Talwalkars Better Value Fitness Ltd.
Regd. Off.: 801, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026.
Tel.: 6612 6300. Fax: 6612 6363. Website: www.talwalkars.net

Talwalkars™
Spreading fitness since 1932

Date: 10th July, 2013

To,
The Manager
Listing Department / Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza,Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

To,
Mr. Wilbur Fernandes / Mr. Troydon Bird,
The Manager
BSE Limited
Corporate Service Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir,

Re: **Talwalkars Better Value Fitness Limited; Scrip Code No. 533200**
Sub: Clarification on the News Item.

This is with reference to the news item appearing on a news channel in respect of summons issued to the Company regarding evasion of service tax. We wish to clarify that the Company is regular in collecting and depositing service tax with the department. However during recent audit of last 5 years, conducted by the Service Tax Department, it was observed that there was excess payment of Service Tax of Rs. 1.34 Crores in some years and a shortfall of Rs. 0.99 Crores in the other years, under audit. A show cause notice has been issued by the department detailing these observations and seeking our replies to the same. The Company, in consultation with its advisors, is in the process of replying to the same.

Kindly take the same on records and acknowledge the receipt of the same.

Thanking You.
Yours faithfully,
For **Talwalkars Better Value Fitness Ltd.**

Avanti Sankav
Company Secretary & Compliance Officer