

Solution-29

Goodwill = $\frac{\text{Average Profit} \times 100}{\text{Normal Rate of Return}}$ - Net Assets or Average Capital Employed

Average profit = $\frac{54,000+42,000+39,000+67,000+59,000}{5} = \frac{2,61,000}{5} = ₹52,200$

Net Assets = ₹ 2,00,000

Goodwill = $\frac{52,200 \times 100}{20} - 2,00,000$

Goodwill = 2,61,000 – 2,00,000 = ₹ 61,000

