Average Profit = ₹4,00,000

Capital Employed = 40,00,000 – 7,20,000 = ₹32,80,000

Normal Profit = 32,80,000 x 10% = 3,28,000

Super Profit = 4,00,000 – 3,28,000 = ₹ 72,000

(i) Capitalisation of Super Profit Method

Goodwill = Super Profit x $\dfrac{100}{\text{Normal Rate of Return}}$ = 72,000 x $\dfrac{100}{10}$ = ₹ 7,20,000

(ii) Super Profit Method if the goodwill is valued at 3 years' purchase of super profits.

Goodwill = Super Profit x number of years of purchased

Goodwill = 72,000 x 3 = ₹ 2,16,000