

Internship Report on  
**"COST-BENEFIT ANALYSIS ON AUTOMATION AND COST SAVINGS ON  
TRANSPORTATION AND MANPOWER"**

**A STUDY CONDUCTED AT TUMKUR COOPERATIVE MILK  
PRODUCERS SOCIETIES UNION LIMITED  
BY**

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**Submitted to**



**VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAUM**

*In partial fulfillment of the requirements for the award of the degree of*

**MASTER OF BUSSINESS ADMINISTRATION**

*Under the guidance of*

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Associate Professor  
Department of MBA  
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**EXTERNAL GUIDE**

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Production Manager  
TUMUL  
Tumkur**



**Department of MBA**

**Alva's Institute of Engineering and Technology  
Shobhavana campus, Mijar, Moodbidri  
2015-2017**



TUMUL

ತುಮಕೂರು ಸಹಕಾರಿ ಹಾಲು ಉತ್ಪಾದಕರ ಸಂಘಗಳ ಒಕ್ಕೂಟ ನಿಯಮಿತ  
TUMKUR CO-OPERATIVE MILK PRODUCERS' SOCIETIES UNION LTD.,



Date : 04/03/2017

**" CERTIFICATE "**

This is to Certify that Ms. YASHASWINI H (M.B.A)  
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MIJAR, MOODBIDRI,  
has undergone


" A STUDY ON COST-BENEFIT ANALYSIS ON AUTOMATION  
AND COST SAVINGS ON TRANSPORTATION AND MANPOWER "

at Tumkur Cooperative Milk Union, Mallasandra during  
the period from

**"18-01-2017 To 27-2-2017 "**

**She** has successfully completed Project Work in the  
stipulated time.

This certificate is issued only for academic purpose.

  
**MANAGING DIRECTOR**  
MANAGING DIRECTOR  
TUMKUR MILK UNION LTD.,  
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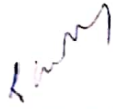
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### Certificate

This is to certify that, **Ms. Yashaswini H.**, bearing USN 4LV15MBA41, is a bonafide student of Master of Business Administration course of the Institute (2015-17), affiliated to Visvesvaraya Technological University, Belgaum.

The internship report on "Cost Benefit Analysis on Automation and Cost Savings on Transportation and Man Power - A study conducted at TUMUL, Tumkur", is prepared by her under the guidance of **Dr R.Wranton Perez**, Associate Professor, Department of MBA in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of Visvesvaraya Technological University, Belgaum, Karnataka.

  
Dr. R. Wranton Perez  
Project Guide

  
Prof. P. Ramakrishna Chadaga  
Dean - MBA

  
Dr. Peter Fernandes  
Principal

## DECLARATION

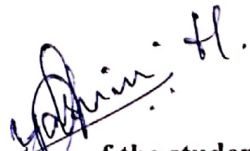
I, **Yashaswini H**, hereby declare that the internship report entitled “**Cost-Benefit Analysis on Automation and Cost Savings on Transportation and Manpower**” :A study conducted at **Tumkur Cooperative Milk Producers Societies Union Limited, Tumkur** prepared by me under the guidance of **Dr. R. Wranton Perez** Associate Professor, Department of M.B.A, Alva's Institute of Engineering and Technology and external assistance provided by **Mr. Manjunath**, Production Manager, TUMUL, Tumkur.

I also declare that this internship work is towards the partial fulfillment of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belgaum.

I have undergone the project for a period of Twelve weeks. I further declare that this project is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University/ Institution.

**Place:** Mijar

**Date:** 15-05-2017

  
Signature of the student

## ACKNOWLEDGEMENT

Completion of a task by shaping and achieving the objective is often a result of valuable contribution from number of individuals, directly or indirectly.

Firstly, I thank almighty God for showering his choicest blessing and keeping me in good health throughout the tenure of the project.

I wish to express my heartfelt gratitude to a number of people who have been associated with me throughout this project. At the outset, I would like to acknowledge my gratitude to **Dr. Ramakrishna chadaga**, Dean of Department of Business Administration.

I am deeply indebted to my faculty guide **Dr. R Wranton Perez**, Associate Professor, Department of Business Administration, for his regular supervision and valuable suggestions. I am thankful to **Mr. Manjunath**, production Manager, TUMUL, Tumkur and his staff for granting permission and providing requisite information regarding the project.

It's my privilege to thank our beloved principal **Dr. Peter Fernandes** for giving me the opportunity to take up this project. My profound gratitude to all the faculty members of the Department of Business Administration, Alva's Institute of Engineering and Technology, Mijar, Moodbidri.

Finally, I extend my gratitude to my parents and friends for their constant co-operation, encouragement and support without which this work would not have completed successfully.

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(Ms. Yashaswini H)



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## EXECUTIVE SUMMARY

The present study, "cost-benefit analysis on automation and cost savings on transportation and manpower" with respect to TUMUL, Tumkur gave an opportunity to know about the significance of cost-benefits in the automated and semi-automated companies along with the cost savings on transportation and manpower.

The analysis on cost is done on the basis of input logistics where in, the procurement of raw milk, transportation cost and the cost saved on reshuffling is considered. When it comes to energy conservation the processing plant and activities are considered and the third aspect manual accounting v/s software supported accounting system, marketing activities and RMRD (raw milk receiving dock) are considered.

The first part of the study gives an insight about company's induction of semi-automation, non-tangible achievements like Consistent quality maintenance, Reduction of manual monitoring and Effective process control and how it can be used in taking the decisions in the production and other activities of the company.

The study has been undertaken at, "TUMUL," Tumkur. In this study I have chosen various processing machines which are automated and semi automated, transportation cost and the reduction of manpower cost in the various sectors like marketing and production department.

I have collected information from the previous year's data of the company with which savings on various aspects were compiled with the help of decentralization method, procurement transportation cost method to know the amount of cost saved

I came to know that every company has to compile the cost sheet to avoid the unnecessary expenses which can be used for the further operations of the company.