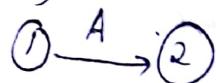


## project Evaluation and Review Technique

### critical path method

1. Activity: It is a part of a total project plan to which a known resource is applied. It consumes time & cost of resource using. It is shown by an arrow diagram



~~the~~ size and shape of arrow doesn't indicate activity time or cost paid for resource.

An activity operates b/w 2 nodes only.

There can be exactly one activity b/w 2 nodes. This is the main logic applicable in network.

An activity is carried out b/w 2 events

#### Activity relationship:

An activity generally denoted using capital letters like A, B, C ... is a continuous process of some act b/w two nodes.

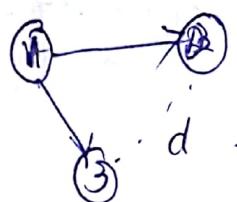
#### \* parallel activity:

At ~~the~~ stage in a network you may have more than one activity beginning from one node all such are called parallel activities.

when more than one activity coming out from different nodes end up in a common node. All such activities are called concurrent activities

\* Dummy activity:

- An activity from a node can be started only if all the different activities converging to that node are over
- There can be one ~~or~~ only activity b/w any two nodes.



Ex: Activity Predecessor Activity

A

B

C

D

E

F

A

B

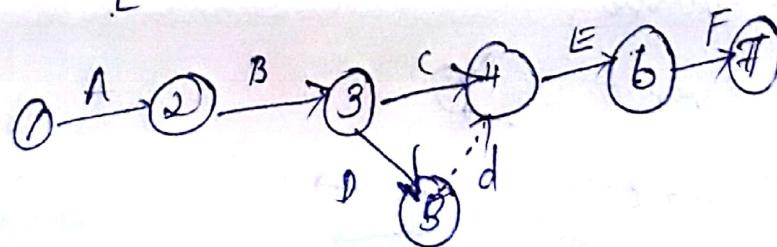
B

C, D

E

E

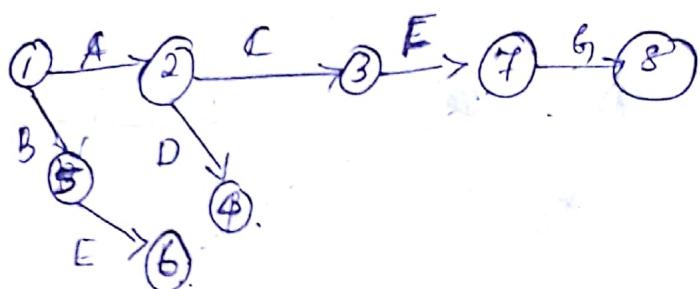
→



1.  $A < C, D$
2.  $B < E$

Activity | PA

Activity	PA
A	-
B	-
C	A
D	A
E	B
F	C
G	D, E, F



Event:

An event represents a point in time signifying the completion of some activities and beginning of new ones. This is usually represented by a circle in a network which is also called a node or connector. ①-⑧

The events can be further classified into 3 different categories

1) Merge event

2) Burst event

3) Merge & Burst event

\* common errors in drawing network:

1) Dangling: To disconnect an activity before

The completion of activities in a network diagram is known as dangling.



2) Looping:

Looping error is also known as cycling error in a network. Drawing an endless loop in a network is known as error of looping.

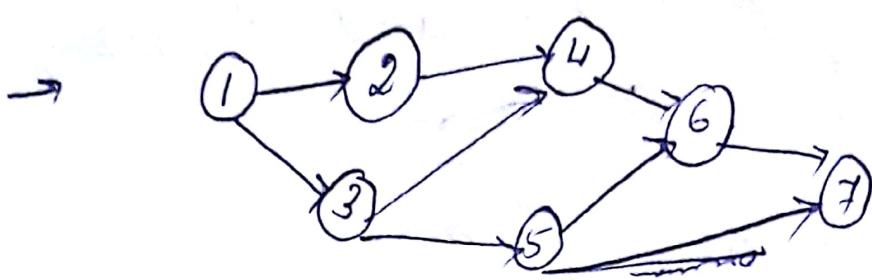
3) Redundancy: Unnecessarily inserting dummy activity in a network logic is known as error of redundancy.

#### \* Rules to construct a network

- (i) Each activity is ~~constructed~~ <sup>represented</sup> by only one arrow in the network.
- (ii) In order to ensure the correct precedence relationship in the arrow diagram, following steps be checked whenever any activity is added to network:
  - 1) what activity must be completed before this activity can start?
  - 2) what activities must follow this activity
  - 3) what activities must occur simultaneously with this activities.

1. Draw an event oriented network

Event no	1	2	3	4	5	6	7
Immediate Predecessor	-	1	1	2,3	3	4,5	5,6



2) draw a network for the following project

a) A is the start event & K is the end event (activity)

b) B is successors event to A

c) C & D are successors events to B

d) D is the preceding event to G

e) E & F occur after event C.

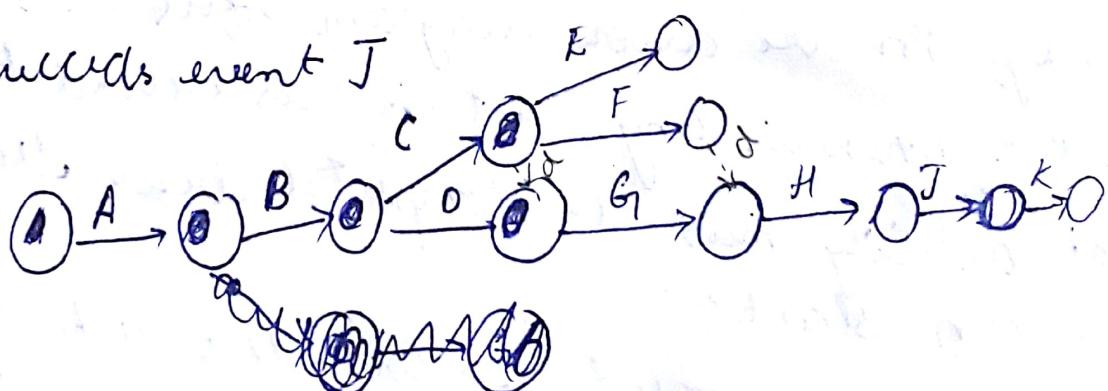
f) C restrains the occurrence of G & G precedes H

g) H precedes J

h) F restrains the occurrence of H

i) K succeeds event J

→

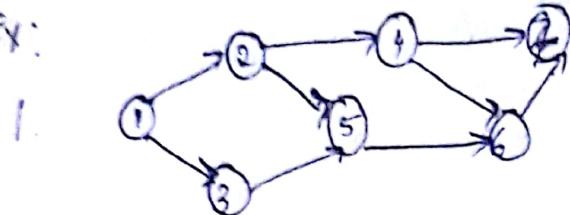


### Activity & preceding Activity

A	-
B	A
C	A
D	C
E	B, C
F	D, E
G	E
H	G
I	D, F
J	I, H
K	J

- \* Labelling : Fulkerson's rules is:
1. A start event is the one which has arrows emerging from it but none entering it. Find the start event and number it as 1.
  2. delete all arrows emerging from all numbered events, this will create atleast one new start event out of preceding events
  3. Number all new start events 2, 3 ...
  4. go on repeating steps no 2 & 3 until the end is reached.

Ex:



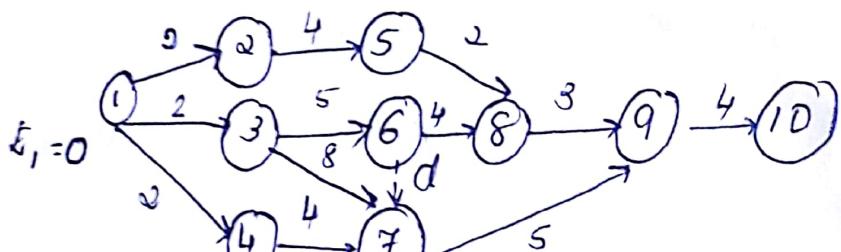
$\star (i, j)$

Activity  $(i, j)$  from the event  $i$  to  $j$ ,  
 $\rightarrow E_i$  earliest occurrence time of event  $i$

$\rightarrow L_j, T_c$  : latest occurrence time of event  $j$

$\rightarrow D_{ij}$  : estimated completion time of activity  $(i, j)$

i. consider the following network where nodes have been numbered



ii) Forward pass calculation

$$E_2 = 2 \quad E_3 = 2 \quad E_4 = 2$$

$$E_5 = 2 + 4 = 6 \quad E_6 = 7$$

$$E_7 = \max(10, 7, 6)$$

$$= 10$$

$$E_8 = (8, 11) \quad E_9 = \max(14, 15) \quad E_{10} = 19$$

$$E_8 = 11 \quad E_9 = 15$$

(ii) Backward pass calculation:

$$E_{10} = 19$$

$$E_9 = 19 - 4 = 15$$

$$E_8 = 15 - 3 = 12$$

$$E_7 = 15 - 5 = 10$$

$$L_8 = (12-4) - 8 \quad 10-0=10 \quad L_4 = 10-4=6$$

$$\min(8, 10)$$

$$= 8$$

$$L_5 = 10$$

$$L_2 = 10-4=6$$

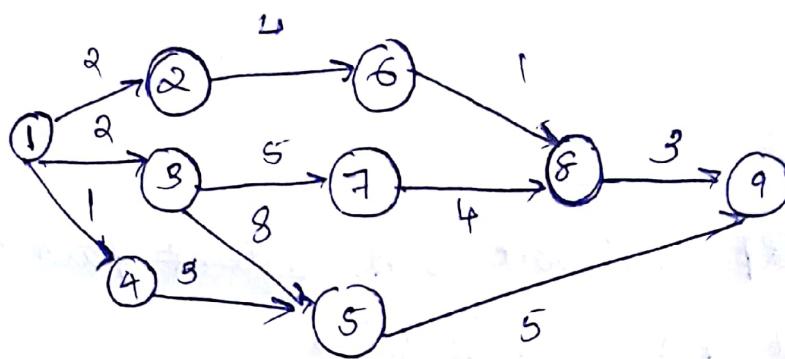
$$L_3 = \min(8, 3)$$

$$= 2$$

$$L_1 = 0$$



2.



$$\rightarrow E_1 = 0 \quad E_2 = 2 \quad E_3 = 2 \quad E_4 = 1$$

$$E_5 = \min(10, 4) = 10$$

$$E_6 = 6 \quad E_7 = 1 \quad E_8 = \min(7, 11) = 11$$

$$E_9 = \min(14, 15) = 15$$

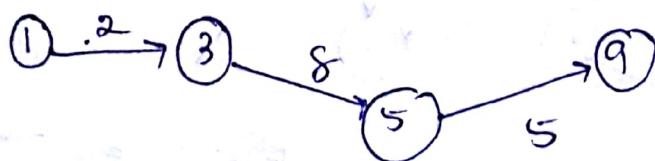
$$L_9 = 15 \quad L_8 = 12 \quad L_5 = 10$$

$$L_6 = \min(11, 8) = 8 \quad L_2 = 7$$

$$L_3 = \min(3, 2) = 2$$

$$L_4 = 10-3 = 7 \quad L_1 = \min(5, 0, 6)$$

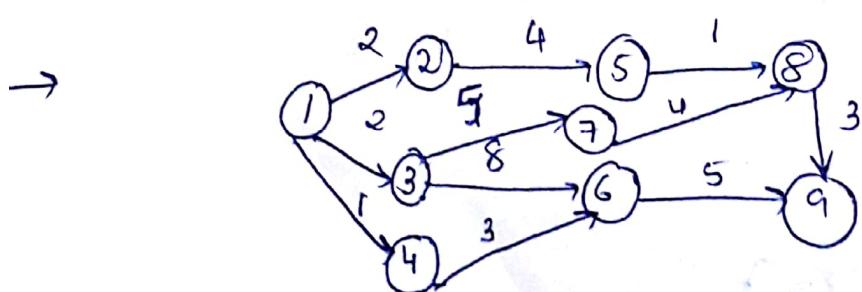
$$L_1 = 0$$



Activity	Normal Time ( $D_i$ )	Earliest Time	Latest Time ( $F_i$ )
		Start ( $E_i$ )	Finish ( $E_i + D_i$ )
(1, 2)	2	0	2
(1, 3)	2		
(1, 4)	1		

3. construct PERT network and ~~critical path~~ compute
- Total float for each activity
  - Critical path & its duration

Activity	Time in months	Activity	Time in months
1-2	2	4-6	3
1-3	2	5-8	1
1-4	1	6-9	5
2-5	4	7-8	4
3-6	8	8-9	3
3-7	5		



$$\begin{aligned}
 E_1 &= 0 & E_2 &= 2 & E_3 &= 2 & E_4 &= 1 & E_5 &= 6 & E_6 &= 11 \\
 E_7 &= 7 & E_8 &= \max(11, 7) = 11 & E_9 &= 14
 \end{aligned}$$

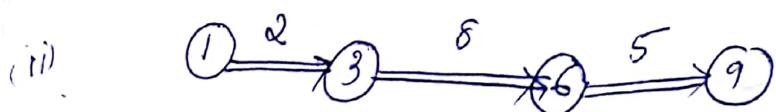
$$E_9 = \max(15, 14) = 15$$

$$L_8 = 12 \quad L_6 = 10 \quad L_7 = 8 \quad L_5 = 11 \quad L_2 = 1$$

$$L_9 = 10 \quad L_8 = 12 \quad L_6 = 10 \quad L_7 = 8 \quad L_5 = 11 \quad L_2 = 1$$

$$L_4 = 9 \quad L_3 = \min(3, 2) = 2 \quad L_1 = 0$$

Activity	Normal Time $D_{ij}$	Earliest Time $E_i$	Finish Time $E_j + D_{ij}$	Latent Time $L_j - E_i$	Start Time $L_i$	Float $(L_j - D_{ij}) - L_i$
	0	2	5	7	7	45
(1-2)	2	0	2	0	2	20
(1-3)	2	0	1	6	7	15
(1-4)	1	0	6	7	7	0
(2-5)	4	2	10	2	10	80
(3-6)	8	2	7	3	8	46
(3-7)	5	2	7	7	10	5
(4-6)	3	1	7	11	12	0
(5-8)	1	6	15	10	15	1
(6-9)	5	6	11	8	12	1
(7-9)	4	7	11	12	15	1
(8-9)	3	11				



$$\text{free float } (F_{fi}) = (E_i - E_j) - D_{ij}$$

$$\text{Independent float } (I_{fi}) = (L_j - L_i) - D_{ij}$$

optimistic to

most likely to

pesimistic to

$$\text{Expected time } t_e = (t_o + 4t_m + t_p) / 6$$

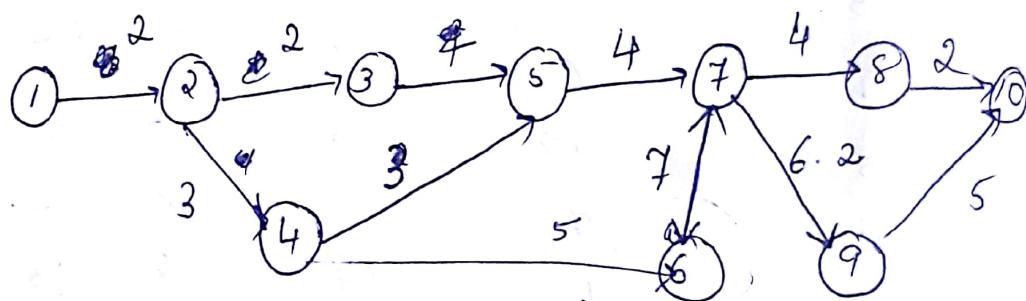
\* Find the critical path for following characteristics

Activity	$t_0$	$t_p$	$t_m$	Activity	$t_0$	$t_p$	$t_m$
1-2	1	5	1.5	6-7	6	8	7
2-3	1	3	2	7-8	9	6	4
2-4	1	5	3	7-9	5	8	6
3-5	3	5	4	8-10	1	3	2
4-5	2	4	3	9-10	3	7	5
5-7	4	6	5				
4-6	3	7	5				

construct a PERT network & find CP & Variances  
for each event

(4, -6) - inverng

→



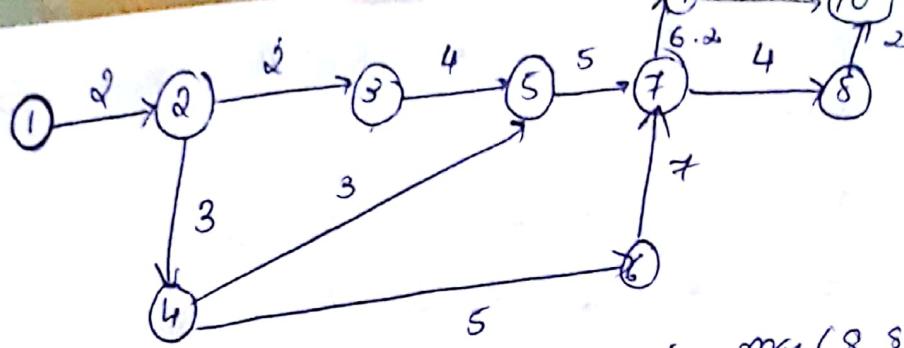
$$\begin{aligned}
 t_{e_1} &= (t_0 + 4t_m + t_p)/6 \\
 &= (1 + 4 \times 1.5 + 5)/6 \\
 &= 12/6 = 2
 \end{aligned}$$

$$\begin{aligned}
 t_{e_2} &= (1 + 4 \times 2 + 3)/6 \\
 &= 12/6 = 2
 \end{aligned}$$

$$\begin{aligned}
 t_{e_3} &= (1 + 3 \times 4 + 5)/6 \\
 &= 18/6 = 3
 \end{aligned}$$

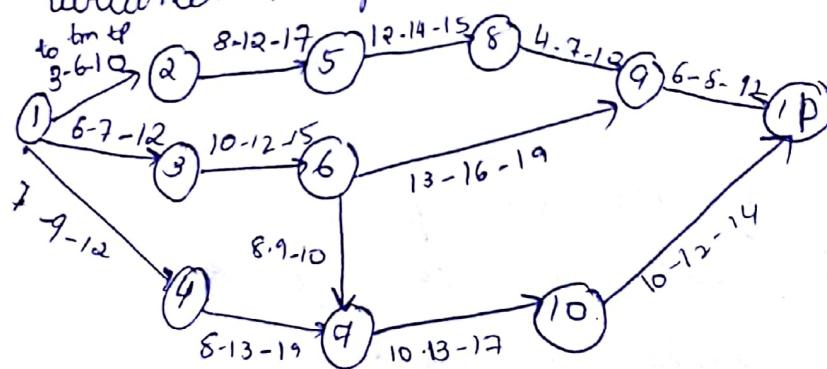
$$\begin{aligned}
 t_{e_4} &= (3 + 4 \times 4 + 5)/6 \\
 &= 24/6 = 4
 \end{aligned}$$

$$\begin{aligned}
 t_{e_5} &= (9 + (3 \times 4) + 4)/6 \\
 &= 18/6 = 3
 \end{aligned}$$



$$\begin{aligned}
 E_1 &= 0 & k_2 &= 2 & k_3 &= 4 & E_4 &= 5 & k_5 &= \max(8, 8) = 8 & E_6 &= 10 \\
 E_7 &= \max(8, 17) = 17 & k_8 &= 9 & E_9 &= 23.2 & k_{10} &= 28.2 \\
 k_7 &= \min(28.2, 17) = 17 & k_9 &= 23.2 & k_8 &= 26.2 & k_{10} &= \min(28.2, 17) = 17 \\
 L_{10} &= 28.2 & L_9 &= 23.2 & L_8 &= 26.2 & L_7 &= \min(28.2, 17) = 17 \\
 L_6 &= 10 & L_5 &= 12 & L_3 &= 8 & L_4 &= \min(9, 10) = 8
 \end{aligned}$$

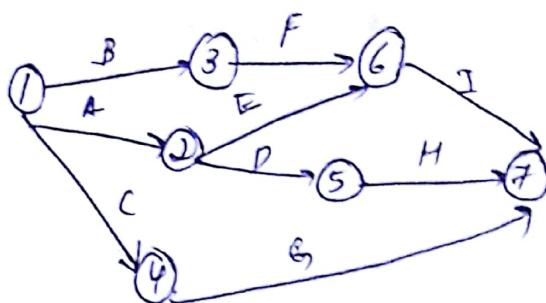
for the activities are indicated number  
the events according to Fulkerson's rule & calculate  
the variances & expected time for each activity



Activity	$t_e$	Variance			
(1,2)	6.16	1.36	(2,6)	12.16	0.69
(1,3)	7.66	1	(5,8)	13.83	0.25
(1,4)	9.16	0.69	(6,9)	16	1
(2,5)	12.16	2.25	(7,10)	13.16	1.36
(6,7)	9	0.11	(8,9)	7	1
(4,7)	13.16	3.36	(9,11)	8.33	1
			(10,11)	12	0.44

\* A project is represented by the network shown below & has the following data

Task :	A	B	C	D	E	F	G	H	I
Last time : (t <sub>0</sub> )	5	18	26	16	15	6	7	7	3
Expected time : (t <sub>ep</sub> )	10	27	40	20	25	12	12	9	5
Most likely time : (t <sub>m</sub> )	8	20	33	18	20	9	10	8	4



Determine the following

- 1) Expected task time & their variance
- 2) The earliest & latest expected times to reach each node.
- 3) The critical path and
- 4) The probability of not occurring at the proposed completion date if the original control time of completing the project is 41.5 weeks.

→ Task	t <sub>0</sub>	Variance	(2,6)	20	2.77
(1,2)	7.833	0.69	(2,5)	18	0.64
(1,3)	20.83	2.25	(4,7)	9.83	0.694
(1,4)	33	5.44	(6,7)	4	0.16
(3,6)	9	1	(5,7)	8	0.17

$$\begin{aligned}
 t_{0.2} &= \frac{24/6 = 4}{(6+4 \times 4) + 8) / 6} = 2 \\
 t_{0.8} &= \frac{24/6 = 4}{(2 + (4+4) - 16) / 6} = 2 \\
 t_{0.9} &= 6.2 \quad t_{0.10} = 2 \quad t_{0.11} = 5 \quad D = \frac{St_i - E_i}{\text{Var}_i} \\
 c^2 &= [t_p - t_0) / 6]^2 \quad E_2 = 2 \quad E_3 = 4 \quad E_4 = 5 \quad E_5 = 8 \quad E_6 = \text{mu}(10, 12) = 12
 \end{aligned}$$

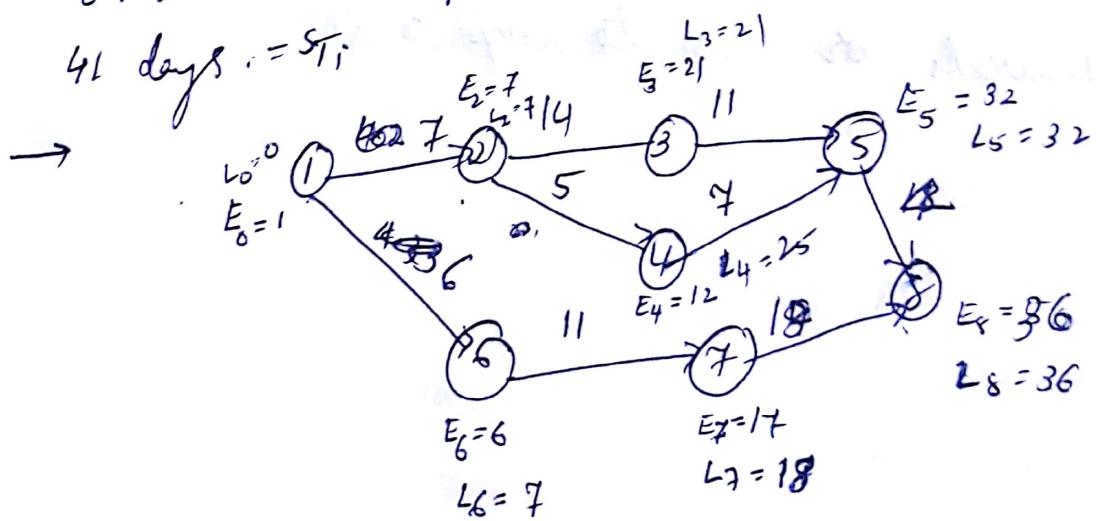
From this it is concluded that if the project is performed 100 times under the same conditions there will be chances when this job would take 41.5 weeks or less to complete it.

\* The following table lists the job of a network with their estimates

job (i-j)	to	ear	lp	te	$\sigma^2$
1-2	3	6	15	427	4
1-6	2	5	14	436	4
2-3	6	12	30	14	16
2-4	2	5	8	5	1
3-5	5	11	17	11	4
4-5	3	6	15	7	4
6-7	3	9	27	11	16
5-8	4	4	7	4	1
4-8	4	19	28	18	16

1) Draw the project network calculate the length and variance of the critical path. What is the approximate probability that the jobs on the critical path will be completed within

41 days.  $= ST_i$



Critical path: 1, 2, 3, 5, 8

$$D = \frac{41 - 36}{\sqrt{25}} \quad (\text{variance of critical node})$$

$$D = 5/5 = 1$$

$$P(Z \leq D_i) = P(Z \leq 1) \quad (\text{normal distribution})$$

$$= 0.84$$

## Transportation & assignment problems

The TP is used to transport various amounts of a single homogeneous commodity that are initially stored in various sources to different destinations in such a way that total transportation cost is kept minimum.

### \* Tabular representation :

Suppose there are  $m$  factories &  $n$  Warehouses

		Warehouses				Factory capacity
		A	B	C	D	
Factories	F1	$c_{11}$	$c_{12}$	$\dots$	$c_{1n}$	$100 \rightarrow a_1$
	F2	$c_{21}$				$50 \rightarrow a_2$
F $\dots$	F $n$	$c_{n1}$	$c_{n2}$	$\dots$	$c_{nn}$	$40 \rightarrow a_n$
Warehouses		50	50	50	40	$\sum a_i = \sum b_j$
requirement		$\downarrow b_1$	$\downarrow b_2$	$\dots$	$\downarrow b_m$	

The transportation problem is usually represented in tabular form.

### \* Methods to find IBFS - Initial basic feasible solution

- 1) North - west corner rule
- 2) Row minima
- 3) column minima
- 4) least cost method
- 5) Vogel's Approximation method

\* Methods of finding an optimal solution of the transportation problem consists of 2 steps

(i) to find an IBFS

(ii) to obtain an optimal solution

by making successive improvements to IBFS until no further decrease in the transportation cost is possible

1. Find the IBFS for the following <sup>TP</sup>

Warehouse $\rightarrow$	$w_1$	$w_2$	$w_3$	$w_4$	factory capacity
Factory $\downarrow$					
$F_1$	19 <sub>(s)</sub>	30 <sub>(2)</sub>	50	10	72
$F_2$	70	30 <sub>(6)</sub>	40 <sub>(3)</sub>	60	93
$F_3$	40	8	70 <sub>(4)</sub>	20	18
Warehouse Requirement	5	8 <sub>(8)</sub>	7 <sub>(7)</sub>	14	34

$$\min(w_1, w_1) = (7, 5) \Rightarrow 5$$

$$\text{Total cost} = 19 \times 5 + 30 \times 2 + 30 \times 6 + 40 \times 3 + 70 \times 4 + 20 \times 14$$

cost

$$= 1015$$

Warehouse  $\rightarrow$   $w_1$   $w_2$   $w_3$   $w_4$  Factory capacity

Factory  $\downarrow$

$F_1$

19 30 50 10<sub>(a)</sub> 7

$F_2$

70 30 40 60 9

$F_3$

40 8 70<sub>(6)</sub> 20<sub>(7)</sub> 28  $\neq$  5

Warehouse Requirement

5 8<sub>(8)</sub> 7<sub>(7)</sub> 14 34

How minimum

$$\text{Total cost} = 10 \times 7 + 30 \times 8 + 40 \times 1 + 40 \times 5 + 70 \times 6 + 20 \times 7 = \text{Rs} 110$$

	$w_1$	$w_2$	$w_3$	$w_4$		Least cost Method
$F_1$	19	30	50	10	2	
$F_2$	70	30	40	60	9	Among all the entries which is less
$F_3$	40	8	70	20	18	
	5	8	7	14	34	
	2					

$$\text{Total cost} = 10 \times 2 + 40 \times 7 + 70 \times 2 + 40 \times 3 + 8 \times 8$$

$$20 \times 7 \leq 14$$

### (b) Vogel's Approximation method

Warehouse  $\rightarrow$   $w_1$   $w_2$   $w_3$   $w_4$  | Factory capacity

↓  
Factory

	$w_1$	$w_2$	$w_3$	$w_4$	
$F_1$	19	30	50	10	
$F_2$	70	30	40	60	
$F_3$	40	8	70	20	
	5	8	7	14	
	7	8	7	14	
	10	10	10	10	

Step 1: Penalty = Least cost - 2<sup>nd</sup> least cost in a row

$$1^{\text{st}} \text{ row} - (9) \Rightarrow 19 - 10$$

$$2^{\text{nd}} \text{ row} = (80) \Rightarrow (40 - 30) = 10$$

$$3^{\text{rd}} \text{ row} = 20 - 8 = 12$$

$$1^{\text{st}} \text{ col} = 40 - 19 = 21$$

$$2^{\text{nd}} \text{ col} \Rightarrow 30 - 8 = 22$$

$$3^{\text{rd}} \text{ col} \Rightarrow 50 - 40 = 10$$

$$20 - 10 \Rightarrow 10$$

80  
25  
64  
20  
100  
200  
169

$$\text{Total cost} = 19 \times 5 + 9 + 8 + 40 \times 2 + 10 \times 2 + 60 \times 2 + 20 \times 10$$

$$= 479$$

2. obtain an initial basic set of the LP.

	I	II	III	IV	Availability				
→ A	9	3	9	5	30	(2)	(2)	(2)	(2) $\leftarrow$
B	5	5	7	6	15	(1)	(1)	X	X
C	8	6	6	5	16	(1)	(1)	(1)	(1) $\leftarrow$
D	6	1	6	4	19	(3) $\leftarrow$	X	X	X
Demand	25	25	17	17					
	(1)	(2)	(1)	(1)					
	(2)	(2)	(1)	(1)					
	↑								
	(1)	(3)	(1)	(0)					
		↑							
	(1)	X	(1)	(0)					
			(1)	(X)					

$$\text{Total cost} = 3 \times 6 + 5 \times 11 + 5 \times 17 + 6 \times 6 + 8 \times 6 + 1 \times 19 + 5 \times 15$$

$$= 336$$

18  
55  
85  
36  
48  
25  
336

\* optionality - U-V Method / Kriobi Method

(i) The initial BFS has  $m+n-1$  allocations in independent positions

(ii) Since  $U_i$  ( $i=1, 2, 3, \dots$ ) are to be determined

$$V_j \quad (j=1, 2, 3, 4)$$

by means of unit cost in the respective occupied cells only. Assign a  $u$  value of any particular amount (conveniently zero), to any particular row (convenient rule is to select the  $u_i$  which has the largest number of allocations in its row)

Some all rows contain the same no of allocations.

Take any of the  $u_i = 0$

$19(5)$	$0$	$10(2)$	$u_1$
	$40(3)$	$60(2)$	$u_2$
$8(2)$		$2(10)$	$u_3$

$u_i$     $v_1$     $v_2$     $v_3$     $v_4$

$u_3 = 0$  . max no of allocation (only 1 row has 1 allocation)

$$c_{ij} = u_i + v_j$$

$$8 = 0 + v_2$$

$$v_2 = 8$$

$$40 = 20 + v_3$$

$$v_3 = 20$$

$$19 = -10 + v_1$$

$$c_{ij} = u_i + v_4$$

$$v_1 = 29$$

$$60 = u_i + 20$$

$$u_i = 40$$

(iii) To compute a matrix of all evaluations

$$d_{ij} = c_{ij} - [u_i + v_j] \quad \text{nature } [c_{ij}] \text{ for empty cells.}$$

	30	50	
70	30	.	.
40	.	70	.

$u_i + v_j$  for empty cells

	-2	-10	
69	48		
29		0	

$$d_{ij} = C_{ij} - [u_i + v_j]$$

•	32	60	•
1	-18	•	20
11	80	10	10

⇒ If there are more than 1 negative value - choose most negative value

θ = allocation factor

$$\min(2-0, 8-0)$$

$$\min \{ (0=2) (0=8) \} \Rightarrow \theta = 2$$

19(5)		10(2)	
	30(2)	40(7)	
	8(6)		20(12)

$$\text{Total work} = 19 \times 5 + 10 \times 2 + 30 \times 2 + 40 \times 7 + 8 \times 6 + 20 \times 12$$

$$= 43$$

19(5)		10(2)	
30(2)	40(7)	20(12)	
8(6)			20(12)

$$u_1$$

$$u_2$$

$$u_3$$

$$u_4$$

$$c_{ij} = u_i + v_j$$

$$8 = 0 + v_1$$

$$v_1 = 8$$

$$v_2 = 8$$

$$v_3 = 18$$

$$v_4 = 20$$

$$u_1 = -10$$

$$u_2 = 22$$

$$u_3 = 0$$

$$u_4 = 22$$

$$u_1 = -10$$

$$u_2 = 22$$

$$u_3 = 0$$

$$u_4 = 22$$

(iii)

•	30	50	•
70	•	60	•
40	•	70	•

$$c_{ij}$$

⇒

•	32	42	•
49	•	11	•
11	52	•	•

✓

2.

2	7	4	8 $\rightarrow (2) \leftarrow \times \times \times$ (cross out)
3	3	1(8)	8 $\rightarrow (2) (2) \leftarrow \times \times$
5	4, 7		7 $\rightarrow (1) (1) (1) (1)$
1	6	2(8)	(1) (1) (8) $\leftarrow$

22 92 168

↓ ↑ ↑

$$\begin{array}{r} (1) (1) (1) \\ \hline (2) (1) (1) \end{array}$$

$$\begin{array}{r} (4) (2) (5) \\ \hline (4) (2) \end{array}$$

$$\begin{aligned} \text{Total work} &= 2(5) + 1 + 9 + 4 + 7 + 1 \times 2 + 6(2) + \\ &2 \times 10 \\ &= 80 \end{aligned}$$

(i)

2(5)		7
		1(8)
	4(7)	
1(2)	6(2)	2(10)

$u_4 = 0$

$1 = 0 + v_1 \quad v_3 = 2$

$v_1 = 1 \quad u_1 = 1 + u_i$

$u_1 = 1$

$$\begin{array}{r} 16 = 0 + 16 \\ v_2 = 0 \end{array}$$

$1 = 2 + u_2 \quad 4 = u_3 + 6$

$u_2 = -1 \quad u_3 = -2$

3) find the initial basic feasible solution for the following TP. Solve it

	$D_1$	$D_2$	$D_3$	$D_4$	$\Phi$	
$O_1$	2 (1)	3 (5)	11	7 (1)	6	$\rightarrow (1) \quad (1) \quad (5) \leftarrow x$
$O_2$	1 (1)	0	6	1 (1)	x	$\rightarrow (1) \times x \quad x \quad x$
$O_3$	5 (6)	8	15 (3)	9 (1)	10	$\rightarrow (3) \quad (3) \quad (4) \quad (4)$
	2 (6)	5	8	2 (6)	17	
	↓	↓	↓	↓		
	(1)	(3)	(5)	(6)		
	(3)	(5)	(4)	(2)		
	(3)	x	(4)	(2)		
	(5)	x	15 (3)	(9)		
	(5)	x	x	9		

$$\begin{aligned}
 \text{Total work} &= 0 \times (1) + 5(6) + 15 \times (3) + 9(1) + (1)(1) \\
 &\quad + (5) \\
 &= 0 + 30 + 45 + 9 + 1 + 15 \\
 &= 102
 \end{aligned}$$

$Q_{(1)}$	$B_{(5)}$			$m+n-1 = 6$
			$(1)$	
$5(6)$		$15(3)$	$9(1)$	$u_3 = 0$

$$V_1 = 0 + V_1 \quad V_2 = 15 \quad V_3 = 9$$

$$V_1 = 5 \quad u_1 = 1 - 9 = -8$$

$$u_2 = 1 - 9 = -8$$

$$u_2 = 5 + u_1 \quad u_2 = 1 - 9 = -8$$

$$3 + V_2$$

$$V_2 = 15 \quad u_1 = -3$$

$$V_2 = 15$$

(iii)

.	1	11	7
1	0	6	.
.	8	.	9

$$u_i + v_j$$

2	12	6
3	-2	7
6		

$$d_{ij}$$

.	.	-1	1
4	2	$(0)$ $(1-0)$	$(1-0)$
-	2	$(3-0)$ $(0+0)$	

$$\min(1-0, 3-0)$$

$$= 1-0 = 0 \quad 3-0 = 0$$

$$0 = 1 \quad 0 = 3$$

2(1)	3(5)	11	7
4	0	6(1)	1
5(6)	8	15(2)	9(3)

$$\text{Total cost} = 2 + 15 + 30 + 6 + 30 + 90 \\ = \text{£101}$$

2nd step:

2(1)	3(5)	11	7
1	0	6(1)	1
5(6)	8	15(2)	9(3)

$u_1 = -3$   
 $u_2 = -9$   
 $u_3 = 0$

$$v_1 = 5 \quad v_2 = 6 \quad v_3 = 15 \quad v_4 = 9$$

.	.	11	7
1	0	.	1
.	8	.	.

.	.	12	6
-4	-3	.	0
6			

d <sub>ij</sub>			
1-0	.	-10	1
2-5	3	.	1
6-10	2	(2-0)	.

$$\min(2-0, 1-0)$$

$$= 2-0 = 0 \quad 1-0 = 0$$

$$\alpha = 2, \beta = 1$$

2	3(5)	11(1)	7
5	0	6(1)	1
5(7)	8	15(1)	9(2)

$$\text{Total cost} = 15 + 11 + 6 + 35 + 15 + 18$$

$$\Rightarrow 100$$

3rd step

2	3(5)	11	7
5	0	6(1)	1
5(7)	8	15(1)	9(2)

$$v_1 = 5 \quad v_2 = 7 \quad v_3 = 15 \quad v_4 = 9$$

2	.	.	7
5	0	.	1
.	8	.	.

$$u_1 = -4$$

$$u_2 = -9$$

$$u_3 = 0$$

1	.	.	5
-4	-2	.	0
.	7	.	.

d<sub>ij</sub>

1	1	2	2
5	2	1	.
.	8	.	.

=

## \* Degeneracy:

The degeneracy occurs in TP whenever no. of occupied is less than  $m+n-1$ .

## Resolution of degeneracy:

To resolve degeneracy allocate an extremely small amount of goods (close to 0) to 1 or more of empty cells so that no. of occupied cell becomes  $m+n-1$ . The cell containing this extremely small allocation is considered to be an occupied cell.

1. A company has 3 plants A, B, C & 3 warehouses x, y, z. No. of units available at plants is 60, 70 & 80 resp. Demands at x, y, z are 50, 80 & 80 resp. Unit cost of transportation are as follows.

	x	y	z	
A	8	7	3	60
B	3	8	9	70
C	11	3	5	80

50      80      80

what would be your tPlan. Give minimum distribution cost

→

8	7	3	(60)	60	← (4) (4) (X)
3	8	9	(70)	70	20 ← (5) (X) X (1)
11	3	5	(80)	80	← (6) (2) (3) (3)

80      80      80

↑ (5) (4) (2) X

(4) (5) (4)

↑

	$3(60)$	$60$	$u_1 = -2$
$3(50)$	$9(20)$	$70$	$u_2 = 24$
	$3(80)$	$5(\Delta)$	$80 + \Delta = u_3 = 0$
	$50$	$80$	$80 + \Delta$
	$V_1 = 10$	$V_2 = 3$	$V_3 = 5$

→

$u$			
8	7	1	.
.	8	.	.
11	1	.	.

$u_i + v_j$			
-3	11	1	.
.	7	.	.
-1	1	.	.

11	6	1	.
11	1	.	.
12	1	.	.

No -ve values

Hence optimal.

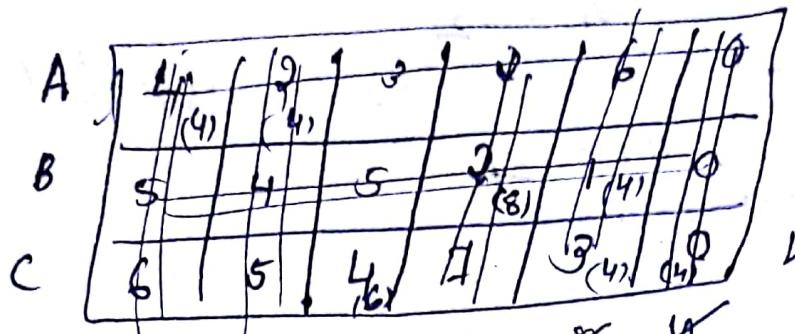
$$\begin{aligned}
 \text{Total cost} &= 3 \times 60 + 3 \times 50 + 9 \times 20 + 3 \times 80 \\
 &= 180 + 150 + 180 + 240 \\
 &= \underline{\underline{750}}
 \end{aligned}$$

\* Unbalanced

In TP the sum of all availability quantities is not equal to sum of requirements ie  $\sum_{i=1}^n a_i \neq \sum_{j=1}^m b_j$

1. A steel company has

	$F_1$	$F_2$	$F_3$	$F_4$	$F_5$	
A	4	2	3	2	6	8
B	5	4	5	2	1	12
C	6	5	4	7	3	14
Req	4	4	6	8	8	<u>34</u>



$\frac{8}{4} \rightarrow (2) \rightarrow (2)$  (12)

$12 \rightarrow (1) \rightarrow (1)$  (3)

$(2) \rightarrow (3) \rightarrow (3)$  (12)

4 4, 6 8 ~~8 4 4~~

(1) (2) (1) (5) (2) 0

(1) (2) (1) ~~4~~ (2) 10 X

(1) (2) (1) X (2) X

(2) (3) (1) X (3) X

(2) ~~4~~ X (1) X (3) X X

(3) ~~4~~ (1)

Total cost =  $4(4) + 2(4) + 4(6) + 2(8) + (1)(4) + 3(4)$  0(4)

$$= 16 + 8 + 24 + 16 + 4 + 12 + 0$$

$$= \underline{\underline{\text{Rs } 80}}$$