

Solution-11

Average profit = Simple Average of pure profit of last few years = ₹16,000

Normal Profit = Capital Employed x Normal Rate of Return = 50,000 x 15% = ₹ 7,500

Super Profit = Average Profit – Normal profit

Super Profit = 16,000 – 7,500 = ₹ 8,500

Goodwill = Super Profit X Number of years purchased

Goodwill = 8,500 x 4 = ₹ 34,000

