

6-2-24
Monday

Module : III

⇒ Transportation Problem:- (TP)

The objective of transportation problem is to transport of various amount of a single commodity that is stored at several objects to a number of destination.

The transportation is effected in such way that destinations demand is satisfied within the capacity of origin. and that total per transportation cost is minimum.

factory/showroom ↓	kochi	chennai	Delhi	Supply
Hydrabad	11	13	17	250
Mumbai	10	18	14	300
		225	250	
demand	200			

→ Balanced Transportation Problem (BTP)

If total supply = total demand, then the given (TP) is balanced. Then the above supply example

Total supply = 550/-

Total demand = 675/-

∴ total supply ≠ total demand. ∴ So this transportation is unbalanced.

Factory/Shop	Kochi	Chennai	Selvi	Kolkata	Supply
Hydrabad	11	13	17	11	280
Mumbai	10	18	14	10	200
Goa	6	7	8	9	400
Demand	200	225	275	250	1000

Total supply = 950

" demand = 950

∴ Supply = demand

St 1: check whether given TP is balanced or unbalanced

St 2: If the problem is unbalanced make it balance, by adding a dummy row / dummy column with cost zero. Find initial feasible solution using north-west corner method or least cost method or Vogel's Approximation Method.

St 3: check whether the transportation is ^{de}generate or non-degenerate.

St 4: Find optimal solution using MODI method

→ North-west Corner Method

This method is to find initial feasible solution of a transportation problem

Step 1: Allocate the cell (1,1) (North-west cell) maximum possible amount which is the minimum of row total and column total. So either a row or a column total get exhausted. So cross off that row or column

Step 2: Consider the new reduced matrix in that matrix allocate to the Northwest corner cell maximum possible amount which is the minimum of present row total & column total

Step 3: Repeat the above step until all available quantity are exhausted.

eg: finding initial feasible solution using northwest corner method.

	D ₁	D ₂	D ₃	D ₄	
O ₁	11	13	17	19	250
O ₂	16	18	14	10	300
O ₃	21	24	13	10	400
	200	225	275	250	950
					950

Total Supply = Total demand

∴ it balanced.

For the D₁ wants total 200. The O₁ manufactured 250 total.

∴ min (200, 250)

min(O₁, D₁).

∴ it reduced to.

	D ₁	D ₃	D ₄	R ₃
O ₁	50	17	19	50
O ₂	16	14	10	300
O ₃	24	13	10	400
	225	275	250	

$$225 - 50 = 175$$

	D ₃	D ₄	
O ₂	14	10	300
O ₃	24	10	400
	175	275	250

then check.

it balanced or

not. then

check

min(175, 300)

175 → row column

cancelled.

	D ₃	D ₄	
O ₂	14	10	125
O ₃	13	10	400
	275	250	

$$300 - 175 = 125$$

then check balanced or not

525 = 525 balanced

min(275, 250)

∴ 125

cancel that 200

∴ it changed to:

	D ₃	D ₄	
O ₃	150	10	400
	150	250	

$$275 - 125 = 150$$

250	10	250
850		

$$\min(150, 400)$$

∴ Cancel

$$400 - 150 = 250$$

∴ final

	D ₁	D ₂	D ₃	D ₄
O ₁	200	11	50	13
O ₂	16	175	18	14
O ₃	21	24	150	250

Then transportation cost:-

$$\text{for } O_1 \rightarrow D_1 = 200 \times 11 + 50 \times 13 + 18 \times 175$$

$$O_1 \rightarrow D_2 \quad O_1 \rightarrow D_3$$

$$+ 125 \times 14 + 12 \times 150 + 250 \times 10$$

$$= 2500 + 650 + 2200 + 3150 +$$

$$1750 + 1950$$

$$= \underline{\underline{12200/-}}$$

Q. Finding initial feasible solution using north-west corner method?

	D ₁	D ₂	D ₃	
O ₁	2	7	4	5
O ₂	3	3	1	8
O ₃	5	4	7	7
O ₄	1	6	2	14
	7	9	18	

Ans: Total Supply = Total demands. ∴ it is balanced

1. D₁ want total '7' product but O₁ produces only 5.
∴ Min(7, 5)

O ₁	5	7	4	5

2. ∴ D₁ wants only '2'. the O₂ produces 8.

$$\therefore \text{Min}(2, 8)$$

$$= 2$$

$$8 - 2 = 6$$

O ₂	2	3	1	8
O ₁	5	4	7	7
O ₄	1	6	2	14
	7	9	18	

3. Next D₂ wants total '9' but the O₂ manufactured only 6.

$$\therefore \text{Min}(9, 6)$$

$$= 6$$

$$9 - 6 = 3$$

	D ₂	D ₃	
O ₂	6	3	6
O ₁	4	7	7
O ₄	6	2	14
	9	18	

4. In D_2 want '3' product the O_3 manufactured
 7 products.
 $\therefore \min(3, 7)$
 $= 3$
 $= 7 - 3 = 4$

	D_2	D_3	
O_3	3	7	7
O_4	6	2	14
	3	18	

5. The D_3 wants total 18
 products. But the O_3
 produces only 7.
 $\therefore \min(18, 7)$
 $= 7$

	D_2	D_3	
O_3	3	7	7
O_4	6	2	14
	3	18 - 7 = 11	

6. The wants total 14 and
 the O_3 produces total
 14.

	D_2	D_3	
O_3	3	7	7
O_4	6	2	14
	3	11	

\therefore final:

5	2	7	4
2	3	6	1
5	4	7	
1	6	14	2

$$\therefore \text{total cost} = 5 \times 2 + 2 \times 3 + 6 \times 3 + 3 \times 4 + 4 \times 7 + 14 \times 2$$

$$= 10 + 6 + 18 + 12 + 28 + 28$$

$$= \underline{102}$$

\rightarrow Least Cost Method

step 1:

Q. finding initial feasible solution using least cost method?

	D_1	D_2	D_3	
O_1	2	1	4	5
O_2	3	3	1	8
O_3	5	4	7	7
O_4	1	6	2	14
	7	9	18	

1st the least cost in from this.

ie '1'. So min (row total, column total)

$\therefore \min(8, 18)$

Min is 8 \rightarrow so cancel that row.

$\therefore 18 - 8 = 10$

2	7	4	5
3	3	8	8
5	4	7	7
1	6	2	14
4	9	18	$\rightarrow 18 - 8 = 10$

(2) then select next

'2' $\therefore \min(14, 4)$

min is 4

cancel column.

row $14 - 4 = 10$

7	3	4	5
8		7	7
6	7	2	4
9	10		$\rightarrow 10 - 7 = 3$

minimum is 2. select that column.

$\therefore \min(7, 10)$

minimum is 7 so cancel that row.

then $10 - 7 = 3$

(4) then min is 4 so check $\min(5, 3)$

minimum is 3 so cancel that column

then (row value) $5 - 3 = 2$

then

7	2
4	7
9	

(5) then minimum is 4. so min(7, 9) minimum is 4. so cancel that row.

$9 - 4 = 5$

2	2
---	---

$$\text{Cost} = 2 \times 7 + 3 \times 9 + 8 \times 1 + 7 \times 4 + 1 \times 2 + 1 \times 1 = 83$$

\rightarrow Vogel's Approximation Method (VAM)

find initial solution by VAM.

	D ₁	D ₂	D ₃	D ₄	supply
S ₁	1	5	3	3	34
S ₂	3	3	1	2	15
S ₃	0	2	2	3	12
S ₄	2	7	2	4	19
demand	21	25	17	17	

$\therefore \text{total supply} = 80$

Total demand = 80

Total supply = Total demand \therefore It is balanced

find penalty of each row and each column

[penalty is the difference b/w smallest and 2nd smallest element of a row (column)]

* 1	5	3	3
3	* 3	* 1	* 2
* 0	* 2	* 2	* 3
2	7	2	4

find penalty of each row

$$1 - 3 = |0|$$

$$2 - 1 = 1$$

$$0 - 2 = |0|$$

$$2 - 2 = 0$$

penalty of column

$$1 - 0 = 1 //$$

$$2 - 3 = 1 //$$

$$2 - 1 = 1$$

$$3 - 2 = 1 //$$

* consider the largest penalty.

$$2, 1, 2, 0, 1, 1, 1, 1$$

The largest penalty is 2. It is in 1st and 3rd row.

* select either 1st row or 3rd

* select the cell containing least cost in 1st row

$$\min(\text{row 1, cost total 1})$$

$$\min(34, 21)$$

$$= 21 //$$

∴ cancel column.

21	5	3	3	34
3	3	1	2	15
0	2	2	3	12
2	7	2	4	19
21	25	17	17	

Then, again find the penalty and largest penalty

s ₁	5	3	3	13
s ₂	3	1	2	15
s ₃	2	2	3	12
s ₄	7	2	4	19
	25	17	17	

$$3 - 3 = 0$$

$$2 - 1 = 1$$

$$2 - 2 = 0$$

$$4 - 2 = 2 //$$

$$3 - 2 = 1$$

$$2 - 1 = 1 //$$

$$3 - 2 = 1 //$$

The largest penalty is 2. It is in 4th row.

then find the least cost.

$$2 \therefore \min(4^{\text{th row}}, 2^{\text{nd col}})$$

$$D_2 = \min(19, 17) = 17 //$$

$$19 - 17 = 2 //$$

s ₁	5	3	13
s ₂	3	2	15
s ₃	2	3	12
	7	4	2
	25	17	

Penalty =

$$5 - 3 = 2 //$$

$$3 - 2 = 1 //$$

$$3 - 2 = 1 //$$

$$4 - 7 = 3 //$$

largest penalty is 3.

∴ 4th row.

$$\min(19, 17)$$

$$19 - 17 = 2 //$$

cancel row.

Then largest penalty is 2. it is in

1st row.

$$\therefore \min(13, 15) = 13 \quad \therefore \text{cancel row.}$$

$$15 - 13 = 2$$

	D ₂	D ₄	
s ₂	3	<u>2</u>	15
s ₃	2	3	12
	25	2	
	1	1	

1st row. $\min(15, 2) = 2$ cancel column.

$$15 - 2 = 13$$

	D ₂	
s ₂	3	13
s ₃	<u>2</u>	12

$$\min(12, 25)$$

$$= 12$$

$$25 - 12 = 13$$

	D ₂	
	<u>3</u>	13
	3	
	13	

<u>2</u>	5	3	<u>13</u>
3	<u>13</u>	1	<u>2</u>
0	<u>2</u>	2	3
2	7	<u>17</u>	<u>2</u>

Cost =

Q. Find optimal solution?

	D ₁	D ₂	D ₃	D ₄	Supply
O ₁	6	3	5	4	22
O ₂	5	9	2	7	15
O ₃	5	7	8	6	8
Demand	17	12	17	17	48

Total supply = 48

Total demand = 48

It is balanced.

* Find initial solution by VAM.

	D ₁	D ₂	D ₃	D ₄	Supply
O ₁	6	3	5	4	22
O ₂	5	9	2	7	15
O ₃	5	7	8	6	8
Demand	17	12	17	17	48

2	1	2	
3	3	x	x
1	1	1	1

	D ₁	D ₂	D ₃	D ₄	Supply
O ₁	6	3	5	4	22
O ₂	5	9	2	7	15
O ₃	5	7	8	6	8
Demand	17	12	17	17	48

$$\text{Transportation Cost} = 12 \times 3 + 2 \times 5 + 8 \times 4 + 15 \times 2 + 7 \times 5 + 1 \times 6 = 36 + 10 + 32 + 30 + 35 + 6 = 149$$

* for allocated cell $U_i + V_j = C_{ij}$.

	D ₁	D ₂	D ₃	D ₄	Supply
O ₁	6	3	5	4	22
O ₂	5	9	2	7	15
O ₃	5	7	8	6	8
Demand	17	12	17	17	48

$$\begin{aligned} U_1 + V_2 &= 3 \\ U_1 + V_3 &= 5 \\ U_1 + V_4 &= 4 \\ U_2 + V_3 &= 2 \\ U_3 + V_4 &= 6 \end{aligned}$$

Consider $U_1 = 0$.

$$\begin{aligned} V_2 &= 3 - U_1 = 3 - 0 = 3 \\ U_1 + V_3 &= 5, V_3 = 5 - 0 = 5 \\ U_1 + V_4 &= 4, V_4 = 4 - U_1 = 4 \\ U_2 + V_3 &= 2, U_2 = 2 - 5 = -3 \\ U_3 + V_4 &= 6, U_3 = 6 - 4 = 2 \\ U_3 + V_1 &= 5, V_1 = 5 - 2 = 3 \end{aligned}$$

$$\begin{aligned} V_1 &= 3 \\ V_2 &= 3 \\ V_3 &= 5 \\ V_4 &= 4 \\ U_1 &= 0 \\ U_2 &= -3 \\ U_3 &= 2 \end{aligned}$$

For non-allocated cell:

$$d_{ij} = c_{ij} - (u_i + v_j)$$

$$d_{11} = 6 - (0 + 3) = 3 //$$

$$d_{21} = 5 - (-3 + 3) = 5 //$$

$$d_{22} = 9 - (-3 + 3) = 9 //$$

$$d_{24} = 7 - (-3 + 4) = 4 - 1 = 3 //$$

$$d_{32} = 7 - (2 + 3) = 7 - 5 = 2 //$$

$$d_{33} = 8 - (2 + 5) = 1 //$$

all $d_{ij} > 0$.

∴ minimum transportation cost = 149

Q. Find optimal solution?

	D ₁	D ₂	D ₃	D ₄	supply
O ₁	11	20	7	8	50
O ₂	21	16	10	12	40
O ₃	8	12	18	9	70
demand	30	25	35	40	

* Total Supply = 160 //

Total demand = 130

∴ it is unbalanced

* In order to make it balance a dummy destination is introduced in the transportation table with zero cost. The excess supply (30) is entered as the column total of the dummy destination.

	D ₁	D ₂	D ₃	D ₄	D ₅	
O ₁	11	20	25	26	0	50
O ₂	21	16	10	12	30	100
O ₃	8	12	18	9	0	70
	30	25	35	40	30	160

3	4	3	1	0
3	4	3	1	x
3	x	3	1	x
x	x	3	1	x
x	x	3	4	x

$$\therefore \text{Transportation Cost} = 25 \times 7 + 25 \times 8 + 10 \times 10 + 30 \times 0$$

$$+ 80 \times 8 + 25 \times 12 + 15 \times 9$$

=

for allocated cell $u_i + v_j = c_{ij}$

			25	25			
-1	u_1	11	20	7	8	0	
2	u_2	21	16	10	12	0	
0	u_3	30	25	12	18	9	0

$$\begin{aligned}
 u_1 + v_3 &= 7 & \textcircled{1} \quad u_1 + v_3 &= 7, v_3 = 8// \\
 u_1 + v_4 &= 8 & \textcircled{2} \quad u_1 + v_4 &= 8, u_1 = -1 (8-9) \\
 u_2 + v_3 &= 10 & \textcircled{3} \quad u_2 &= 10-8 = 2// \\
 u_2 + v_5 &= 0 & \textcircled{4} \quad v_5 &= 0-2 = -2// \\
 u_3 + v_1 &= 8 & \textcircled{5} \quad v_1 &= 8// \\
 u_3 + v_2 &= 12 & \textcircled{6} \quad v_2 &= 12-0 = 12// \\
 u_3 + v_4 &= 9 & \textcircled{7} \quad 0 + v_4 &= 9 \therefore v_4 = 9// \quad \uparrow
 \end{aligned}$$

Consider u_3 as 0.

* for non-allocated cell $d_{ij} = c_{ij} - (u_i + v_j)$

$$\begin{aligned}
 d_{11} &= 11 - (-1 + 8) = 4// \\
 d_{12} &= 20 - (-1 + 12) = 9// \\
 d_{15} &= 0 - (-1 + -2) = +3// \\
 d_{21} &= 21 - (2 + 8) = 11 \\
 d_{22} &= 16 - (2 + 12) = -8// \\
 d_{24} &= 12 - (2 + 9) = 1//
 \end{aligned}$$

$$\begin{aligned}
 d_{33} &= 18 - (0 + 8) = 10// \\
 d_{35} &= 0 - (0 + -2) = 2//
 \end{aligned}$$

all $d_{ij} > 0$
 minimum transportation cost =

→ for a loop:

$$\begin{aligned}
 d_{11} &= 2 \\
 d_{12} &= 9 \\
 d_{15} &= 11 \\
 d_{21} &= 8 \\
 d_{22} &= 1 \\
 \textcircled{d_{23}} &= -3 \\
 d_{33} &= 8 \\
 d_{35} &= 3//
 \end{aligned}$$

Select the cell having most -ve d_{ij} value and draw a loop, has same starting and end point. a loop move rowwise & columnwise alternatively and move only to allocated (except the starting point)

only straight lines are used.
 • starting +10 then -ve, then +ve and -ve

		35	15		
11	20	-ve -1	18	0	
21	16	10	12	0	
30	25	12	18	9	0

then -ve allocations are $\min(35, 10) = 10$

add 10 to -ve sign in loop and subtract -ve

25	25
10	0

Q. A Company manufacturing 'AC' has two plants located at Mumbai and Kolkata with weekly capacity of 200 and 100 units. The company supplies two for 4 Showrooms situated at Ranchi, Delhi, Lucknow and Kanpur. which are at demand of 75, 100, 100, 30 units. The cost of transportation per unit is given below.

	Ranchi	Delhi	Lucknow	Kanpur	
Mumbai	90	90	100	100	200
Kolkata	50	70	130	85	100
	75	100	100	30	

Total Supply = 300

Total demand = 305

∴ it is unbalanced.

Add dummy row, with sum of supply.

90	75	90	100	100	200
50	70	130	85	100	305
0	0	0	0	0	5
75	100	100	30		

0	0	10	10
20	20	15	15
0	x	x	x

50	70	100	85
40	20	30	15
x	80	30	15
x	20	x	15

$$\text{Transportation Cost} = 75 \times 90 + 95 \times 100 + 30 \times 100 + 75 \times 50 + 25 \times 70 + 5 \times 0 = 6750 + 9500 + 3000 + 3750 + 1750 + 0 = 24750$$

* for allocated cell $U_i + V_j = C_{ij}$.

	V_1	V_2	V_3	V_4
0 U_1	90	90	100	100
-20 U_2	50	70	130	85
-100 U_3	0	0	0	0

$$\begin{aligned} U_1 + V_1 &= 90 & V_1 &= 90 - 0 = 90 \\ U_1 + V_2 &= 90 & V_2 &= 90 - 0 = 90 \\ U_1 + V_3 &= 100 & V_3 &= 100 - 0 = 100 \\ U_1 + V_4 &= 100 & V_4 &= 100 \\ U_2 + V_1 &= 50 & V_1 &= 50 - 90 = -40 \\ U_2 + V_2 &= 70 & V_2 &= 70 - 90 = -20 \\ U_3 + V_3 &= 0 & U_3 &= 0 - 100 = -100 \end{aligned}$$

∴ consider $U_1 = 0$.

∴ $U_1 = 0$ $U_2 = -20$ $U_3 = -100$

$V_1 = 90$, $V_2 = 90$, $V_3 = 100$, $V_4 = 100$

* for non-allocated cell.

$$d_{ij} = C_{ij} - (U_i + V_j)$$

$$d_{11} = 90 - (0 + 90) = 0$$

$$d_{23} = 130 - (-20 + 100) = 130 - 80 = 50$$

$$d_{24} = 85 - (-20 + 100) = 85 - 80 = 5$$

$$d_{31} = 0 - (-100 + 90) = 0 - -10 = 10$$

$$d_{32} = 0 - (-100 + 90) = 0 - -10 = 10$$

$$d_{44} = 0 - (-100 + 100) = 0 - 0 = 0$$

all $d_{ij} > 0$

∴ minimum transportation cost = 24750

8. Given $x_{13} = 50$, $x_{14} = 20$, $x_{21} = 55$, $x_{31} = 30$

$x_{32} = 35$, $x_{34} = 25$

It is an optimal solution for given T.P. If not find optimal solution?

	6	1	9	3
55				
11		5	5	8
30	10	12	4	7

$$50 + 20 = 70$$

$$55$$

$$30 + 35 + 25 = 90$$

$$55 + 30 = 85$$

$$25 + 20 = 45$$

(*) for allocated cell

	10	12	13	7
u_1	v_1	v_2	v_3	v_4
-4	6	1	9	3
1	55			
0	11		5	5
	30	35		25
	10	12	4	7

$$u_1 + v_3 = 9 \Rightarrow v_3 = 9 - 4 = 5 //$$

$$u_1 + v_4 = 3 \Rightarrow u_1 = 3 - 7 = -4 //$$

$$u_2 + v_1 = 11 \Rightarrow u_2 = 11 - 10 = 1 //$$

$$u_3 + v_1 = 10 \Rightarrow v_1 = 10$$

$$u_3 + v_2 = 12 \Rightarrow v_2 = 12 //$$

$$u_3 + v_4 = 7 \Rightarrow v_4 = 7 //$$

Consider $u_3 = 0$

for non-allocated cell:

$$d_{ij} = c_{ij} - (u_i + v_j)$$

$$d_{11} = 6 - (-4 + 10) = 6 - 6 = 0 //$$

$$d_{12} = 1 - (-4 + 12) = 1 - 8 = -7 //$$

$$d_{22} = 5 - (1 + 12) = 5 - 13 = -8 //$$

$$d_{23} = 5 - (1 + 13) = 5 - 14 = -9 //$$

$$d_{24} = 8 - (1 + 7) = 8 - 8 = 0 //$$

$$d_{33} = 4 - (0 + 7) = 4 - 7 = -3 //$$

solution is not optimal as not all d_{ij} is positive.

80. again find optimal solution.

10				
6	1	9	3	
11	35	20		
15		30	45	
10	12	4		
8.5	3.5	5.5	4.5	
15		30		

2	x	x	x
0	0	3	x
3	3	3	3

4	4	1	4
1	7	1	1
1	x	1	1

$$\text{Transportation cost} = 10 \times 6 + 35 \times 5 + 20 \times 5 + 15 \times 10 \\ + 30 \times 4 + 45 \times 7$$

$$= \underline{1280}$$

	v_1	v_2	v_3	v_4
u_1	6	1	9	3
u_2	11	5	2	8
u_3	10	12	4	7

$$\begin{aligned} u_1 + v_1 &= 6 & u_1 &= 6 - 10 = -4 \\ u_2 + v_2 &= 5 & v_2 &= 5 - 1 = 4 \\ u_2 + v_3 &= 5 & v_2 &= 5 - 4 = 1 \\ u_3 + v_1 &= 10 & v_1 &= 10 \\ u_3 + v_3 &= 4 & v_3 &= 4 \\ u_3 + v_4 &= 7 & v_4 &= 7 \end{aligned}$$

for allocated cell $c_{ij} = u_i + v_j$

Consider $u_3 = 0$

for non-allocated cell:-

$$d_{12} = 1 - (-4 + 4) = 1 //$$

$$d_{13} = 9 - (-4 + 4) = 5 //$$

$$d_{14} = 3 - (-4 + 7) = 0 //$$

$$d_{21} = 11 - (1 + 10) = 0 //$$

$$d_{24} = 8 - (1 + 7) = 0 //$$

$$d_{32} = 12 - (0 + 4) = 8 //$$

d

for all $d_{ij} \geq 0$

\therefore minimum transportation cost = 1280

HW.

Q. solve.

	6	1	9	3	
	11	5	2	8	55
	10	12	4	7	70
	85	35	50	45	

step 1: check it is balanced or not.

$$\therefore \text{total supply} = 195$$

$$\text{total demand} = 215$$

It is not balanced.

$$\therefore 215 - 195 = 20$$

so add an row.

	D_1	D_2	D_3	D_4	
O_1	65	5	1	9	70
O_2	11	5	2	8	55
O_3	10	12	4	7	70
O_4	20	0	0	0	20
	85	35	50	45	

2	2	2	X
3	3	3	3
3	3	3	3
0	X	X	X

	⑥	1	2	3
1st	⑥	4	2	4
2nd	X	⑨	2	4

4th X ① 2 1

O_2	2		8	25
O_3	7		7	10
	50		45	

		2	1		
		0	-5	-8	-5
		V_1	V_2	V_3	V_4
6	U_1	6	1	9	3
10	U_2	11	5	2	8
12	U_3	10	12	4	7
0	U_4	0	0	0	0
		85	35	50	45

for allocated cell:

$$U_1 + V_1 = 6$$

$$U_1 + V_2 = 1$$

$$U_2 + V_2 = 5$$

$$U_2 + V_3 = 2$$

$$U_3 + V_3 = 4$$

$$U_3 + V_4 = 7$$

$$U_4 + V_1 = 0$$

consider $V_1 = 0$.

$$U_1 = 6 - 0 = 6 //$$

$$V_2 = 1 - 6 = -5 //$$

$$U_2 = 5 - (-5) = 10 //$$

$$V_3 = 2 - 10 = -8 //$$

$$U_3 = 4 - (-8) = 12 //$$

$$V_4 = 7 - 12 = -5 //$$

$$U_4 = 0 - 0 = 0 //$$

for non-allocated cell:

$$d_{1,3} = 9 - (6 + 8) = 9 - 14 = -5 //$$

$$d_{1,4} = 3 - (6 + (-5)) = 3 - 1 = 2 //$$

$$d_{2,1} = 11 - (10 - 0) = 11 - 10 = 1 //$$

$$d_{2,4} = 8 - (10 + (-5)) = 8 - 5 = 3 //$$

$$d_{3,1} = 10 - (12 + 0) = 10 - 12 = -2 //$$

$$d_{3,2} = 12 - (12 + (-5)) = 12 - 7 = 5 //$$

$$d_{4,2} = 0 - (0 + 5) = -5 //$$

$$d_{4,3} = 0 - (0 + 8) = -8 //$$

$$d_{4,4} = 0 - (0 + (-5)) = 5 //$$

selected the cell having most negative (-ve) dij value and draw a loop.

6	5			
6	1	9	3	10
11	5	2	8	55
10	12	4	7	70
0	0	0	0	20

select -ve allocate value
min(65, 30, 25) = 25 //

add 25 to +ve sign and subtract 25 from -ve sign.

40	6	30	
	5	50	
25		0	

	V_1	V_2	V_3	V_4
6 U_1	40	30	1	9
10 U_2		11	5	2
10 U_3	45	10	12	4
0 U_4	20	0	0	0

$$U_1 + V_1 = 6 \rightarrow \text{consider } V_1 = 0$$

$$U_1 = 6 - 0 = 6 //$$

$$U_1 + V_2 = 1$$

$$V_2 = 1 - 6 = -5$$

$$U_2 + V_2 = 5$$

$$U_2 = 5 - (-5) = 10$$

$$U_2 + V_3 = 2$$

$$V_3 = 2 - 10 = -8$$

$$U_3 + V_1 = 10$$

$$U_3 = 10 - 0 = 10$$

$$U_3 + V_4 = 7$$

$$V_4 = 7 - 10 = -3$$

$$U_4 + V_1 = 0$$

$$U_4 = 0 - 0 = 0 //$$

* For non allocated cell:

$$d_{13} = 9 - (6 + 8) = 9 - 2 = 11 //$$

$$d_{14} = 3 - (6 + 3) = 3 - 3 = 0 //$$

$$d_{21} = 11 - (10 + 0) = 1 //$$

$$d_{24} = 8 - (10 + 3) = 8 - 7 = 1 //$$

$$d_{32} = 12 - (10 + 5) = 12 - 5 = 7 //$$

$$d_{33} = 4 - (10 + 8) = 4 - 2 = 2 //$$

$$d_{42} = 0 - (0 + 5) = 0 - 5 = 5 //$$

$$d_{43} = 0 - (0 - 8) = 8 //$$

$$d_{44} = 0 - (0 - 3) = 0 - 3 = 3 //$$

for all $d_{ij} \geq 0$

\therefore minimum transportation cost

$$= 40 \times 6 + 30 \times 1 + 5 \times 5 + 50 \times 2 + 25 \times 10$$

$$+ 45 \times 1 + 20 \times 0$$

$$= 240 + 30 + 25 + 100 + 250 + 315 + 0$$

$$= \underline{\underline{960}}$$