Goodwill = Super Profits X Number of Years purchased

Super Profit = Average Profits – Normal Profit

Average Profits = $\frac{(3,00,000+3,60,000+4,20,000)}{3}$ – (60,000 X 2)

Average Profits = 3,60,000 – 1,20,000 = 2,40,000

Normal Profits = Average Capital employed X Normal rate of return

Normal Profits = 10,00,000 X 15% = 1,50,000

Super Profits = 2,40,000 – 1,50,000 = 90,000

Goodwill = 90,000 X 3 = Rs. 2,70,000