

Solution-10

Average profit = Simple Average of pure profit of last few years

$$\text{Simple Average profit} = \frac{1,80,000 + 2,40,000 + 3,00,000}{3} = \frac{7,20,000}{3} = ₹ 2,40,000$$

Normal Profit = Capital Employed x Normal Rate of Return = 10,00,000 x 15% = ₹1,50,000

Super Profit = Average Profit – Normal profit

Super Profit = 2,40,000 – 1,50,000 = ₹ 90,000

Goodwill = Super Profit X Number of years purchased

Goodwill = 90,000 x 2 = 1,80,000

