# # Pricing Engine

#### ## Overview

This script automatically adjusts product prices based on stock levels and recent sales data, ensuring each product remains profitable. It applies a set of prioritized business rules to determine the new price and generates an updated pricing CSV file.

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### ## Files

- `pricing\_engine.py` The main Python script to process input data and apply pricing logic.
- `products.csv` Input file containing product information (price, cost, stock).
- `sales.csv` Input file containing recent quantity sold per SKU.
- `updated\_prices.csv` Output file with old and new prices for each product.
- `README.md` This explanation file.

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# ## Pricing Rules

The following rules are applied in order of priority:

- 1. \*\*Low Stock, High Demand\*\*
  - Condition: `stock < 20` and `quantity\_sold > 30`
  - Action: Increase price by 15%

# 2. \*\*Dead Stock\*\*

- Condition: `stock > 200` and `quantity\_sold == 0`
- Action: Decrease price by 30%

| 3. **Overstocked Inventory**                               |
|--|
| - Condition: `stock > 100` and `quantity_sold < 20`        |
| - Action: Decrease price by 10%                            |
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| 4. **Minimum Profit Constraint** *(Always applied)*        |
| - Condition: Ensure price is at least 20% above cost price |
| - Action: If not, set price to `cost_price * 1.2`          |
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| - All prices are rounded to 2 decimal places.              |
| - All prices in the output are formatted with `\$` units.  |
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| ## How to Run  |
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| Make sure you have Python and pandas installed.            |
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| ```bash  |
| pip install pandas   |
| python pricing_engine.py                                   |
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