

# ASSIGNMENT :: 15      Date \_\_\_\_\_

## TRANSPORTATION MODEL AND IT'S VARIANTS

SunRay Transport company ships truckloads of grain from the silos to four mile mills. The supply in (truckload) on the different routes are summarized in table. The unit of transportation costs  $C_{ij}$  (shown in the north west corner of each box) are in hundred of dollars. The model seeks the minimum cost shipping schedule between the silos and the mills.

		Mills				Supply
		1	2	3	4	
Silos	1	10	2	20	11	15
		$x_{11}$	$x_{12}$	$x_{13}$	$x_{14}$	
	2	12	7	9	20	25
		$x_{21}$	$x_{22}$	$x_{23}$	$x_{24}$	
	3	4	14	16	18	10
		$x_{31}$	$x_{32}$	$x_{33}$	$x_{34}$	
Demand		5	15	15	15	

Find the minimum cost shipping by

- 1 North west corner method.
- 2 least cost method
- 3 Vogel Approximation method.

## NORTH WEST CORNER METHOD

	1	2	3	4	
1	10	2	20	11	15/10/0
2	12	7	9	20	25/20/5
3	4	14	16	18	10
	5/0	15/5/0	15/0	15	

The arrows show the order in which allocated amounts are generated

The starting basic solution is  $x_{11} = 5, x_{12} = 10, x_{22} = 5, x_{23} = 15, x_{24} = 5, x_{34} = 10$

The associated cost of the schedule is

$$Z = 10 \times 5 + 2 \times 10 + 7 \times 5 + 9 \times 15 + 20 \times 5 + 18 \times 10 = 520$$

## LEAST COST METHOD::

	1	2	3	4	
1	10	2	20	11	15/0
2	11	7	9	20	25/10
3	4	14	16	18	10/5
	5/0	15/0	15/0	15	

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The arrow show order in which allocation are made from the least cost

The starting solution is  $x_{12} = 15$ ,  $x_{23} = 15$ ,  $x_{24} = 10$   
 $x_{31} = 5$ ,  $x_{34} = 5$ .

The associated objective value is

$$Z = 2 \times 15 + 4 \times 5 + 9 \times 15 + 18 \times 5 + 20 \times 10 \\ = 475.$$

## VOGEL APPROXIMATION METHOD

	1	2	3	4			row plenty	
1	10	2	20	11	15%	$10-2=8$	$11-2=9$	-
		15						
2	12	7	9	20	25%	$9-7=2$	$9-7=2$	20
			15	10	10%			
3	4	14	16	18	10%	$14-4=10$	$16-14=2$	18
	5			5	5%			
	5%	15%	15%	15%				
column plenty	$10-4=6$	$7-2=5$	$16-9=7$	$18-11=7$				
	-	$7-2=5$	$6-9=7$	$18-11=7$				
	-	-	$16-9=7$	$20-18=2$				
	-	-	-	$20-18=2$				

In applying the Vogel's Approximation method (VAM), penalties are computed for each row and column starting with 3rd row the highest plenty is found assigning the maximum possible amount to satisfy it. Then penalties are recomputed and process continues satisfy each subsequent highest penalty. For row 1, the highest penalty lead to the

assignment of maximum amount to corresponding cell simultaneously satisfy both row 1 and column 2. This process continues until all rows and columns are satisfied. Finally applying the least cost method to the remaining columns, assignments are made, completing the solution.

The starting solution is  $x_{12} = 15$ ,  $x_{23} = 15$ ,  $x_{24} = 10$ ,  $x_{31} = 5$ ,  
 $x_{34} = 5$ .

The associated objective value is

$$Z = 2 \times 15 + 9 \times 15 + 20 \times 10 + 4 \times 5 + 18 \times 5 \\ = 475$$

This solution happens to have the same objective value as in the least cost method.