

The Transportation Problem - The ^{transportation} problem is to transport various amounts of a single homogeneous commodity, that are initially stored at various origins, to different destinations in such a way that the total transportation cost is a minimum.

For example - A tyre manufacturing concern has m factories located in different cities. The total supply potential of manufactured product is

	Market	Transport cost per ton in Rs				Availability
		W	X	Y	Z	
Factories	A	c_{11}	c_{12}	c_{13}	c_{14}	b_1
	B	c_{21}	c_{22}	c_{23}	c_{24}	b_2
	C	c_{31}	c_{32}	c_{33}	c_{34}	b_3
Requirement		d_1	d_2	d_3	d_4	

L.P.P. of this Transportation problem is

Minimize $Z = c_{11}x_{11} + c_{12}x_{12} + \dots + c_{34}x_{34} \rightarrow$ Objective function
subject to

$$a_{11}x_{11} + a_{12}x_{12} + \dots + a_{14}x_{14} \leq b_1$$

\vdots

$$a_{31}x_{31} + a_{32}x_{32} + \dots + a_{34}x_{34} \leq b_3$$

$$a_{11}x_{11} + a_{21}x_{21} + a_{31}x_{31} + a_{41}x_{41} \geq d_1$$

\vdots

$$a_{14}x_{14} + a_{24}x_{24} + a_{34}x_{34} + a_{44}x_{44} \geq d_4$$

$$x_{ij} \geq 0.$$

So, T. Prob. is

$$\text{Minimize } Z = \sum_{j=1}^n \sum_{i=1}^m c_{ij} x_{ij} \quad \text{subject}$$

$$\sum_{j=1}^n x_{ij} \leq b_i$$

$$\sum_{j=1}^n a_{ij} x_{ij} \leq b_i$$

$$\sum_{i=1}^m a_{ij} x_{ij} \geq d_j$$

$$x_{ij} \geq 0.$$

here assumed that $\sum a_i = \sum b_j$ ✓

$$\sum a_i \neq \sum b_j$$

Feasible Solⁿ:- A set of non-negative individual allocation ($x_{ij} \geq 0$) which simultaneously removes deficiencies is called the feasible solⁿ.

B.F.S.:- A F.S. to a m -origin, n -destination problem is said to be a basic if the no. of +ve allocations are $m+n-1$.

If the no. of allocations in a basic solⁿ are less than $m+n-1$, it is called degenerate solⁿ. (otherwise non-degenerate solⁿ).

Optimum Solⁿ:- A Feasible solⁿ is said to be optimum if it minimize the total transportation cost.

Note: A necessary and sufficient condition for the existence of feasible solⁿ of a T.P. is

$$\sum_{i=1}^m a_i = \sum_{j=1}^n b_j$$

note 2 - The number of basic variables in a T.P. are

note 2 - The number of basic variables in a T.P. are at most $m+n-1$.

Existence of an optimal solution

There always exists an optimal solution to a balanced transportation problem

Methods for initial basic feasible solution

By North - West Corner Rule (Stepping Stone Method)

Example-1

Warehouse → Factory ↓	W_1	W_2	W_3	W_4	Factory Capacity
F_1	19	30	50	10	7
F_2	70	30	40	60	9
F_3	40	8	70	20	18
Warehouse Requirement	5	8	7	14	34

Ans

	W_1	W_2	W_3	W_4	Availability
F_1	19 5	30 2	50	10	7 20
F_2	70	30 6	40 3	60	9 50
F_3	40	8	70 4	20 14	18 140
Requirements	5 0	8 60	7 40	14 0	

$$\begin{aligned}\min\{2, 8\} &= 2 \\ \min\{6, 2\} &= 6 \\ \min\{3, 7\} &= 3\end{aligned}$$

	W_1	W_2	W_3	W_4	Availability
F_1	19 5	30 2			7
F_2		30 6 2	40		9
F_3			4 70 14	20	18
Requirements	5	8	7	14	

$$\begin{aligned}\text{Basic sol}^n \text{ is } &= 19 \times 5 + 30 \times 2 + 30 \times 6 + 3 \times 40 \\ &+ 4 \times 70 + 14 \times 20 = 1015.\end{aligned}$$

$$\text{Total basic sol}^n = m+n-1 = 3+4-1 = 6$$

Second Method: The Row Minimum Method

Warehouse → Factory ↓	W_1	W_2	W_3	W_4	Factory Capacity
F_1	19	30	50	10	7
F_2	70	30	40	60	9
F_3	40	8	70	20	18
Warehouse	5	8	7	14	34

Warehouse → Factory ↓	W ₁	W ₂	W ₃	W ₄	Factory Capacity
F ₁	19	30	50	10	7
F ₂	70	30	40	60	9
F ₃	40	8	70	20	18
Warehouse Requirement	5	8	7	14	34

	W ₁	W ₂	W ₃	W ₄	Availability
F ₁	19	30	50	7	70
F ₂	70	8	30	1	90
F ₃	5	40	8	6	18
Requirements	5	8	7	14	

Check the minimum value in row wise

$$\min \{19, 30, 80, 10\} = 10$$

$$\text{now } \{7, 14\} = 7$$

	W ₁	W ₂	W ₃	W ₄	Availability
F ₁				7	7
F ₂		8	30	1	9
F ₃	5	40	6	7	18
Requirements	5	8	7	14	

$$m+n-1 = 3+4-1=6$$

Ans $\min Z = \sum c_{ij} x_{ij} = 7 \times 10 + 8 \times 30 + 1 \times 40 + 8 \times 40 + 6 \times 70 + 7 \times 20 = 1110 \text{ Rs.}$

Vogel's Approximation Method (Unit Cost Penalty Method)

Warehouse → Factory ↓	W ₁	W ₂	W ₃	W ₄	Factory Capacity
F ₁	19	30	50	10	7
F ₂	70	30	40	60	9
F ₃	40	8	70	20	18
Warehouse Requirement	5	8	7	14	34

Try to find the penalty cost:

- This can be find by using the difference between the smallest and next smallest costs in each row and column respectively. ✓
- Now choose the maximum penalty. ✓

	W ₁	W ₂	W ₃	W ₄	Availability
F ₁	5	19	30	2	7
F ₂	70	30	7	2	9
F ₃	40	8	70	10	18
Requirements	5	8	7	14	

	(I)	(II)	(III)	(IV)	(V)
I	9	9	40	40	
II	10	20	20	20	20
III	12	20	50	—	

F_1			30	20	10		
F_2	70	30	7	40	2	60	970
F_3	40	8	8	70	10	20	18100
Requirements	50	80	70	14	4	20	

10	20	20	20	20
12	20	50	—	—

(i) 21 22↑ 10 10

(ii) 21↑ — 10 10

(iii) — — 10 10

(iv) 10 50↑

(v) 40 60↑

	W_1	W_2	W_3	W_4	Availability
F_1	5 10			2 10	7
F_2			7 40	2 60	9
F_3		8 8		10 20	18
Requirements	5	8	7	14	

$$m+n-1 = 6$$

$$\text{Ans } 5 \times 10 + 8 \times 8 + 7 \times 40 + 2 \times 10 + 2 \times 60 + 10 \times 20 = 779$$

The End