

Material Transactions

15/04/2026 9:41 am BST

A material transaction is a system-recorded event that changes the state, quantity, or location of a material item in inventory. Material transactions are created whenever stock is received, consumed, moved, adjusted, scrapped, kitted, or otherwise changes status within the system.

Material transactions are the mechanism by which Eyelit MES maintains an auditable history of inventory movements and stock state changes. Each transaction reflects a specific logistics or production action, such as issuing material to a job, returning material to stock, adjusting quantities, or scrapping items.

Transaction performed on a material item may have a [material reason](#) associated with it.

Each material item has a full history of all transactions that it has been subject to. These can be triggered manually (e.g., Pick, Use), or automatically, for example, through the progress on a works order (e.g., create WIP item, complete quantity) or via an interface from ERP (most commonly transactions such as receive or dispatch).

The **Material Transactions** screen lists all transactions that can be performed on material items. The list of transactions is shown in the table below.

Name	Description
Assign to Job	Assigns material item to a job so that it can not be picked or issued to another job. Assigned material has kitted status.
BoM Version Update	Update the BoM version of a material item.
Complete Qty	Completion of manufacture for all or a partial quantity of a material item.
Conversion	Convert item from one product to another.
Create WIP Item	Creation of an item to be manufactured.
Dispatch	Dispatch Item from stock.
Edit Item	Edit of item details such as expiry date.
Hold	Placing of material item with available status into hold status.
Merge	Merges a source material item into a target material item.
Move	Move of material from one location to another.
Pick	Pick items from stock to assign to a job.
Pick Reverse	Take picked material back to stock and make it available.
Receive	Receipt of a material item into stock (miscellaneous or purchase order).
Release	Return of material to available status from on-hold status.
Remove	Removal of material from a parent build (reverses a use transaction).
Return to Vendor	Return of a material item to vendor.
Scrap	Used to scrap all or a partial quantity from a material item.
Split Item	Takes a quantity from an existing material item and creates a new item with it.
Stock Adjust	Adjustment of actual quantity of material and/or state of a material item.
Unassign from Job	Unassign material from job.
Use	Consumption/issue of material into a parent item.
WIP Adjust	Adjustment of WIP quantity of an item with WIP status.

Each material transaction can be configured to be allowed or prohibited from being performed based on the **Material States** of the material item. For example, you may not want to dispatch things that are on hold, or you can't scrap material that's depleted. The **Material States** are listed in the table below.

Material States

Name	Description
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Kitted	Material is assigned to a job.
In Transit	Material in transit.
Picked	Picked for dispatch.
Dispatched	Dispatched.
Purged	Material item records have been deleted.
Return to Vendor	Material has been returned to Vendor.
On-Hold	Material is on-hold.
Depleted	Material has been depleted (the full quantity has been used, scrapped or adjusted).
WIP	Material is in progress.
Available	Material is available for use/dispatch.

Material States

Transactions that are performed on a material item determine the state the item is in.

This table introduces the states that each material item can be in and the primary transactions that create the state.

State	Relates to	Description	Primary transactions to create this status
Available	All items	Items that are available to be used (consumed to other items) or dispatched.	<ul style="list-style-type: none"> • Complete Qty (works order new item) • Receive • Remove (reversal of a consumption) • Release (reversal of on hold)
WIP	Manufactured / Repaired items	Item is Work In Progress – it has an open workflow task to complete.	<ul style="list-style-type: none"> • Create WIP <ul style="list-style-type: none"> ◦ Item Creation (Start create works order: Start Scheduled New)) ◦ Item repair (Start Repair works order: Start Scheduled Repair)
On Hold	All items	Item is on hold often due to a related issue.	<ul style="list-style-type: none"> • Hold
Kitted	All items that are consumed to other items	Items that have been assigned to a job but are not yet consumed to an item on the job.	<ul style="list-style-type: none"> • Assign Item to Job (kit item)
Picked	All items	Items that have been picked for dispatch and are awaiting collection.	<ul style="list-style-type: none"> • Pick
In transit	All items	Items that are in transit between sites or sent to sub-contractors.	<ul style="list-style-type: none"> • Dispatch (transit / sub con type)
Dispatched	Primarily Manufactured / Repaired items	Item has been dispatched to an external organisation, e.g., sold to a customer.	<ul style="list-style-type: none"> • Dispatch (Customer shipment type)
Return to Vendor	Raw Materials	Item has been returned to vendor usually because of an issue.	<ul style="list-style-type: none"> • Return to Vendor (Receipt reversal)

Depleted	All items	Item no longer exists physically. It has been scrapped or consumed to another item (or adjusted to 0 quantity).	<ul style="list-style-type: none"> • Use • Scrap
Purged	All items	Item's history has been purged. Usually only applies to test data.	<ul style="list-style-type: none"> • Purge

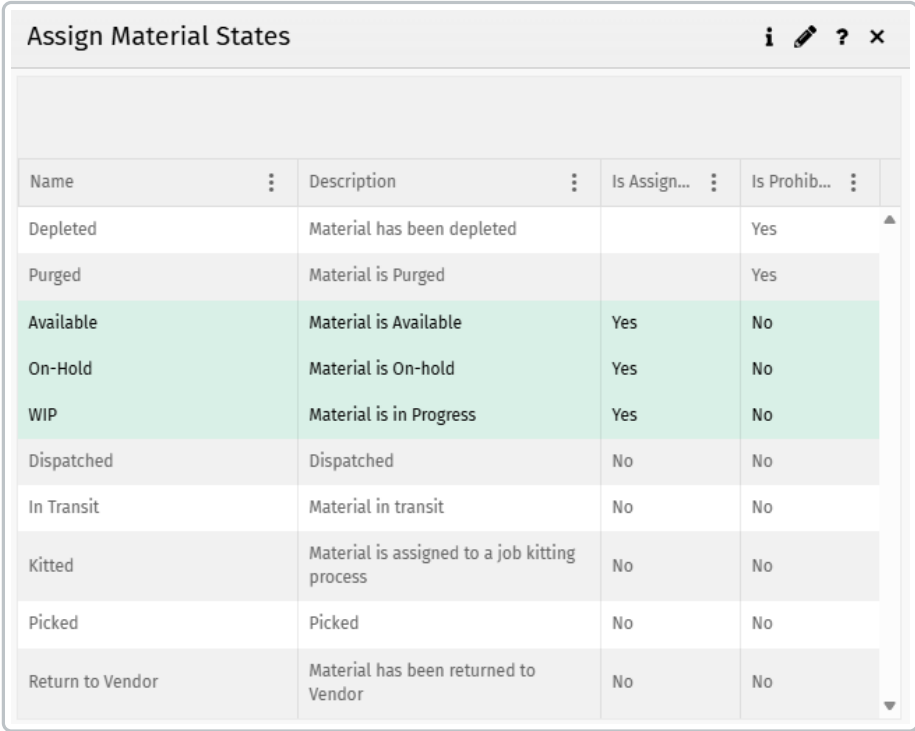
Assign Material States

Some material transactions are impossible based on the material state and are prohibited by the system. For example, the system will never allow you to dispatch something that was depleted or release something that wasn't on hold.

Some transactions can be configured based on the company's requirements. For example, most companies prevent dispatching items that are on hold, but others allow this when dispatching to an internal warehouse. The system can be configured to allow dispatching items on hold.

To see what's assigned / prohibited, select a **Material Transaction** and click **Material State** to see what **Material States** are assigned and/or prohibited. For example, the **Split Item** transaction **Material States** are shown in the image below. You can perform a **Pick** transaction when material is available, but you're prohibited when it's depleted or purged.

If a state is prohibited (not user-configurable), the transaction will not be allowed. If it's not prohibited, then you can control the transaction based on the **Material State** assignment. Some transactions can be enabled by setting **Is Assigned** to **Yes**.



Assign Material States			
Name	Description	Is Assign...	Is Prohib...
Depleted	Material has been depleted		Yes
Purged	Material is Purged		Yes
Available	Material is Available	Yes	No
On-Hold	Material is On-hold	Yes	No
WIP	Material is in Progress	Yes	No
Dispatched	Dispatched	No	No
In Transit	Material in transit	No	No
Kitted	Material is assigned to a job kitting process	No	No
Picked	Picked	No	No
Return to Vendor	Material has been returned to Vendor	No	No

Material Reasons

Material Reasons are linked to **Product Types** and explains why a material transaction is performed. Material reasons are explicitly linked to one or more material transaction types and are used to classify and justify inventory changes such as scrap, removal, return to vendor, release, or stock adjustment.

Material reasons are assigned to **Product Types** because different product types may well have different themes of issues

that they encounter e.g., routine consumables may have different adjustment reasons than high value components. Assigning C at **Product Type** level ensures that the data captured by operators is accurate, relevant and intuitive for the product being worked on, allowing more meaningful analysis and on going improvement.

For example, the **Material Reason Type** "Damage" may include **Material Reasons** such as "Damaged Case," "Damaged Body," and other specific damage categories. This structure enables hierarchical organisation and facilitates analysis of scrap events by grouping them under broader categories, allowing you to assess the proportion of scrap attributed to each type of damage.

Material Reasons can be categorized into several key areas:

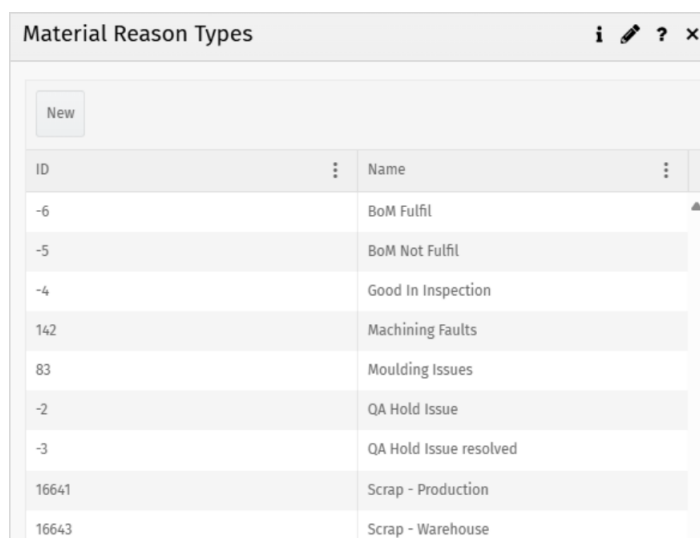
- **Quality Issues:** This includes any defects or inconsistencies in the materials that affect the final product's quality. For example, if a batch of raw materials does not meet the specified standards, it can lead to production delays or product recalls.
- **Supply Chain Disruptions:** These are issues related to the availability and timely delivery of materials. Factors such as supplier reliability, transportation delays, and geopolitical events can impact our material supply chain.
- **Cost Variations:** Fluctuations in the cost of materials can significantly affect our production budget. This includes changes in the prices of raw materials due to market demand, tariffs, or changes in supplier pricing.
- **Environmental Factors:** This encompasses the impact of environmental regulations and sustainability practices on material selection and usage. For instance, we may need to switch to eco-friendly materials to comply with new regulations or to meet our sustainability goals.
- **Technological Changes:** Advances in technology can lead to the development of new materials or the improvement of existing ones. This can affect our material choices and production processes.
- **Operational Efficiency:** This involves the efficiency of using materials in the production process. Inefficient use of materials can lead to waste, increased costs, and lower productivity.

By understanding and addressing these **Material Reasons**, we can improve our production processes, reduce costs, and ensure the quality and sustainability of our products.

Material Reasons Type allows you to manage numerous reasons and easily associate them to transactions. For example, you might have a set of material reasons that only relate to scrap, pick reverse, or release, etc. This allows you to quickly zero in on the reason types when doing analytics. The image provides a few examples.

A material reason must be associated with the specific transaction types it is allowed to be used with. The system enforces this association by validating that the selected material reason is permitted for the transaction being performed.

Material Reasons are mandatory for certain material transactions and are recorded alongside the transaction to provide traceability, auditability, and meaningful classification of inventory movements.



ID	Name
-6	BoM Fulfil
-5	BoM Not Fulfil
-4	Good In Inspection
142	Machining Faults
83	Moulding Issues
-2	QA Hold Issue
-3	QA Hold Issue resolved
16641	Scrap - Production
16643	Scrap - Warehouse

Add a Material Reason

1. Navigate to the **Material Reasons** page and click New to display the **Add Material Reason** pop-up.

Add/Edit Material Reason

Blue fields in the form are required and are flagged with an asterisk () in this document.*

- **SUID***
- **Name***: Name of the Material Reason.
- **Description***: A description of the Material Reason.
- **Type***: Select a **Material Reason Type**.

Material Reason Types

Click the **Types** button in the **Material Reasons** screen to display the **Material Reason Types** pop-up. Here you can create a new **Material Type** and provide a name.

Material Reason Product Type

Click the **Product Type** button in the **Material Reasons** screen to display the **Material Reason Product Type** page. Select the **Product Type** to view the **Material Reasons** assigned to it. Here you can assign and unassign **Material Reasons**.

Assign Transactions

Click the **Transactions** button in the **Material Reasons** screen to display the **Assign Transactions** pop-up. Here you can assign/unassign **Transactions** to the selected **Material Reason**.
