



BRILLIANT SECURITIES LIMITED

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BRILLIANT SECURITIES LIMITED

Plot No.1, JR Towers, 2nd Floor,
Road No.2, Banjara Hills,
Hyderabad - 500 034

Tel : 040 - 23540764, 23540765

Fax : 040 - 23540763



BRILLIANT SECURITIES LIMITED

15th
Annual Report
2009-2010



BRILLIANT
SECURITIES Limited

**BOARD OF DIRECTORS**

K.BHASKARA REDDY	-	Promoter Director
G.VENKATAPPAIAH	-	Whole Time Director
A.VEERABHADRA RAO	-	Independent Director
D.V.S.S.LAKSHMINARAYANA	-	Independent Director

REGISTERED OFFICE

Plot No.1, 2nd Floor, JR Towers,
Road No.2, Banjarahills,
HYDERABAD - 500 034.
e-mail:brilliantsecurities@gmail.com

AUDITORS

M/s.Sarath and Associates
Chartered Accountants
#102, Gowri Apts., 617,
Urdu Lane, Himayat Nagar,
Hyderabad 500029

BANKERS**BANK OF BARODA**

Hi-tech City Branch
Hyderabad

HDFC BANK

Lakdikapul Branch
Hyderabad

**NOTICE**

NOTICE is hereby given that the FIFTEENTH ANNUAL GENERAL MEETING of the Members of Brilliant Securities Limited will be held at Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjarahills, Hyderabad - 500 034 on Friday, the 24th day of December, 2010 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit and Loss Account for the year ended on that date and the Reports of the Auditors and the Board of Directors thereon.
2. To appoint a Director in place of Mr.D.V.S.S.Lakshminarayana, Director who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"Resolved that M/s Sarath & Associates, Chartered Accountants be and are hereby appointed as Statutory Auditors of the company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, on such remuneration as may be mutually agreed upon between the Board of Directors and Auditors."

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications, amendments thereto or re-enactment thereof) (hereinafter referred to as "the Act"), and subject to the enabling provisions of the Memorandum and the Articles of Association of the Company, provisions of Foreign Exchange Management Act, 1999 (FEMA), the Listing Agreements entered into with the Stock Exchanges where the shares of the Company are listed and in accordance with the Guidelines, Regulations and Rules prescribed by the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), Government of India (GOI) or any other relevant Authorities and clarifications thereon issued from time to time, if any, and subject to all such other approvals, permissions, sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which expressions shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution), the consent of the Company be and is hereby accorded to the Board to offer, issue and allot on preferential basis up to 5,40,570 (Five Lakh Forty Thousand Five Hundred and Seventy only) Equity Shares of the Company of the face value of Rs. 10 each at a price of Rs.18.50 per share (including the premium of Rs.8.50 per share) or at such price which shall not be less than



the minimum price specified as per Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Cash to the following individuals in non-promoter category:

S.No.	Name of the Proposed Allottees	No. of Shares
(i)	Prathipati Parthasarathi	189200
(ii)	Arumilli Veerabhadra Rao	189200
(iii)	Nilofer Md	162170

“RESOLVED FURTHER THAT the relevant date for the purpose of calculating the issue price of the above mentioned equity shares in accordance with Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 is 24 November, 2010 being the date 30 days prior to the date of Annual General Meeting of members of the Company is being held i.e. 24 December, 2010.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to decide the other terms of offer, issue and allotment of equity shares provided that the aforesaid equity shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and shall rank pari passu with the existing equity shares of the Company in all respects and the same shall be subject to lock-in for such period that may prescribed under Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009”.

“RESOLVED FURTHER THAT to give effect to the aforesaid resolution, the Board of Directors be and are hereby authorized to delegate all or any of the powers conferred to any committee of directors or director or any other officer(s) of the Company and for the purpose of giving effect to this

resolution, the Board acting on its own or through a Committee of Directors or any other person duly authorized in this regard by the Board/Committee, be and are here by authorized to do all such acts, deeds matters and things as may be deemed necessary including but not limited to settle any or all questions/matters arising with respect to the offer, issue and allotment (including deciding the terms and conditions of the same), utilization of the proceeds of the issue of shares, execute all such deeds, documents, agreements and writings as may be necessary for the purpose of giving effect to the aforesaid resolution, take such further steps as required for the allotment and listing on stock exchange of shares to be issued aforesaid or such other steps that are incidental and ancillary in this regard and to do, make or accept such alterations, modifications, variations in the foregoing or cancellation of / issue of shares, as may be considered desirable or expedient by the Board / Committee/ such authorized person in the best interest of the Company and its members”.

For and on behalf of the Board
For **BRILLIANT SECURITIES LIMITED**

K.BHASKARA REDDY
DIRECTOR

Place: Hyderabad
Date: 01.12.2010

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received by the Company not later than 48 hours before the commencement of the meeting.
3. An explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of resolution set out in special business is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September, 2010 to 30th September, 2010 (both days inclusive).

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**Item No.4:**

Your Company propose to raise funds by way of issue of 5,40,570 equity shares through preferential allotment at a price of Rs. 18.50 per share (including the premium of Rs. 8.50 per share) or at such price which shall not be less than the minimum price specified as per Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for Cash to the following individuals in the non-promoter category:

S. No.	Name of the Proposed Allottees	No. of Shares
(i)	Prathipati Parthasarathi	189200
(ii)	Arumilli Veerabhadra Rao	189200
(iii)	Nilofer Md	162170

(herein after collectively called “proposed allottees” and individually called “proposed allottee”)

Information as per Regulation 73 of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 is furnished as under:

- a) Objects of the issue:
The Company proposes to raise funds to meet the working capital requirement and other general corporate purposes.
- b) Intention of Promoters/Directors/Key management persons to subscribe to the offer

Mr. A. Veerabhadra Rao, Director of the company is one of the proposed allottee as referred in the resolution.
- c) The Shareholding pattern of the company before and after the proposed issue:



The Shareholding pattern before and after proposed issue of equity shares as per Chapter VII of SEBI (ICD) Regulations, 2009 based on the shareholding pattern as on November 26, 2010 is as follows:

Sl. No.	Category	Pre-Issue Holding		Post Issue Holding	
		No. of shares	% of Shares	No. of Shares	% of shares
A.	Promoter				
1.	Indian Promoters	300000	5.87	300000	5.31
2.	Foreign Promoters	Nil	N.A.	Nil	N.A.
	Sub Total A	300000	5.87	300000	5.31
B.	Public shareholding				
1.	Institutions				
a.	Mutual Funds	9700	0.19	9700	0.17
b.	Foreign Institutional Investors	140000	2.74	140000	2.48
2.	Non-Institutions				
a.	Bodies Corporate	268268	5.25	268268	4.75
b.	Resident Individual Public	4289332	83.98	4829902	85.52
c.	Non resident individuals	100000	1.97	100000	1.77
	Sub Total B 1&2	4807300	94.13	5347870	94.69
	Total A+B	5107300	100.00	5647870	100

d) Proposed time within which the allotment shall be completed

The Allotment of the above said equity shares shall be completed within 15 days from the date of passing of the proposed resolution as per Regulation 74 of SEBI (ICD) Regulations, 2009 subject to obtaining all necessary statutory approvals or within such extended time as SEBI may prescribe from time to time.

e) The identity of the proposed allottees and the percentage of post-preferential issue capital held by them are as follows

Sl. No	Name of the Proposed Allottees	Pre Issue		Post Issue	
		No. of Shares held	% of Shares held	No. of Share held	% of Shares Held
1.	Prathipati Parthasarathi	Nil	Nil	189,200	3.35
2.	Arumilli Veerabhadra Rao	Nil	Nil	189,200	3.35
3.	Nilofer Md	Nil	Nil	162,170	2.87

f) Non transferability of proposed equity shares

The equity shares proposed to be offered and allotted on preferential basis shall be locked in for a period of one year from the date of allotment in accordance with Regulation 78 of Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 and amendments thereof and also the entire pre preferential allotment shareholding of the allottees shall be under lock-in from the relevant date upto a period of six months from the date of preferential allotment.



g) Auditor's Certificate

The Certificate issued by M/s Sarath and Associates, Chartered Accountants, Statutory Auditors of the Company as to the Pricing of the issue and that this preferential issue of securities is being made in accordance with the Chapter VII of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, and amendments thereof, will be placed before the shareholders at the meeting and is also available for inspection at the registered office of the Company during the business hours on working days.

h) Control

The proposed allotment on preferential basis, if made, will not result in change in management or control of the Company as per the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereof. However there will be a consequential change in the voting rights / shareholding of the Company.

i) Compliances

The Company has complied with the requirements of listing agreement including Clause 40A that is maintaining a minimum of 25% of the paid up equity capital held in the public.

As per Section 81 (1A) of the Companies Act, 1956, approval of the members in the General Meeting is required for allotment of Equity Shares on Preferential basis.

The Board of Directors recommends the resolution for your approval.

Except Mr. A.Veerabhadra Rao, none of the Directors of the Company is in any way concerned or interested in the resolution.

For and on behalf of the Board
For **BRILLIANT SECURITIES LIMITED**

K.BHASKARA REDDY
DIRECTOR

Place: Hyderabad

Date: 01.12.2010

**DIRECTORS' REPORT****TO THE MEMBERS**

Your Directors have pleasure in presenting the Fifteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2010.

FINANCIAL HIGHLIGHTS:

Particulars	Years ended 2010 Rs.	Year ended 2009 Rs.
INCOME:		
Securities Traded	127,756,617	-
Income from Securities Broking	623,262	-
Other Income	818,454	738,159
Total	129,198,333	738,159
EXPENDITURE:		
Cost of Securities Traded	127,676,453	-
Employees Cost	4,283,947	988,081
Administrative and other expenses	5,076,786	3,006,153
Interest	183,673	-
Depreciation	339,999	245,137
Total	137,560,858	4,239,371
Profit/(Loss) Before Tax	(8,362,522)	(3,501,212)
Less: Tax Expense (Fringe Benefit Tax)	-	3,186
Profit/(Loss) After Tax	(8,362,525)	(3,504,398)
Loss brought forward from earlier years	(35,910,787)	(32,406,389)
Loss carried forward to balance sheet	(44,273,312)	(35,910,787)
Earnings / (Loss) per share		
Basic/Diluted	(1.64)	(0.69)

REVIEW OF OPERATIONS:

For the financial year ended March 31, 2010, your Company had reported a total income of Rs.1291.98 Lacs as against Rs. 7.38 Lacs during the previous financial year. The company recorded a net loss of

Rs. 83.62 lacs as against net loss Rs 35.04 lacs during the previous financial year.

DIRECTORS:

In accordance with Section 256 of the Companies Act, 1956 Mr.D.V.S.S. Lakshminarayana, Director of the company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS:

The Statutory Auditors, M/s Sarath and Associates, Chartered Accountants, retire at this Annual General Meeting. The Board of Directors recommends appointment of M/s Sarath and Associates, as Statutory Auditors of the Company for the financial year 2010-11.

PUBLIC DEPOSITS:

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules framed there under.

PARTICULARS OF EMPLOYEES:

None of the employees are in receipt of the remuneration as set out under Section 217(2A) of the Companies Act, 1956 and as such the statement as required under Section 217(2A) of the Companies Act, 1956 is not applicable.

LISTING OF SHARES:

The shares of the company are listed on Bombay Stock Exchange Limited (BSE). The listing fee for the year 2010-11 has already been paid to the BSE.

CORPORATE GOVERNANCE:

In accordance with Clause 49 of the



Listing Agreement, a report on Corporate Governance along with the Practising Chartered Accountant Certificate on compliance of conditions of Corporate Governance is annexed herewith and forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- that in the preparation of the Annual Accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
- that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company has no activities relating to Conservation of Energy, Technology Absorption. The company did not have any Foreign Exchange earnings and Outgo during the year under review.

ACKNOWLEDGEMENTS:

Your Directors thank all the members, banks and regulatory and governmental authorities for their continued support. We take this opportunity to place on record our sincere thanks to our Bankers, State and Central Government agencies for their timely support, co-operation and valuable guidance.

For and on behalf of the Board

G. Venkatappaiah **K.Bhaskara Reddy**
Whole time Director Director

Place: Hyderabad
Date: 01.12.2010



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The concept of Corporate Governance hinges on total transparency, integrity and accountability of the management team. Your Company has been following the Corporate Governance practices like striking out reasonable balance in the composition of Board of Directors, setting up Audit Committee and other business committees, adequate disclosures and business to be deliberated by the Board etc. Your Company is committed to follow good Corporate Governance practices and improve upon them year after year.

2. BOARD OF DIRECTORS

The Board of directors of the company has an optimum combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising of non-executive directors. The company has Non-Executive Chairman and more than 50% of the Board consisting of independent and Non-Executive Directors.

a) Composition and Category of Board of Directors

Category	No. of Directors	% of Total Board
Promoter, Non-Executive and Non-Independent Director	01	25%
Executive and Independent Director	01	25%
Non-Executive and Independent Director	02	50%
Total	04	100%

b) Attendance of each Director at the Board Meetings held during year 2009-10 and at the Last Annual General Meeting;

Sl. No	Name and Designation of the Director	Board Meetings held during the year	Board Meetings Attended during the year	Attendance at Last AGM(Yes/No)
1.	Mr.K.Bhaskara Reddy, Director	6	6	Yes
2.	Mr.G.Venkatappaiah, Whole time Director	6	5	Yes
3.	Mr. A. Veerabhadra Rao Director	6	6	Yes
4.	Mr. D.V.S.S. Lakshminarayana Director	6	6	Yes



c) Number of other Boards or Board Committees in which Directors are with member or Chairperson.

Name of the Director	Board@		Committee	
	Chairman	Director	Chairman	Member
Mr. A. Veerabhadra Rao	Nil	01	1	04
Mr. D.V.S.S. Lakshminarayana	Nil	01	1	05
Mr.K.Bhaskara Reddy	Nil	Nil	1	02
Mr.G.Venkatappaiah	Nil	01	Nil	03

@Directorships in Foreign Companies are excluded

d) Number of Board meetings held, dates on which held

The Board of Directors met 6 times during the year 2009-10 on 15th April 2009, 13th June 2009, 30th July 2009, 19th August, 2009, 30th October 2009 and 28th January, 2010.

3. Audit Committee

The Audit Committee was constituted in terms of Section 292A of the Companies Act, 1956 and as per the provisions of Clause 49 of the Listing Agreement. The Audit Committee consists of Independent Directors and provides assistance to the Board of Directors in fulfilling its overall responsibilities. The Company Secretary of the Company act as Secretary of the Committee.

i. Brief description of terms of reference;

The terms of reference of the Audit Committee is in conformity with the provisions of Clause 49 of the Listing Agreement which inter alia, including the following:

- Overseeing of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Reviewing the adequacy of internal audit functions.
- Reviewing the quarterly and annual financial statements before submission to the Board.
- Reviewing the adequacy of internal control and their compliance thereof.
- Reviewing the company's financial and risk management policies.

ii. Composition, name of members and Chairperson

The composition of Audit Committee is as follows:

- | | |
|---------------------------------|----------|
| 1. Mr. A. Veerabhadra Rao | Chairman |
| 2. Mr. D.V.S.S. Lakshminarayana | Member |
| 3. Mr. G. Venkatappaiah | Member |

**4. Compensation / Remuneration Committee**

The composition of Compensation Committee is as follows:

- | | |
|---------------------------------|----------|
| 1. Mr. K.Bhaskara Reddy | Chairman |
| 2. Mr. A. Veerabhadra Rao | Member |
| 3. Mr. D.V.S.S. Lakshminarayana | Member |

(a) Brief description of terms of reference

The terms of reference of the Compensation Committee, *inter alia* include determination of compensation package of Executive Directors and Senior Management of the Company and to frame policies and procedures for Employee Stock Option plans approved by the members of the company.

(b) Remuneration policy

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive/ Non executive Directors. Their remuneration is determined in accordance with the experience and nature of responsibilities as well as industry standards. The same is subject to the approval of the Remuneration Committee of the Board of Directors and the members.

5. Shareholders / Investor Grievance Committee:

The composition of Shareholders/Investors' Grievance Committee is as follows:

- | | |
|---------------------------------|----------|
| 1. Mr. D.V.S.S. Lakshminarayana | Chairman |
| 2. Mr. K.Bhaskara Reddy | Member |
| 3. Mr. G. Venkatappaiah | Member |

The Investors' Grievance Committee focuses on shareholders' grievances and strengthening of investor relations. The functions of the committee include the redressal of shareholders/investor complaints/grievances pertaining to transfers/transmissions of shares, dividend, and dematerialization of shares, replacement of lost/stolen/mutilated share certificates and other related issues. There are no complaints pending as on the date of this report.

The details of investor's complaints received and resolved during the financial year 2009-10 is as under.

No. of Investor's Complaints received during the financial year 2009-10	No. of Investor's Complaints resolved during the financial year 2009-10	Investor Complaints pending at the end of financial year 2009-10
Nil	Nil	Nil

**6. General Body Meeting****Details of the date, time and venue of the last three Annual General Meetings of the Company**

Financial year ended	Date	Venue	Time
March 31, 2009	25.09.2009	Kalinga Cultural Trust, Plot No.1269, 2 nd Flr, Road No.12, Banjara Hills, Hyderabad-34	10.30A.M.
March 31, 2008	27.09.2008	Kalinga Cultural Trust, Plot No.1269, Road No.12, Banjara Hills, Hyderabad-500034	03.30 P.M.
March 31, 2007	28.09.2007	6-2-1012, TGV Mansion, Khairatabad, Hyderabad-500004	11.00 A.M

No special resolution has been passed by the Company in the last year through postal ballot. As on date, the company does not have any proposal to pass any special resolution by way of postal ballot.

7. Disclosures

- The summary of the materially significant relating party transactions is given in the Notes to the Accounts appearing in this Annual Report. However, none of the related party transactions have potential conflict with the interests of the Company at large, as all the transactions were entered into on an arms-length basis.
- The Company has complied with all the requirements of the Listing Agreement of the Stock exchanges as well as regulations and guidelines of SEBI. No penalties have been levied or strictures have been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets, in the last three years. There were no non-compliances by the company, penalties, strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority, on any matter related to Capital Market during the last three financial years.
- The Company has complied with the requirements relating to Corporate Governance as mandated by Listing Agreements with the Stock Exchanges and also with the non-mandatory requirements as Remuneration Committee, Disclosures, Communication and General Information to the shareholders.

8. Means of Communication

The main source of information to the shareholders is the annual report of the Company, which includes, inter alia, Directors' Report and the Report of Board of



Directors on Corporate Governance, Management Discussion and Analysis Report and the audited financial results together with the Auditors Report. The quarterly un-audited / audited results are also published for the information of the shareholders in "The Financial Express" (English Language) and "Andhra Prabha" (Telugu Language) daily newspapers, intimation to Stock Exchanges as required under the Listing Agreements and through press releases.

9. Management Discussion and Analysis Report

As required by sub-clause V of Clause 49 of the Listing Agreement, Management Discussion and Analysis Report is annexed to the Directors' Report.

10. General Shareholders Information:

- i. Annual General Meeting:
 - Date : 24th December, 2010
 - Time : 10.00 A.M.
 - Venue : Kalinga Cultural Trust, Banjara Hills, Hyderabad
- ii. Financial Year : 1st April, 2009 to 31st March, 2010
- iii. Date of Book Closure : 23rd December, 2010 to 24th December, 2010
- iv. Listing on Stock Exchange : The Bombay Stock Exchange Limited
PJ Towers, Dalal Street, Mumbai
- v. Stock Code : 531723
- vi. Market price date: High / Low during the each month in the financial year 2009-10 and performance in comparison to broad based indices, Sensex (BSE) etc.,

Month & Year	BSE (in Rs.)		Sensex	
	High	Low	High	Low
April 2009	28.50	19.45	11,492.10	9,546.29
May 2009	46.05	29.90	14,930.54	11,621.30
June 2009	74.15	48.35	15,600.30	14,016.95
July 2009	84.80	52.45	15,732.81	13,219.99
August 2009	65.10	56.00	16,002.46	14,684.45
September 2009	71.05	54.05	17,142.52	15,356.72
October 2009	74.10	58.00	17,457.26	15,805.20
November 2009	60.00	39.15	17,290.48	15,330.56
December 2009	51.35	37.00	17,530.94	16,577.78
January 2010	55.90	23.55	17,790.33	15,982.08
February 2010	25.20	19.05	16,669.25	15,651.99
March 2010	23.75	18.00	17,012.61	16,438.45



- vii. Registrar and Transfer Agent:
 - M/s. Venture Capital and Corporate Investment Limited
 - 12-10-167, Bharat Nagar Colony,
 - Hyderabad-500 018.
 - Phone: 91-40 23868024, Fax: 91-40 23868023
 - Email: info@vccilindia.com
- viii. Share Transfer System:
 - Share transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are in order in all respects.
- ix. Distribution of shareholding:

Category	Number of Members	(%) of Total Members	Number of Equity Shares	(%) of Total Shareholding
0-500	659	78.64	1,03,561	2.02
501-1000	57	6.80	47,832	0.93
1001-2000	36	4.29	55,395	1.08
2001-3000	14	1.67	35,048	0.68
3001-4000	12	1.43	43,047	0.84
4001-5000	4	0.47	18,284	0.35
5001-10000	18	2.14	1,36,916	2.68
10001-above	38	4.53	46,67,217	91.38
Total	838	100.00	51,07,300	100.00

- x. Dematerialization of shares and Liquidity:
 - As on 31st March 2010, 97.02% of the paid up equity capital of the Company has been dematerialized and the trading of Equity shares in the Stock Exchanges is under compulsory dematerialization.

ISIN : INE224E01010

- xi. Address for correspondence:
 - Compliance Officer
 - Brilliant Securities Limited
 - Plot No. 1, 2nd Floor, JR Towers, Road No.2,
 - Banjara Hills, Hyderabad - 500 034.
 - Phone: +91-40 2354 0764, 2354 0765
 - Fax: +91-40-2354 0763

10. Management Discussion and Analysis

The detail of Management Discussion and Analysis Report is enclosed to this report.

**CEO/CFO Certificate**

I, G.Venkatappaiah, Wholetime Director of Brilliant Securities Limited certify that:

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) these statements present a true and fair view of the state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. There are, to the best our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the Company's internal control system for financial reporting and evaluating its effectiveness. Internal Audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal Audit works with all levels of management and statutory Auditors, and reports significant issues to the Audit Committee of the Board. The Auditors and Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weakness.
4. We indicate to the Auditors and to the Audit Committee:
 - (a) Significant changes in internal controls over financial reporting during the year;
 - (b) Significant changes in the accounting policies during the year;
 - (c) No instances of significant fraud of which we have become aware of and which involve the management or other employees who have significant role in the Company's internal control system over financial reporting.

However, during the year there were no such changes and instances.

Place: Hyderabad
Date: May 31, 2010

G.Venkatappaiah
Whole time Director

**MANAGEMENT DISCUSSION AND ANALYSIS**

In the recent years the Indian financial sector is demonstrating sustained momentum. The Indian Economy, which had managed to emerge out of the global turmoil witnessed a quick rebound in the year 2009-10. The growth story for India has always looked robust compared to its peers, given the long-term dynamics in its favour.

Brilliant Securities Limited is focusing on Securities and Derivatives Trading Activities. It is developing Automatic Trading Software for Algorithm Trading. In the year 2008 the company was taken over by Mr.K.Bhaskara Reddy and Associates. Due to continuous losses the Net Worth of the company has come down to Rs.1 Crore which is below the norms prescribed by National Stock Exchange. The company is planning to increase its networth by way of issue of shares on preferential basis.

The company has taken insurance policies in compliance with requirements of The National Stock Exchange of India Limited.

The company earned a gross income of Rs.1291.98 Lakhs and incurred net loss of Rs.83.62 Lakhs.

**CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF BRILLIANT SECURITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Brilliant Securities Limited, for the year ended March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of Investor Grievances no such Grievances are pending for a period exceeding one month against the Company as per the record maintained by the Shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Sarveswar Reddy

Practicing Company Secretary
CP No. 7478

Place : Hyderabad
Date : 01.12.2010

AUDITORS' REPORT TO THE MEMBERS OF BRILLIANT SECURITIES LIMITED, HYD.

1. We have audited the attached Balance Sheet of BRILLIANT SECURITIES LIMITED ('the Company') as at March 31, 2010, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 ('the Order'), issued by the Central Government of India in terms of section 227 (4A) of The Companies Act, 1956 (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to



us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:

(a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of these books.

(c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable.

(e) On the basis of written representations received from the directors as on 31st March, 2010, and taken on record by the Boards of Directors, we report that none of the rs is disqualified as on 31st March, 2010 from being appointed as a director in clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

(f) The Company has neither paid nor provided for the Cess payable under Section 441 A of the Companies Act, 1956 since the aforesaid section is not yet been made effective by the Central Government.

(g) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts together with the notes and accounting policies thereon give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010;

(ii) In the case of the Profit and Loss Account, of the loss for the year ended on that date.

(iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

For Sarath & Associates
Firm No. 005120S
Chartered Accountants

CA G. L. N. Prasad
Partner
M. No. 214735

Place : Hyderabad
Date : 31.05.2010



ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH - 3 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF BRILLIANT SECURITIES LIMITED FOR THE YEAR ENDED 31 ST MARCH, 2010

1 a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

b. As per the information and explanations given to us, the Management has carried out physical verification of Fixed Assets at the year end, which is considered reasonable and as informed to us, no material discrepancies were noticed on such verification.

c. The Fixed Assets disposed off during the year did not represent substantial part of fixed assets of the Company, which will affect the going concern status of the Company.

2. As per the information and explanations given to us, as the Company's business does not involve maintenance of inventories viz., Finished Goods, Stores, Spare parts, Goods in Process and Raw Materials, the provisions of Clause 4 (ii)(a), 4(ii)(b) and 4(ii)(c) of the Order are not applicable to the Company for the current year.

3. a. As The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 301 of the Act, the provisions of Clauses 4 (iii)(a), 4 (iii)(b), 4(iii)(c) and 4 (iii)(d) of the Order are not applicable to the Company for the current year.

b. The Company had taken unsecured loans from two parties covered in the register maintained under Section 301 of the Act, aggregating to Rs. 1,46,97,830/- and the maximum balance outstanding during the year was Rs. 1,49,17,830/-.

c. In our opinion and as per the information and explanations given to us, the rate of interest and other terms and conditions of loans taken by the Company are not prima facie prejudicial to the interests of the Company and the Company is regular in repayment of principal amount and interest, wherever applicable.

4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any instances of continuing failure to correct major weaknesses in internal control systems.

5. a. According to the information and explanations given to us and as confirmed by the Management of the Company, we are of the opinion that particulars of contracts or arrangement that need to be entered into the register maintained under section 301 of the Act have been so entered.

b. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained



under section 301 of the Act and exceeding the value of Rs. 5,00,000/- in respect of each party during the year.

6. According to the information and explanations given to us, as the Company has not accepted any deposits from the public covered by the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA, or any other relevant provision of the Act and the rules framed there under, the provisions of Clause 4(vi) of the Order are not applicable to the Company for the current year.
7. In our opinion and according to the explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.
8. As the maintenance of Cost Records has not been prescribed by the Central Government u/s. 209 (1) (d) of the Act to this Company, the provisions of Clause 4(viii) are not applicable to the Company for the current year.
9. a. As per the records of the Company and as per information and explanations given to us, the Company is not liable for payment of dues of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Excise Duty for the current financial year and in respect of payment of dues of Income Tax, Service Tax and Custom Duty, Cess and any other statutory dues the Company is generally regular in the payment of dues with appropriate authorities and in respect of these dues there are no dues outstanding as on 31.3.2010
- b. As per the records of the Company, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty or Cess which have not been deposited on account of any dispute as on 31.3.2010.
10. As per the information and explanations given to us and overall examination of the financial statements of the Company for the current and immediately preceding financial year, we report that the accumulated losses at the end of the current financial year are more than fifty percent of its net worth and the Company had also incurred cash losses both in the current and immediately preceding financial years.
11. As the Company had not availed any loan from any financial institution or bank and had not issued any debentures, the provisions of Clause 4(xi) are not applicable to the Company for the current year.
12. As per the information and explanations given to us, as the Company had not granted any loans and advances on the basis of security by way of pledge of shares, debentures or other securities to anybody during the year, the provisions of Clause 4(xii) of the Order are not to the Company for the current year.
13. In our opinion as the company, is not a chit fund or a nidhi or mutual benefit fund or society, the provisions of clause 4(xiii) of the Order are not applicable to the company for the current year.

for a period of more than six months from the date they became payable.



14. According to the records of the Company, we are of the opinion, that proper records are being maintained for recording the transactions and contracts in respect of shares, debentures and other securities traded or dealt with and the company is generally regular in recording the transactions in this regard.
15. According to the information and explanations given to us, as the company has not given any guarantee for loans taken by others from banks or financial institutions, the provisions of Clause 4(xv) of the Order are not applicable to the Company for the current year.
16. As the Company had not availed any term loans, the provisions of Clause 4(xvi) of the Order are not applicable to the Company for the current year.
17. According to the records and on an overall examination of the financial statements for the current year of the Company, we are of the opinion that the funds raised on short-term basis have not been used for any long-term investment.
18. As per records of the Company, during the current financial year, the Company has not made any preferential allotment of shares to any party covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. As the Company has not issued any debentures, which required creation of security or charge, the provisions of Clause 4 (xix) of the Order is not applicable to the Company for the current year.
20. As the company has not made any public issue during the year, the provisions of Clause 4 (xx) of the Order are not applicable to the Company for the current year.
21. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and as per the representation given by the Company and relied on by us, we neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such cases by the Company.

For Sarath & Associates
Firm No. 005120S
Chartered Accountants

CA G. L. N. Prasad
Partner
M. No. 214735

Place : Hyderabad
Date : 31.05.2010



BRILLIANT SECURITIES LIMITED

Balance Sheet as at 31st March, 2010

	Particulars	Schedule No.	As at 31st March, 2010		As at 31st March, 2009	
			Rs.	Rs.	Rs.	Rs.
I	SOURCES OF FUNDS:					
	Shareholders' Funds					
	Share Capital	1		51,073,000		51,073,000
	Loan Funds					
	Unsecured Loans	2		14,852,033		10,500,000
	Total			65,925,033		61,573,000
II	APPLICATION OF FUNDS					
	Fixed Assets					
	Gross Block	3	3,520,781		5,962,637	
	Less : Depreciation		1,276,539		4,684,289	
	Net Block			2,244,242		1,278,348
	NET CURRENT ASSETS:					
A)	Current assets, loans and advances					
	Inventories	4	115,063		-	
	Sundry Debtors	5	-		145,124	
	Cash and Bank Balances	6	7,054,146		10,875,764	
	Loans and advances	7	34,901,619		15,157,764	
	Other Current Assets	8	248,012		-	
				42,318,840		26,178,652
B)	Less: Current Liabilities and Provisions					
	Current Liabilities	9	22,911,361		1,791,601	
	Provisions	10	-		3,186	
				22,911,361		1,794,787
	Net Current Assets	(A-B)		19,407,479		24,383,865
	PROFIT AND LOSS ACCOUNT			44,273,312		35,910,787
	Total			65,925,033		61,573,000
	SIGNIFICANT ACCOUNTING POLICIES	16				
	NOTES TO ACCOUNTS	17				

As per our report of even date
For Sarath & Associates
Firm Regn. No. 005120S
Chartered Accountants

for and on behalf of the Board

Hyderabad
31.05.2010
GLN Prasad
Partner.
Membership No.214735

G.Venkatappaiah
Whole time Director

K.Bhaskara Reddy
Director



BRILLIANT SECURITIES LIMITED

Profit and Loss Account for the year ended 31st March, 2010

Particulars	Schedule No.	For Year ended 31.03.2010	For Year ended 31.03.2009
		Rs.	Rs.
INCOME:			
Securities Traded		127,756,617	-
Income from Securities Broking		623,262	-
Other Income	11	818,454	738,159
Total		129,198,333	738,159
EXPENDITURE:			
Cost of Securities Traded	12	127,676,453	-
Employees Cost	13	4,283,947	988,081
Administrative and other expenses	14	5,076,786	3,006,153
Interest	15	183,673	-
Depreciation	3	339,999	245,137
Total		137,560,858	4,239,371
Profit / (Loss) Before Tax		(8,362,525)	(3,501,212)
Less: Tax Expense:			
Fringe Benefit Tax		-	3,186
Profit / (Loss) After Tax		(8,362,525)	(3,504,398)
Loss Brought forward from earlier years		(35,910,787)	(32,406,389)
Loss carried forward to balance sheet		(44,273,312)	(35,910,787)
Earnings / (Loss) Per Share - Basic/Diluted		(1.64)	(0.69)
SIGNIFICANT ACCOUNTING POLICIES	16		
NOTES TO ACCOUNTS	17		

As per our report of even date
For Sarath & Associates
Firm Regn. No. 005120S
Chartered Accountants

for and on behalf of the Board

Hyderabad
31.05.2010
GLN Prasad
Partner.
Membership No.214735

G.Venkatappaiah
Whole time Director

K.Bhaskara Reddy
Director



BRILLIANT SECURITIES LIMITED

Cash Flow Statement for the year ended 31st March 2010

	Particulars	For Year ended 31st March, 2010		For Year ended 31st March, 2009	
A.	Cash flow from / (used in) Operating Activities:	Rs.	Rs.	Rs.	Rs.
	Net Profit/(Loss) before tax		(8,362,525)		(3,501,212)
	Adjustments for:				
	Depreciation	339,999		245,137	
	Interest Earned	(809,189)		(657,254)	
	Dividend Received	(9,265)		(76,100)	
	Loss on Sale of Asset	11,009		-	
	Interest Expense	183,673		-	
	Provision for loss on Equity index options	32,174	(251,599)	-	(488,217)
	Operating Profit / (Loss) before		(8,614,124)		(3,989,429)
	Working Capital changes				
	Adjustments for working capital changes:				
	(Increase) / Decrease in Trade Receivables	145,124		5,750,340	
	(Increase) / Decrease in Inventories	(115,063)		-	
	Increase / (Decrease) in Current				
	Liabilities and Provisions	21,087,586		634,657	
	(Increase) / Decrease in Loans and Advances	(19,707,670)	1,409,977	(12,283,754)	(5,898,757)
	Cash generated from / (used in) Operations		(7,204,147)		(9,888,186)
	Less: Direct Taxes Paid		3,186		15,901
	Net Cash used in Operating Activities (A)		(7,207,333)		(9,904,087)
B	Cash flow from/ (used in) Investing Activities:				
	Sale of Fixed Assets		80,000		-
	Purchase of Fixed Assets		(1,396,902)		(413,000)
	Interest received		561,177		657,254
	Dividend received		9,265		76,100
	Net Cash flow from / (Used in) Investing Activities (B)		(746,460)		320,354
C	Cash flow from Financing Activities:				
	Short Term Loans Received		4,445,000		10,500,000
	Repayment of Short Term Loan		(247,170)		-
	Interest Paid		(29,470)		-
	Net Cash flow from Financing Activities (C)		4,168,360		10,500,000
	Net Increase / (Decrease) in Cash Equivalents (A+B+C)		(3,785,433)		916,267
	Cash and Cash Equivalents of the beginning of the year		8,266,159		7,349,892
	Cash and Cash Equivalents of the end of the year		4,480,726		8,266,159



BRILLIANT SECURITIES LIMITED

Cash Flow Statement for the year ended 31st March 2010

Note:	Cash and Cash Equivalents	2008-09	2009-10
	at the end of the year:		
	Cash and Bank Balances as per the Balance Sheet	7,054,146	10,875,764
	Less: Deposits lodged towards margin money	2,573,420	2,609,605
	against bank guarantees dealt separately		
		4,480,726	8,266,159

- Note: 1. Figures in brackets indicate cash outgo
2. The Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard -3 notified under the Companies Act, 1956
3. Significant Accounting Policies (Schedule 16) and Notes to Accounts (Schedule 17) form an integral part of the Cash Flow Statement
4. Previous year figures have been regrouped / rearranged wherever necessary to confirm to current year classification.

As per our report of even date
For Sarath & Associates
Firm Regn. No. 005120S
Chartered Accountants

for and on behalf of the Board

Hyderabad
31.05.2010

GLN Prasad
Partner.
Membership No.214735

G.Venkatappaiah
Whole time Director

K.Bhaskara Reddy
Director



BRILLIANT SECURITIES LIMITED

Particulars	As at 31.03.2010	As at 31.03.2009
Schedule 1: Share Capital:	Rs.	Rs.
<u>Authorised:</u>		
1,60,00,000 Equity shares of Rs. 10 each	160,00,000	160,00,000
	160,00,000	160,00,000
Issued, Subscribed and Paid-up:		
51,07,300 Equity Shares of Rs. 10 each fully paid up	51,073,000	51,073,000
	51,073,000	51,073,000
Schedule 2: Unsecured Loans:		
From Directors	10,500,000	10,500,000
From a body corporate	4,352,033	-
	14,852,033	10,500,000
Schedule 3: Fixed Assets:	Enclosed	Enclosed
Schedule 4: Inventories:		
(As taken, valued and certified by the Management)		
Stock of Securities	115,063	-
	115,063	-
Schedule 5: Sundry Debtors:		
(Unsecured and considered good)		
Held for a period exceeding six months	-	-
Others	-	145,124
	-	145,124
Schedule 6: Cash and Bank Balances:		
Cash on hand	4,890	23,715
<u>Balances with scheduled banks:</u>		
In Current Accounts	1,432,958	2,647,795
In Deposit Accounts	5,616,298	8,204,254
(Of the above deposit of Rs. 25,73,420/- (Previous year Rs. 26,09,605/-) has been pledged against guarantee issued by Bankers)	7,054,146	10,875,764
Schedule 7: Loans and Advances:		
(Unsecured, considered good recoverable in cash or in kind or for value to be received)		
Deposits Recoverable	34,496,405	14,210,000
Other Advances and Receivables	143,318	380,636
Income Tax Receivable	261,896	567,128
	34,901,619	15,157,764
Schedule 8: Other Current Assets:		
Interest Accrued on deposits	248,012	-
	248,012	-



BRILLIANT SECURITIES LIMITED

Schedule 3 : Fixed Assets

S. No.	Description	Gross Block			Depreciation			Net Block	
		As on 01.04.2009	Additions	Deductions	As on 31.03.2010	Upto 01.04.2009	For the year	Deductions	Upto 31.03.2010
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	Tangible Assets:								
1	Data Processing Equipments	3,008,476	766,798	2,633,476	1,141,798	2,661,954	90,633	2,633,476	119,111
2	Furniture and Fixtures	1,405,845	-	-	1,405,845	790,486	88,990	-	879,476
3	Vehicles	458,042	-	458,042	-	345,216	21,817	367,033	-
4	Other Equipments	674,288	16,038	369,254	321,072	508,529	19,901	369,254	159,176
	Total	5,546,651	782,836	3,460,772	2,868,715	4,306,185	221,341	3,369,763	1,157,763
	Intangible Assets:								
1	Computer Software	415,986	614,066	377,986	652,066	378,104	118,658	377,986	118,776
	Total Fixed Assets	5,962,637	1,396,902	3,838,758	3,520,781	4,684,289	339,999	3,747,749	1,276,539
	Previous Year	5,549,637	413,000	-	5,962,637	4,439,152	245,137	-	4,684,289



BRILLIANT SECURITIES LIMITED

Schedules forming part of
Balance Sheet and Profit & Loss Account

	As at 31st March 2010	As at 31st March 2009
Schedule 9: Current Liabilities:	Rs.	Rs.
Sundry Creditors:		
Dues of Micro and Small Enterprises	-	-
Dues of Creditors other than Micro and Small Enterprises	21,245,456	679,601
Security Deposits from Clients	1,112,000	1,112,000
Equity Index Options Premium Account (Net)	553,905	-
	22,911,361	1,791,601
Schedule 10: Provisions:		
Provision for Fringe Benefit Tax	-	3,186
	-	3,186
For the year ended 31st Mar, 2010	For the year ended 31st Mar, 2009	
Schedule 11: Other Income:		
Interest Income (Gross)	809,189	657,254
Dividend Income	9,265	76,100
Miscellaneous Income	-	4,805
	818,454	738,159
Schedule 12: Cost of Securities Traded:		
Opening Stock	-	-
Add: Purchases	127,791,516	-
	127,791,516	-
Less: Closing Stock	115,063	-
	127,676,453	-
Schedule 13: Employees Cost:		
Salaries	4,025,291	988,081
Staff Welfare Expenses	258,656	-
	4,283,947	988,081



BRILLIANT SECURITIES LIMITED

Schedules forming part of
Balance Sheet and Profit & Loss Account

	As at 31st March 2010	As at 31st March 2009
Schedule 14: Administrative and Other Expenses:	Rs.	Rs.
Rent	1,419,000	768,626
Printing and stationery	56,119	32,459
Communication Expenses	665,316	172,227
Electricity charges	541,038	2,867
Professional and Consultancy Expenses	327,089	152,470
Loss on trading in derivative instruments	292,383	-
Securities Broking Transaction Expenses	281,522	169,455
Securities Trading Expenses	229,631	-
Subscription charges	122,000	225,772
General Expenses	113,552	197,028
Depository charges	92,192	78,924
Bank charges	74,762	44,675
Traveling and Conveyance	61,132	8,043
Audit fees: As Auditors	60,000	30,000
For Tax Audit	30,000	-
Office Maintenance	559,532	2,424
Demat Charges	41,331	-
Insurance	8,387	15,982
Fees, Rates and Taxes	23,723	790,201
Stock Exchange Fees and Charges	19,744	300,000
Listing Fees	15,150	15,000
Loss on Sale of Asset	11,009	-
Provision for Loss on Equity Index Options	32,174	-
	5,076,786	3,006,153
Schedule 15: Interest:		
Interest Expenses	183,673	-
	183,673	-

**Schedule 16: Significant Accounting Policies:****a) Basis of Preparation of Financial Statements:**

The financial statements have been prepared under historical cost convention on the accrual basis of accounting in accordance with generally accepted accounting principles in India, the Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and other pronouncements of Institute of Chartered Accountants of India (ICAI).

b) Use of Estimates:

The preparation of financial statements, in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c) Fixed Assets:

i. Fixed assets are stated at their original cost less depreciation. Cost includes inward freight, duties, taxes, expenses incidental to acquisition and installation, excise duty and VAT wherever applicable.

ii. Impairment of Assets:

The carrying amount of the Fixed Assets are being tested on annual basis for impairment so as to determine the provision required for impairment loss if any or for reversal of the provision if any required on account of impairment loss recognized in previous periods.

iii. Depreciation:

Depreciation on tangible assets is provided under Straight Line Method at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956. Intangible assets are being amortised over a period of five years from the year of acquisition.

d) Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long Term Investments are carried at cost less diminution in value other than temporary determined separately for each individual investment. Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

Gains / loss, on investments in options and futures, both equity stock and index, being the difference between the contracted rate and the rate on the settlement or sale date, whichever is earlier is recognized in the Profit and Loss Account on settlement / sale. The open contracts as at the year- end are marked to- market and the resultant loss, if any is provided and charged to Profit and Loss Account.

e) Inventories:

Stock of Securities is being valued at Cost or Net realizable Value which ever is lower. Cost is being determined under First in First Out Method.

**f) Taxes on Income:**

- i. Income Tax expense comprises current year income tax and deferred income tax charges or credit for the year.
- ii. Current year income tax charge will be calculated based on assessable profits of the company determined in accordance with the provisions of Income Tax Act, 1961. It will also includes, income tax charge provided if any, for such disallowances made on completion of assessment proceedings pending appeals, as considered appropriate depending on the merits of each case.
- iii. Deferred income tax charge or credit pertaining to future tax consequences attributable to timing difference between the financial statement determination of income and their recognition for tax purposes will be recognised. The effect of a change in tax rates on deferred tax assets and liabilities is recognised in income using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

g) Earnings Per Share:

- i. The basic earnings per share is calculated considering the weighted average number of equity shares outstanding during the year.
- ii. The diluted earnings per share is calculated considering the effects of potential equity shares on net profits after tax for the year and weighted average number of equity shares outstanding during the year.

h) Revenue Recognition:

- i. Gains / loss, on investments in options and futures, both equity stock and index, being the difference between the contracted rate and the rate on the settlement or sale date, whichever is earlier is recognized in the Profit and Loss Account on settlement / sale.
- ii. Interest Income is recognized on accrual basis. Dividend income is recognized when the right to receive payment is established

i) Leases:

Leases of assets under which all risks and rewards of ownership are affectively retained by lesser are classified as operating leases. Lease payments under operating leases are recognised as an expense on a straight line basis over the period of lease.

j) Provisions, Contingent Liabilities and Contingent Assets:

Provisions, involving substantial degree of estimation in measurement, are recognised when there is present obligation as a result of past events and if it is probable that there will be an outflow of resources. Contingent liabilities, which are possible or present obligations that may be probably will not require outflow of resources, are not recognised but are disclosed in the notes to the financial statements. Contingent Assets are neither recognised nor disclosed in financial statements.

**Schedule 17: Notes to Accounts:**

1. Figures have been rounded off to the nearest rupee. Previous year's figures have been regrouped / rearranged wherever necessary.

2. Contingent Liabilities:

	2009-10	2008-09
	Rs.	Rs.
i. Towards Guarantees issued by Bank	25,00,000	25,00,000
ii. Interest claims by the Clients disputed by the Company not acknowledged as debts as on 31.03.2010 is Rs. 33,09,709/-		

3. The company has commenced Securities trading operations with due approval of respective authorities and exchanges in April 2009. Hence previous year figures of operations are not comparable with that of the current year.

4. Segment Information:

The company operates in only one business segment i.e. securities broking and trading through stock exchanges in India.

5. Employee Benefits:

- i. No provision for Gratuity to employees is provided in the books of account as there is no employee eligible for this benefit.
- ii. As there is no policy for payment of earned leave encashment to its employees, no provision has been made in the books of accounts.

6. Tax Expense:

- i. As the Company does not have any taxable income for the current year, no provision for current income tax has been made in books of accounts.
- ii. As there is no virtual certainty in utilizing the deferred tax asset, the deferred tax asset has not recognised in the books of accounts.

7. Leases:

The company has operating lease for office premise, which is renewable on periodical basis and cancelable at its option. Rental expense for operating lease recognised in Profit and Loss Account for the year is Rs. 14,19,000/- (Previous Year Rs. 7,68,626/-)

**8. Related Party Disclosures:****A. List of Related Parties**

1	Associate Companies	1. Northgate Technologies Ltd 2. Stampede Holdings Private Ltd 3. Bio Ethanol India Ltd. 4. Green Fire Agri Commodities Private Ltd. 5. GUV Holdings Private Ltd. 6. VAR Quant Tech Securities Private Limited
2	Key Management Personnel	1. Mr. G. Venkatappaiah
3	Persons having substantial interest in voting power	1. Mr. Venkat S. Meenavalli

B. Non Executive Directors and Independent Directors on the Board of the Company

S.No.	Name of the Personnel	Relationship
1.	A. Veerabhadra Rao	Independent Director
2.	D.V.S.S. Lakshminarayana	Independent Director

C. Particulars of transactions with Related Parties:

Name of the Party	Nature of Transaction	Amount (Rs.)	Balance Outstanding as on 31.3.2010 (Rs.)
VAR Quant Tech Securities Private Limited	Securities Transaction Charges Received	36,656	NIL
	Transaction Brokerage / Commission Received	84,564	NIL
	Margin Money Deposit Received	70,00,000	68,96,178
Stampede Holdings Private Limited	Unsecured Loan received	44,45,000	41,97,830
	Unsecured Loan repaid	2,47,170	
	Interest on Loan	1,71,337	1,54,203
	Margin Money Deposit Received	1,09,10,000	32,64,207
	Securities Transaction Charges Received	1,61,584	NIL
	Transaction Brokerage / Commission Received	1,92,548	NIL



BRILLIANT SECURITIES LIMITED

Bio Ethanol India Limited	Margin Money Deposit Received	1,00,00,000	57,00,000
Venkat S. Meenavalli	Margin Money Deposit Received	64,50,000	28,76,253
	Securities Transaction Charges Received	47,850	NIL
	Transaction Brokerage / Commission Received	59,570	NIL

1. Earnings Per Share	2009-10	2008-09
Profit / (Loss) after tax	Rs. (83,62,525)	(35,04,398)
Weighted average Number of Equity Shares Out standing during the year	Nos. 51,07,300	51,07,300
Nominal Value of Equity Shares	Rs. 10/-	10/-
Earnings / (Loss) Per Share	Rs. (1.64)	(0.69)

10. There are no outstanding dues to Investor and Education and Protection Fund as on 31.03.2010.

11. Additional information as required under Part-II of schedule VI of the Companies Act, 1956:

	2009-10	2008-09
	Rs.	Rs.
A. Earning in Foreign Exchange	Nil	Nil
B. Expenditure in Foreign currency	1,26,354	Nil
C. The other particulars as required under part – II of schedule VI of the Companies Act, 1956 are not given as the same are not applicable to the Company for this year.		

12. The Schedules referred to in Balance Sheet and Profit and Loss Account form an integral part of the accounts.

13. Additional information required under Part-IV of Schedule-VI of the Companies Act, 1956 is given in Annexure.

As per our report of even date
For Sarath & Associates
Firm Regn. No. 005120S
Chartered Accountants

for and on behalf of the Board

Hyderabad 31.05.2010
GLN Prasad Partner.
Membership No.214735
G.Venkatappaiah Whole time Director
K.Bhaskara Reddy Director



BRILLIANT SECURITIES LIMITED

Balance Sheet abstract and Company's General Business Profile:

I. Registration Details:

Registration No : 20170 State Code : 01
CIN Number : L67120AP1995PLC020170 Balance Sheet Date : 31.03.2010

II. Capital Raised During The Year: (Rs. in Thousands)

Public Issue : NIL Rights : NIL
Bonus Issue : NIL Private Placement : NIL

III. Position of Mobilisation and Deployment of Funds: (Rs. in Thousands)

Total Liabilities : 65925 Total Assets : 65925

SOURCES OF FUNDS:

Paid-up Capital : 51,073 Reserves & Surplus : NIL
Secured Loans : NIL Unsecured Loans : 14,852

APPLICATION OF FUNDS:

Net Fixed Assets : 2,244 Investments : NIL
Net Current Assets : 19,408 Misc. Expenses : NIL
Accumulated Losses : 44,273

IV. Performance of the Company:

Turnover : 129,198 Total Expenditure : 137,561
Profit/(Loss) before tax : (8,363) Profit/(Loss) after tax : (8,363)
Earnings Per share : (1.64) Dividend Rate : NIL
(in Rs.)

V. Generic Names of Three Principal Products/Services of the Company

(as per monetary terms):

Item Code No : N.A. Product Description : Securities
Trading and
Broking

(ITC Code)

**BRILLIANT SECURITIES LIMITED**

BRILLIANT SECURITIES LIMITED
Plot No.1, JR Towers, 2nd Floor, Road No.2,
Banjara Hills, Hyderabad - 500 034

ATTENDANCE SLIP

Regd. Folio No./Client ID:

I hereby record my presence at the 15TH ANNUAL GENERAL MEETING of the Company held on Friday, 24th December, 2010 at 10.00 a.m. at Kalinga Cultural Trust, Plot No. 1269, 2nd Floor, Road No. 12, Banjara Hills, Hyderabad-500 034.

SIGNATURE OF THE ATTENDING MEMBER/PROXY :

- NOTES :
1. Shareholder/Proxyholder wishing to attend the meeting must bring the Attendance Slip to the Meeting and handover at the entrance duly signed.
 2. Shareholder/Proxy holder desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

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BRILLIANT SECURITIES LIMITED
Plot No.1, JR Towers, 2nd Floor, Road No.2,
Banjara Hills, Hyderabad - 500 034

PROXY

I/We Resident of
being a Member/Members of the Brilliant Securities Limited, hereby appoint
Mr./Ms. Resident of or failing him
Mr./Ms. Resident of as my/our Proxy to
attend and vote for me/us and on my/our behalf at the 15th Annual General Meeting of
the Company, to be held on Friday, 24th December, 2010 at 10.00 a.m. and at any
adjournment thereof.

Signed this..... day of..... 2010

Folio No. :

No. of Shares :

Affix
Re. 1/-
Revenue
Stamp

Signature :