statement. | We can use UDF in SELECT/ WHERE/ HAVING statement. |
| We can use exception handling using Try-Catch block in SP. | We can't use Try-Catch block in UDF. |