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 CIN: L92411MH2003PLC140134

Talwalkars
Spreading fitness since 1932

Date: 16th November, 2015

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 Sirs,

Re:**Talwalkars Better Value Fitness Ltd.; Scrip Name: TALWALKARS; Scrip Code: 533200.**
Sub: **Intimation of the strategic stake in Inshape Health and Fitnez Private Limited, Chennai.**

Pursuant to Clause 36 and other applicable clauses of the Listing Agreement, we are glad to inform the Exchange that Talwalkars Better Value Fitness Ltd. (TBVF), one of India's largest fitness chains has entered into an agreement to acquire strategic stake in **Inshape Health and Fitnez Private Limited (IHPL),** a health and fitness center having operations in Chennai.

The investment into IHPL will enable TBVF to further strengthen their presence in a fitness conscious Chennai Market.

The partnership combines TBVF's strong hold in the fitness industry in India with IHPL's expertise in the local industry and market knowledge.

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

Thanking You.

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

Avanti Sankav
Company Secretary

TALWALKARS BETTER VALUE FITNESS LTD. MUMBAI



Talwalkars Better Value Fitness Limited

Transaction Announcement

The Transaction

- **Talwalkars Better Value Fitness Limited (TBVF)** India's leading health and fitness company, has entered into an agreement to acquire strategic stake in **Inshape Health and Fitnez Private Limited(IHPL),** a health and fitness center having operations in Chennai.
- TBVF to acquire 51% the equity shares from the promoters of the company in an all cash deal.
- The investment into IHPL will enable TBVF to further strengthen their presence in a fitness conscious Chennai Market.
- Through this investment TBVF jointly runs 8 gyms in Chennai along with the Inshape management
- The partnership combines TBVF's strong hold in the fitness industry in India with IHPL's expertise in the local industry and market knowledge.

Talwalkars
Spreading fitness in over 70 cities

INSHAPE
Wellness Through Fitness

Inshape Health and Fitnez Private Limited

Inshape Health and Fitnez (IHPL) is a fitness center service provider catering to the middle income and upper middle income group in Chennai.

IHPL provides range of fitness and healthcare services to its members under the brand name "Inshape" for over 10 years in Chennai.

IHPL operates in 3 prime areas of Chennai which was choosen after analysing the income patterns and inclination to fitness in these 3 locations.

IHPL is managed by Mr. A.N. Rajendran who has over 15 years in health, fitness and operating gyms.

IHPL is currently servicing over 2000 members through its 3 gyms.

IHPL currently enjoys excellent brand recall and customer confidence amongst the fitness enthusiasts in Chennai

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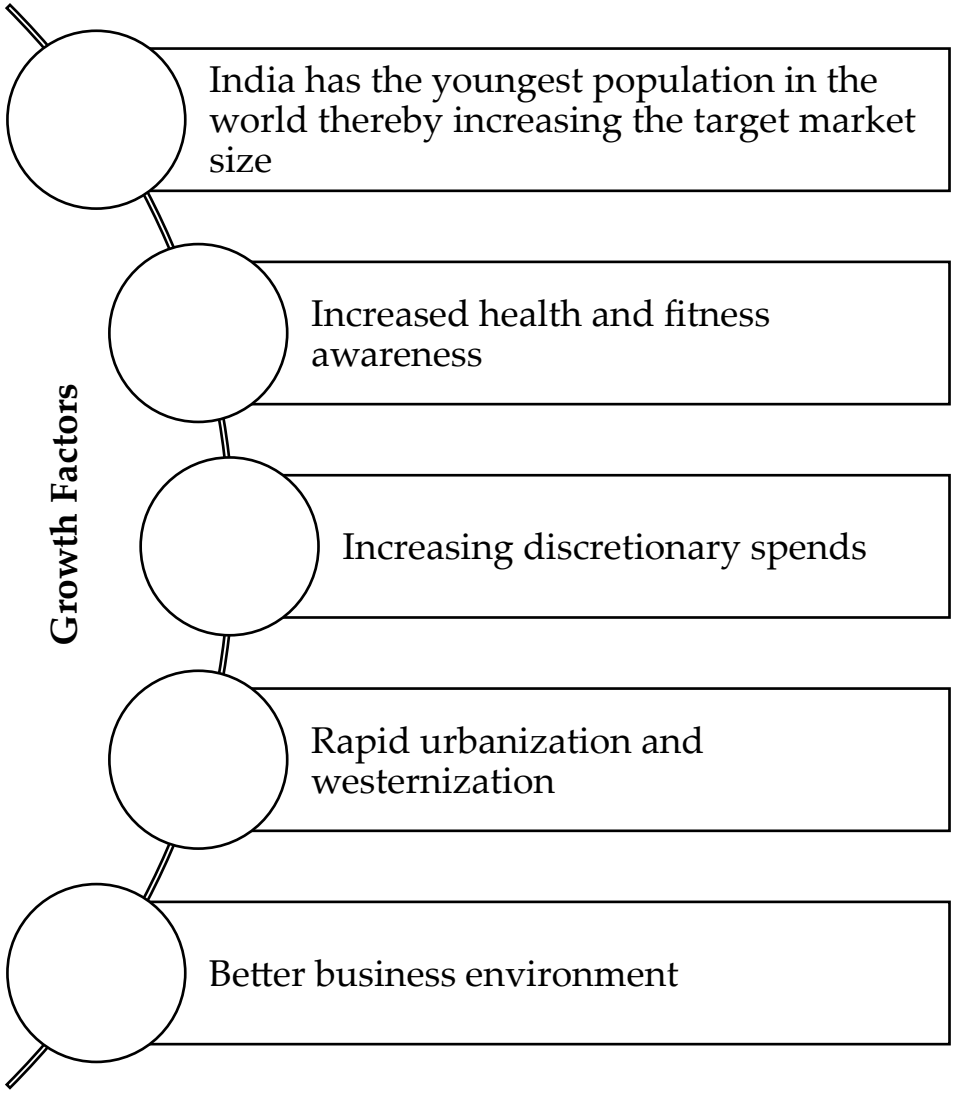
Indian Gym and Fitness Industry: Overview

Indian fitness Industry (products and services) is expected to reach Rs. 100-115 bn by end of 2015 from Rs. 60 bn in 2012.

Market penetration as low as 0.5% vis'-a-vis' 16.6% in USA entailing a wide scope for rapid growth.

Almost 70% of the industry is catered by unorganised players in the local market.

A survey on Indian demography has revealed that the average age of the 125 billion strong Indian population will be 29 years in 2020, which leaves a tremendous growth opportunity in Wellness Industry.



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Transaction Rationale

For IHPL

Best industry practices in managing and operating gym facilities.

Channel for fitness industry best practices.

Improved brand positioning in Chennai.

Inshape members get a channel to experience the Talwalkars brand of training and fitness



For TBVF

Further market penetration in Chennai

Strategic Geographical positioning in Chennai – Presence in new areas.

Improved insight into Chennai Market

Improved operational synergies across all Gyms in Chennai

Further strengthening of management in South India and Chennai

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