Talwalkars Better Value Fitness Ltd.
Regd. Off.: 801/813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026. Tel.: 6612 6300.
Fax: 6612 6363. Website: www.talwalkars.net

Talwalkars
Spreading fitness

Date: 28th October, 2010.

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.

Dear Sir,

Re: **Talwalkars Better Value Fitness Limited; Scrip Name: TALWALKARS.**
Sub: **Furnishing Unaudited Financial Results for the Second Quarter / Half year ended as on 30.09.2010 and Limited Review Report for the Quarter ended 30.09.2010 in Original pursuant to clause 41 of the Listing Agreement.**

We are enclosing herewith the Unaudited Financial Results for the Second Quarter / Half year ended as on 30.09.2010 and Limited Review Report for the Quarter ended 30.09.2010 obtained from Saraf Gurkar & Associates, Chartered Accountants in Original pursuant to clause 41 of the Listing Agreement.

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

Thanking You.

Yours faithfully,
For **Talwalkars Better Value Fitness Limited**

Niraj Oza
Company Secretary & Compliance Officer

TALWALKARS BETTER VALUE FITNESS LIMITED * MUMBAI

SARAF GURKAR & ASSOCIATES

CHARTERED ACCOUNTANTS

201, SHREYAS, MOGUL LANE,
MAHIM, MUMBAI – 400 016
TEL: 24301165, 24378377

subhash.saraf@sarafgurkar.com

Annexure V to Clause 41

Review Report to the Board of Directors of **Talwalkars Better Value Fitness Limited**

We have reviewed the accompanying statement of unaudited financial results of Talwalkars Better Value Fitness Limited for the quarter ended 30th September 2010 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of audited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **SARAF GURKAR & ASSOCIATES,**
Chartered Accountants

SARAF GURKAR & ASSOCIATES Chartered Accountants MUMBAI

S. L. SARAF
Partner
Membership No. 030866

Place: Mumbai
Date: October 27, 2010

Talwalkars Better Value Fitness Ltd.
801/813, Mahalaxmi Chambers,
22, Bhulabhai Desai Road, Mumbai-400 026.

TALWALKARS BETTER VALUE FITNESS LIMITED

Regd: Off.: 801 -813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai - 400 026.
Tel. No.: 6612 6300. Fax No. 66126363. Website: www.talwalkars.net

Talwalkars
Spreading fitness

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER /HALF YEAR ENDED 30TH SEPTEMBER 2010

(Rs. In Lacs)

Sr. No.	Particulars	Quarter ended 30.09.2010 (Unaudited)	Quarter ended 30.09.2009 (Unaudited)	Half Year ended 30.09.2010 (Unaudited)	Half Year ended 30.09.2009 (Unaudited)	Year ended 31.03.2010 (Audited)
1	**INCOME :**					
a	Income from Operations	3,168.93	2,309.16	4,793.36	3,578.28	6,611.55
b	Other Income	47.40	9.94	88.99	9.94	38.29
	TOTAL	3,216.33	2,319.10	4,882.35	3,588.22	6,649.84
2	**EXPENDITURE :**					
a	Personnel Cost	623.06	545.22	1,035.13	921.38	1,568.32
b	Administrative and other expenses	754.79	600.94	1,266.53	946.85	1,731.12
c	Selling & Marketing Cost	142.54	90.52	179.90	110.86	146.69
d	Service Tax Collected & Paid	291.57	213.20	439.45	328.57	605.82
	TOTAL	1,811.96	1,449.88	2,921.01	2,307.66	4,051.95
3	**PROFIT BEFORE INTEREST, DEPRECIATION, EXTRA ORDINARY ITEMS & TAXES (1- 2)**	**1,404.37**	**869.22**	**1,961.34**	**1,280.56**	**2,597.89**
4	Finance Cost	220.39	274.13	394.86	498.42	808.76
5	**PROFIT BEFORE DEPRECIATION,EXTRA ORDINARY ITEMS & TAXES (3- 4)**	**1,183.98**	**595.09**	**1,566.48**	**782.14**	**1,789.13**
6	Depreciation/Amortisation	229.86	152.51	406.85	296.72	608.90
7	**PROFIT BEFORE EXTRA ORDINARY ITEMS & TAXES (5- 6)**	**954.12**	**442.58**	**1,159.63**	**485.42**	**1,180.23**
8	Extraordinary Items	(0.22)	-	(0.22)	-	(21.32)
9	**PROFIT BEFORE TAX (7+8)**	**953.90**	**442.58**	**1,159.41**	**485.42**	**1,158.91**
10	Tax Expense	364.58	151.87	407.30	166.43	365.21
11	**PROFIT AFTER TAX FOR THE PERIOD (9-10)**	**589.32**	**290.71**	**752.11**	**318.99**	**793.70**
12	PAID UP EQUITY SHARE CAPITAL	2,411.57	196.69	2,411.57	196.69	1,806.57
	FACE VALUE Rs.	10.00	10.00	10.00	10.00	10.00
13	RESERVES EXCLUDING REVALUATION RESERVES AS PER BALANCE SHEET OF PREVIOUS ACCOUNTING YEAR	9,627.28	1,826.53	9,627.28	1,826.53	2,398.89
14	**EARNING PER SHARE**					
	Before Extraordinary Items					
	a) Basic EPS	2.44	14.78	3.66	16.22	4.55
	b) Diluted EPS	2.44	14.78	3.66	16.22	4.54
	After Extraordinary Items					
	a) Basic EPS	2.44	14.78	3.66	16.22	4.43
	b) Diluted EPS	2.44	14.78	3.66	16.22	4.42
15	Public Share holding					
	- Number of Shares	9,769,016	196,691	9,769,016	196,691	3,719,016
	- Percentage of shareholding	40.51%	10.00%	40.51%	10.00%	20.59%
16	Promoter and Promoter Group Shareholding					
	a) Pledged/Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- % of the shares (as a % of Total Shareholding of promoter and promoter group)					
	- % of the shares (as a % of Total Shareholding of the Company)					
	b) Non-encumbered					
	- Number of Shares	14,346,656	1,770,179	14,346,656	1,770,179	14,346,656
	- % of the shares (as a % of Total Shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
	- % of the shares (as a % of Total Shareholding of the Company)	59.49%	90.00%	59.49%	90.00%	79.41%

TALWALKARS BETTER VALUE FITNESS LIMITED ★ MUMBAI

Talwalkars Better Value Fitness Ltd.
801/813, Mahalaxmi Chambers,
22, Bhulabhai Desai Road, Mumbai-400 026.

STATEMENT OF ASSETS & LIABILITIES

(Rs. In Lacs)

Particulars	Half Year ended 30.09.2010 (Unaudited)	Half Year ended 30.09.2009 (Unaudited)
SHAREHOLDERS' FUNDS:		
Share Capital	2,411.57	196.69
Reserves & Surplus	9,627.28	1,826.53
Share Application Money (including Security Premium)	-	1,799.76
DEFERRED TAX LIABILITY	664.37	410.29
LOAN FUNDS	8,109.46	8,141.62
TOTAL	**20,812.68**	**12,374.89**
FIXED ASSETS	14,890.03	10,658.69
INVESTMENTS	3,969.72	409.75
CURRENT ASSETS, LOANS & ADVANCES:		
Sundry Debtors	587.96	240.95
Cash and Bank Balances	1,490.63	1,348.24
Loans & Advances	1,438.35	977.76
LESS: CURRENT LIABILITIES & PROVISIONS		
Current Liabilities	910.51	938.90
Provisions	653.50	321.60
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		
TOTAL	**20,812.68**	**12,374.89**

Notes

1 The above results were reviewed by the Audit Committee and taken on record by the Board of Directors at its Meeting held on 28th October, 2010.

2 The Statutory Auditors have carried out a Limited Review of the Results for the Quarter ended 30th September, 2010.

3 There are no separate reportable segments as per Accounting Standards (AS–17) – Segment Reporting.

4 The details of the utilization of funds out of the proceeds of the Issue as on 30th September, 2010 are as stated below:

Particulars	Fund Requirement as stated in Prospectus	Deployment of Funds as on 30th September, 2010
	(Amount In Rupees)	
Setting up of additional health clubs	502,200,000	113,200,000
Repayment of unsecured loans	205,920,000	205,920,000
Meeting Issue related expenses	66,280,000	66,280,000
Total	**774,400,000**	**385,400,000**

5 The Company utilised Rs.385,400,000/- (Rupees Thirty Eight Crores Fifty Four Lacs only) till 30th September, 2010 out of the total proceeds from the Public Issue of Rs. 774,400,000/- (Rupees Seventy Seven Crores Forty Four Lacs only).

6 The Company has started ten health clubs between 13th August, 2010 and 28th October, 2010 on a consolidated basis. These are in Jaipur, Kakinada, Kharghar, Madurai, Maninagar, Nellore, Pune (at Bibwewadi), Rajkot, Rajahmundry and Trivandrum. The Company now has 76 health clubs in 39 towns across India on a consolidated basis.

7 The Board has approved converting JV companies Aspire Fitness Pvt. Ltd. & Denovo Enterprises Pvt. Ltd as subsidiaries of the Company and has also approved making Pinnacle Fitness Pvt. Ltd. as a subsidiary of the Company by acquiring majority shareholding of these companies. These companies operate 9 health clubs in 5 cities and the Company will consolidate financials of these companies after the acquisition process is over.

8 Status of Investor's complaints for the Quarter ended 30th September, 2010:

Opening	Received	Disposed Off	Pending
NIL	12	12	NIL

9 Figures of previous quarter have been regrouped / rearranged wherever necessary.

Place: Mumbai
Date: 28th October, 2010

TALWALKARS BETTER VALUE FITNESS LIMITED ★ MUMBAI

For Talwalkars Better Value Fitness Limited

Prashant Sudhakar Talwalkar
Managing Director & CEO