

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2015

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 333-192399

KM WEDDING EVENTS MANAGEMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

46-1290754

(I.R.S. Employer Identification Number)

11501 Dublin Blvd., Suite 200, Dublin, CA 94568

(Address of principal executive office and zip code)

(925) 891-8029

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one)

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

The numbers of shares outstanding of the issuer's class of common stock as of August 1, 2015 was 42,096,160 shares of common stock outstanding.

-1-

KM WEDDING EVENTS MANAGEMENT, INC.

FORM 10-Q

For the Quarterly Period Ended June 30, 2015

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION	PAGE
ITEM 1. FINANCIAL STATEMENTS	5
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION	20
ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	23
ITEM 4. CONTROLS AND PROCEDURES	23
PART II - OTHER INFORMATION	23
ITEM 1. LEGAL PROCEEDINGS	23
ITEM 1A. RISK FACTORS	23
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	23
ITEM 3. DEFAULTS UPON SENIOR SECURITIES	24
ITEM 4. MINE SAFETY DISCLOSURES	24
ITEM 5. OTHER INFORMATION	24
ITEM 6. EXHIBITS	

-2-

KM WEDDING EVENTS MANAGEMENT, INC.

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

<u>CONTENTS</u>	<u>PAGE</u>
CONDENSED CONSOLIDATED BALANCE SHEETS	5
CONDENSED CONSOLIDATED STATEMENTS OF INCOME	6
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	7
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	8
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	9
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	10

Caution Regarding Forward-Looking Statements

This quarterly report on Form 10-Q contains forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied by the forward-looking statements. These risks and uncertainties include, but are not limited to the factors described in the section captioned “Risk Factors” in our Quarterly Report on Form 10-K for year ended March 31, 2015 filed with the Securities and Exchange Commission.

In some cases, you can identify forward-looking statements by terms such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “would” and similar expressions intended to identify forward-looking statements. Forward-looking statements reflect our current views with respect to future events and are based on assumptions and are subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

Also, forward-looking statements represent our estimates and assumptions only as of the date of this report. You should read this report completely and with the understanding that our actual future results may be materially different from what we expect.

Except as required by law, we assume no obligation to update any forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in any forward-looking statements, even if new information becomes available in the future.

Use of Certain Defined Terms

Except where the context otherwise requires and for the purposes of this report only:

- “We,” “us” and “our” refer to KM Wedding Events Management, Inc. and, except where the context requires otherwise, KM India.
- “KM” refers to KM Wedding Events Management, Inc., a Delaware corporation.
- “KM India” refers to KM Wedding Events Management Private Limited, India, which is majority owned by KM.
- “Indian Rupee”, Rs, and “Rupee” refers to Indian Rupee, the legal currency of India.
- “U.S. dollar”, “\$” and “US\$” refer to the legal currency of the U.S.

PART I- FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

KM Wedding Events Management, Inc.

Interim Condensed Consolidated balance sheet

(in US Dollars \$ unless otherwise stated)

	Notes	As at June 30, 2015 (unaudited)	As at March 31, 2015 (audited)
ASSETS			
Current assets:			
Cash and Cash equivalents	3	96,018	97,960

Accounts receivable	4	545,072	551,575
Other current assets	5	563,461	603,314
Total current assets		1,204,551	1,252,849
Non-current assets:			
Property, plant and equipment, net	6	117,376	124,073
Intangible assets, net	7	19,786	22,465
Goodwill	21	688,005	685,007
Film costs	24	30,570	12,289
Deferred tax assets, net		3,984	4,066
Other non-current assets	8	95,045	97,903
Total non-current assets		954,766	945,803
Total assets		2,159,317	2,198,652
LIABILITIES AND EQUITY			
Current liabilities:			
Accounts payable and accrued liabilities	9	227,957	190,087
Statutory liabilities	10	270,007	247,731
Short-term loans & current portion of long-term debt	11	214,659	217,843
Unsecured loans from related parties, net of advances	20	104,592	85,933
Other current liabilities	13	162,454	140,796
Total current liabilities		979,669	882,390
Non-current liabilities:			
Long-term debt	12	267,576	279,943
Other non-current liabilities	14	20,693	20,412
Total non-current liabilities		288,269	300,355
Equity:			
Common stock par value \$ 0.001 (shares outstanding: 42,096,160 as at June 30, 2015 and March 31, 2015)			
	15	42,096	42,096
Additional paid-in capital		1,165,712	1,165,712
Accumulated deficit		(325,977)	(228,981)
Equity attributable to equity holders of the company		881,831	978,827
Non-controlling interest		9,548	37,080
Total equity		891,379	1,015,907
Total liabilities and equity		2,159,317	2,198,652

The accompanying notes are an integral part to these interim condensed consolidated financial statements.

KM Wedding Events Management, Inc.
Interim Condensed Consolidated Statement of Income
(in US Dollars \$ unless otherwise stated)

	Notes	For the period ended June 30, 2015 (unaudited)	For the period ended June 30, 2014 (unaudited)
Revenues+			
Matrimonial service income	16	154,571	271,804
Wedding event management income		39,456	124,546
Wedding infrastructure lease income		7,634	—
Sale of rights		13,894	—

Total		215,555	396,350
Costs and expenses			
Matrimonial service expenses	17	85,841	88,963
Wedding event management expenses		31,170	97,520
Wedding infrastructure maintenance expenses		3,121	—
Personnel costs		97,546	82,354
General and administrative expenses	18	100,109	86,721
Depreciation and amortisation		7,792	6,434
Total		325,579	361,992
Operating income/(loss)		(110,024)	34,358
Other income / (expenses)			
Foreign exchange gain / (loss)		5,363	937
Finance charges		(20,244)	(14,950)
Total other income / (expenses), net		(14,881)	(14,013)
Income/(loss) before income tax expense		(124,905)	20,345
Income taxes		—	—
Net income/(loss)		(124,905)	20,345
Attributable to:			
Equity holders of the company		(97,216)	5,123
Non-controlling interest		(27,689)	15,222
Net income/(loss)		(124,905)	20,345
Earnings/(loss) per share - basic and diluted	19	(0.0023)	0.0001

The accompanying notes are an integral part to these interim condensed consolidated financial statements.

-6-

KM Wedding Events Management, Inc.

Interim Condensed Consolidated Statement of Comprehensive Income

(in US Dollars \$ unless otherwise stated)

	For the period ended June 30, 2015 (unaudited)	For the period ended June 30, 2014 (unaudited)
Net income/(loss)	(124,905)	20,345
Other comprehensive gain/(loss)		
Foreign currency translation gain/(loss)	377	(150)
Total other comprehensive gain/(loss)	377	(150)
Attributable to:		
Equity holders of the company	220	(83)
Non-controlling interest	157	(67)
Comprehensive income/(loss)	(124,528)	20,195

The accompanying notes are an integral part to these interim condensed consolidated financial statements.

-7-

KM Wedding Events Management, Inc.

Interim Condensed Consolidated Statement of Changes in Equity

(in US Dollars \$ unless otherwise stated)

Equity attributable to equity holders of	Non -
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	Number of shares	Common stock	Additional paid-in capital	Accumulated deficit	the company	controlling interest	Total equity
Balance as at March 31, 2014	41,646,160	41,646	1,031,162	(268,403)	804,405	(53,710)	750,695
Net income / (loss) for the period [After adjusting Comprehensive Income/(Loss)]	Nil	Nil	Nil	5,040	5,040	15,155	20,195
Balance as at June 30, 2014 (unaudited)	41,646,160	41,646	1,031,162	(263,363)	809,445	(38,555)	770,890
Balance as at March 31, 2015	42,096,160	42,096	1,165,712	(228,981)	978,827	37,080	1,015,907
Net income / (loss) for the period [After adjusting Comprehensive Income/(Loss)]	Nil	Nil	Nil	(96,996)	(96,996)	(27,532)	(124,528)
Balance as at June 30, 2015 (Unaudited)	<u>42,096,160</u>	<u>42,096</u>	<u>1,165,712</u>	<u>(325,977)</u>	<u>881,831</u>	<u>9,548</u>	<u>891,379</u>

The accompanying notes are an integral part to these interim condensed consolidated financial statements.

-8-

KM Wedding Events Management, Inc.
Interim Condensed Consolidated Statement of cash flow
(in US Dollars \$ unless otherwise stated)

	For the period ended June 30, 2015 (unaudited)	For the period ended June 30, 2014 (unaudited)
Cash flows from operating activities		
Net income/(loss)	(124,905)	20,345
Adjustments to reconcile net income/(loss) to net cash provided by operating activities		
Depreciation and amortisation	7,792	6,434
Unrealized foreign exchange (gain) / loss	(5,318)	(937)
Bad debts	2,853	7,229
Amortisation of film costs	9,320	8,507
Changes in operating assets and liabilities		
(Increase) / Decrease in accounts receivable	1,504	880
(Increase) / Decrease in other current assets	29,185	12,587
(Increase) / Decrease in film costs	(27,914)	(17)
(Increase) / decrease in other non-current assets	890	(53)
Increase / (decrease) in accounts payable and accrued liabilities	52,379	25,647
Increase / (decrease) in statutory liabilities	27,358	47,474
Increase / (Decrease) in other current liabilities	24,578	(120,720)
Increase / (Decrease) in other non-current liabilities	715	617
Net cash provided by / (used in) operating activities	<u>(1,563)</u>	<u>7,993</u>
Cash flows from investing activities		
Additions to property, plant and equipment	(1,342)	(7,942)
Net cash provided by / (used in) investing activities	<u>(1,342)</u>	<u>(7,942)</u>
Cash flows from financing activities		

Proceeds from/ (repayment of) short term debts and unsecured loans from related parties, net	9,603	18,656
Proceeds from/ (repayment of) long term debts	(6,756)	(1,566)
Net cash provided by financing activities	2,847	17,090
Effect of exchange rate changes on cash	1,884	(6,984)
Net increase/(decrease) in cash and cash equivalents	(1,942)	10,157
Cash and cash equivalents at beginning of the Period	97,960	88,616
Cash and cash equivalents at end of the Period	96,018	98,773

Supplementary disclosures of cash flow information

Cash paid during the year for:

Interest paid	20,244	14,884
Income taxes paid	1,198	1,155

Non-cash items:

Allotment of common stock	—	—
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The accompanying notes are an integral part to these interim condensed consolidated financial statements.

KM Wedding Events Management, Inc.

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

1. General

KM Wedding Events Management, Inc ('the Company') was incorporated on October 24, 2012 in the state of Delaware, United States of America.

The Company is a leading service provider in the matrimonial industry and entered in to wedding event management and allied services segments including wedding catering services through its subsidiary (KM Wedding Events Management Private Limited formerly known as "KM Matrimony Private Limited", India) in Tamil Nadu, India. As at June 30, 2015, the Company maintains a 58.33% ownership interest in KM Wedding Events Management Private Limited, India. With the addition of wedding services, which focuses on the higher end of the value chain in the wedding industry, the Company is able to service the customers already using KM for the matrimonial service. The Company became one of the earliest entrants in the industry to provide an integrated wedding service in Tamil Nadu, India.

2. Significant accounting policies

a. Basis of consolidation

The company has invested \$569,000 to acquire 2,841,398 equity shares of KM Wedding Events Management Private Limited, India. Subsequent to this investment, KM Wedding Events Management Private Limited, India has become subsidiary of this company. The agreement for such acquisition was entered in the month of February 2013 and executed in the month of April 2013.

b. Form and Content of the Financial Statements

The Company maintains its books and records in accordance with generally accepted accounting policies in USA ("US GAAP"). The accompanying financial statements were derived from the Company's statutory books and records. The financial statements are presented in US Dollars (\$), the national currency of USA.

Revenue and related expenses generated from our international subsidiary is generally denominated in the currency of Indian Rupee (₹). The statements of income of our international subsidiary are translated into U.S. dollars at exchange rates indicative of market rates during each applicable period.

Subsequent events have been evaluated through August 12, 2015, the date these financial statements were issued.

The closing exchange rate as at June 30, 2015 and March 31, 2015 was Rs. 63.59 and Rs. 62.31 to 1 \$ respectively. The average exchange rate for the period ended June 30, 2015 was Rs. 63.3686 to 1 \$.

c. Management Estimates

The preparation of the financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the amounts of revenues and expenses recognized during the period. Management believes it has a reasonable and appropriate basis for its judgment pertaining to its estimates and assumptions. However, actual results could differ from those estimates.

-10-

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

d. Comprehensive Loss

The company's other comprehensive loss consists of unrealized gains/(losses) on foreign currency translation adjustments.

e. Income taxes

The company follows the provisions of FASB ASC 740-270, Income Taxes (Interim Reporting), to arrive at the effective tax rate. The effective tax rate is the best estimate of the expected annual tax rate to be applied to the taxable income for the current reporting period. Deferred tax assets and liabilities are recognized at the normal tax rate of 32.445% (including surcharge at 5% and education cess @ 3%).

3. Cash and cash equivalents

Cash and cash equivalents at June 30, 2015 and March 31, 2015 comprises the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Cash on hand	87,701	89,219
(b) Balance with banks on current accounts	8,317	8,741
Total	96,018	97,960

4. Accounts receivable

Accounts receivable at June 30, 2015 and March 31, 2015, respectively, comprises the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Customers (trade)	545,072	551,575
Total	545,072	551,575

5. Other current assets

Other current assets at June 30, 2015 and March 31, 2015, respectively, comprises the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Event advances	212,101	216,312
(b) Staff advances	39,004	39,802
(c) Loans and advances	306,197	333,562
(d) Prepaid expenses	6,159	13,638
Total	563,461	603,314

KM Wedding Events Management, Inc.

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

6. Property, plant and equipment, net

Property, plant and equipment at June 30, 2015 and March 31, 2015, respectively, comprises the following:

Particulars	Gross Carrying Value		Accumulated Depreciation		Net Carrying Value	
	June 30, 2015	March 31, 2015	June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
	(Unaudited)		(Unaudited)		(Unaudited)	
(a) Vehicles	41,270	42,118	7,306	6,502	33,964	35,616
(b) Computers & Peripherals	72,316	73,802	67,345	68,367	4,971	5,435
(c) Furniture & Fixtures	13,948	14,234	6,650	6,432	7,298	7,802
(d) Office Equipment	59,941	61,173	33,305	32,533	26,637	28,640
(e) Leasehold improvements	78,994	80,616	43,372	42,254	35,621	38,362
(f) Plant & Machinery	10,445	9,295	1,560	1,077	8,885	8,218
Total	276,914	281,238	159,538	157,165	117,376	124,073

Operating leases

The total amount of operating lease expenses is as follows:

Particulars	For the Period ended	For the Period ended
	June 30, 2015 (Unaudited)	June 30, 2014 (Unaudited)
Lease Expenses	17,722	8,755

7. Intangible assets, net

Intangible assets at June 30, 2015 and March 31, 2015 comprise the following:

Particulars	Gross Carrying Value		Accumulated Amortization		Net Carrying Value	
	June 30, 2015	March 31, 2015	June 30, 2015	March 31, 2015	June 30, 2015	March 31, 2015
	(Unaudited)		(Unaudited)		(Unaudited)	
(a) Software	52,578	53,658	32,792	31,193	19,786	22,465
Total	52,578	53,658	32,792	31,193	19,786	22,465

8. Other non-current assets

Other non-current assets at June 30, 2015 and March 31, 2015, comprises of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Rental advance	21,289	25,156
(b) Deposits	62,453	63,536
(c) Software under application development stage	11,303	9,211
Total	95,045	97,903

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

9. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities at June 30, 2015 and March 31, 2015 comprises of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Accounts payable	119,460	87,895
(b) Salary payable	29,825	24,094
(c) Current portion of provision for gratuity	1,771	1,701
(d) General and administrative expenses payable	76,901	76,397
Total	227,957	190,087

10. Statutory liabilities

Income tax and other statutory liabilities at June 30, 2015 and March 31, 2015 comprises of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Service tax	179,134	156,573
(b) Provident fund	18,914	25,192
(c) Employees state insurance	6,976	6,291
(d) Professional tax	5,513	5,554
(e) Tax deducted at source	38,351	31,350
(f) Income tax (net of advance tax)	21,119	22,771
Total	270,007	247,731

11. Short-term loans & current portion of long-term debt

Short term loans and borrowings as a June 30, 2015 and March 31, 2015 comprise of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Bank overdraft ¹	162,627	172,122
(b) Secured loan	192	196
(c) Unsecured loan	28,727	23,469
(d) Current portion of long-term debt	23,113	22,056
Total	214,659	217,843

¹ The bank overdraft facility as at June 30, 2015 is secured by way of hypothecation of trade receivables, current assets and fixed assets of the company except vehicles financed by other banks / financial institutions.

KM Wedding Events Management, Inc.

Notes to Interim Condensed Consolidated financial statements

(in US Dollars \$ unless otherwise stated)

12. Long-term debt

Long-term debt as at June 30, 2015 and March 31, 2015 comprises of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Secured loans ¹	269,708	279,161
(b) Vehicle loans ²	20,981	22,838
	290,689	301,999
(d) Current portion of long-term debt	(23,113)	(22,056)
Total	267,576	279,943

¹ During the last quarter ended March 31, 2015, the company, its directors and relatives of directors have availed a term loan on a joint and several liability basis from ICICI Bank for an amount of \$ 715,521.31. The company's liability has been initially recognized in the financial statements at \$ 275,989. under secured loans. The personal property of the directors has been provided as security for availing the said loan. The loan is repayable in 120 equated monthly instalments and carries interest at the base rate plus a margin of 1.75%. The loan arrangement has been approved by the Board of Directors, vide Board resolution dated January 12, 2015 and a Memorandum of Understanding has been entered into between the company and its co-obligors. The total outstanding amount as at June 30, 2015 & March 31, 2015 towards this debt arrangement is \$ 699,236 & \$ 723,745.89. The carrying amount of the company's liability as at June 30, 2015 & March 31, 2015 is \$ 269,708 & \$ 279,161.38.

² The interest rates of these vehicle loans range from 11 % to 16 %. These loans are repayable in monthly instalments ranging from 36 months to 60 months. These loans are secured against the respective assets.

The scheduled aggregate maturity of long-term debt outstanding at June 30, 2015 is as follows:

Particulars	Aa at June 30, 2015 (Unaudited)
2016	17,079
2017	25,256
2018	26,161
2019	27,720
2020	26,113
Thereafter	168,360
Total long term debt	290,689

13. Other current liabilities

Other current liabilities at June 30, 2015 and March 31, 2015 comprise of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Unearned revenues (i.e. billings in excess of revenue)	108,357	95,538
(b) Advances received	54,097	45,258
Total	162,454	140,796

KM Wedding Events Management, Inc.

Notes to Interim Condensed Consolidated financial statements

(in US Dollars \$ unless otherwise stated)

14. Other non-current liabilities

Other non-current liabilities at June 30, 2015 and March 31, 2015 comprise of the following:

Particulars	As at	As at
	June 30, 2015 (Unaudited)	March 31, 2015
(a) Trade Deposits	5,788	5,856
(b) Provision for gratuity	14,955	14,556
Total	20,693	20,412

15. Common Stock

The company has only one class of equity shares having par value of \$ 0.001 per share. Each holder of equity shares is entitled to one vote per share. The authorised Equity share capital (number of shares) of the company is 300,000,000 shares as at June 30, 2015 & March 31, 2015. The issued, subscribed and paid-up equity share capital (number of shares) of the company is 42,096,160 shares as at June 30, 2015 & March 31, 2015.

The shares issued are as follows:

- (i) 33,000,000 number of shares at par value of \$ 0.001 per share are issued for consideration other than cash.
- (ii) 4,596,160 number of shares are issued at a price of \$ 0.05 per share
- (iii) 4,050,000 number of shares are issued at a price of \$ 0.20 per share
- (iv) 200,000 number of shares are issued at a price of \$ 0.30 per share
- (v) 250,000 number of shares are issued at a price of \$ 0.30 per share for consideration other than cash

The shares are issued at a price mutually agreed by the shareholders pursuant to an agreement entered with them.

The Shareholders who have subscribed 4,050,000 numbers of shares at the rate of \$0.20 per share have an option to purchase a warrant for every two shares held which entitles the holder to purchase an additional share at the rate of \$0.40 per share for the period of two years from the date of issuance.

Preferred Stock

The authorised Preference share capital (number of shares) of the company is 10,000,000 shares having a par value of \$ 0.001 per share as at June 30, 2015. The issued, subscribed and paid-up Preference share capital is Nil as at June 30, 2015.

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements

(in US Dollars \$ unless otherwise stated)

16. Matrimonial service income

Particulars

For the three months ended June 30

	2015	2014
	(Unaudited)	
(a) Profile Registration and Event Incomes	127,901	217,046
(b) Sponsorship Income and advertisement Income	5,129	29,829
(c) Sale of space or time slot - Television series	21,541	22,827
(f) Sale of products (magazines)	-	2,102
Total	154,571	271,804

17. Matrimonial service expenses

Particulars	For the three months ended June 30,	
	2015	2014
	(Unaudited)	
(a) Event expenses	41,525	28,232
(b) Production and telecast expenses - Television series	21,051	27,709
(c) Publication expenses	9,909	19,663
(d) ARC commission	4,036	4,852
(e) Amortization of film cost	9,320	8,507
Total	85,841	88,963

18. General and administrative expenses

Particulars	For the three months ended June 30,	
	2015	2014
	(Unaudited)	
(a) Lease expenses	18,019	9,052
(b) Repairs & Maintenance	3,899	6,614
(c) Insurance	179	523
(d) Electricity charges	3,198	3,059
(e) Audit fees	2,170	2,299
(f) Filing Charges	300	9,328
(g) Bank charges	3,156	2,706
(h) Bad debts	2,853	7,229
(j) Travelling and conveyance	706	9,552
(k) Professional charges	17,500	9,994
(l) Printing & Stationery	1,141	1,387
(m) Telephone, Courier & Postage	4,468	6,616
(n) Security charges	1,030	1,104
(o) Business promotion expenses	38,828	15,139
(r) Others	2,662	2,119
Total	100,109	86,721

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

19. Earnings / (loss) per share (EPS)

Particulars	For the three months ended June 30,	
	2015	2014
	(Unaudited)	
(a) Net income / (loss)	(97,216)	5,123
(b) Weighted average number of equity shares outstanding shares	42,096,160	41,646,160
Earnings / (loss) per share - basic and diluted	(0.0023)	0.0001

20. Related party disclosures

(a) Names of related party and relationship

(i) Key Management Personnel ("KMP")

(a) Mr. T V Mohan - Chairman and Director

(b) Ms. Meera Nagarajan - President, CEO and Managing Director

(c) Mr. Vijaya Bhaskar Venkatesan- CFO, Director, Treasurer and Director of Technologies

(ii) Relatives of KMP

(a) Mr. Sridhar Kalyanasundaram

(b) Transactions with related parties

Transactions during the year ending June 30:

Particulars	KMP and Relative of KMP	
	2015 (unaudited)	2014 (unaudited)
Transactions		
Advances given for business purposes	21,412	104,550
Settlement of advances given for business purposes	41,872	53,993
Repayment of unsecured loans	-	2,893
Closing balances		
Advances given for business purposes (debit balance)	134,801	121,188
Unsecured loans received (credit balance) ⁵	239,393	288,789

⁵ Unsecured loans from related parties are repayable on demand.

-17-

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements

(in US Dollars \$ unless otherwise stated)

21. Goodwill

Particulars	
Goodwill ¹	679,948
Add: Adjustment in additional acquisition and translation reserves	8,057
Balance as of June 30, 2015	688,005

¹ Goodwill arises in the process of acquiring KM Wedding Events Management Private Limited, India. In April 2013, the Company acquired 55.32% interest of KM Wedding Events Management Private Limited, India (formerly known as "KM Matrimony Private Limited", India). As of June 30, 2015, 58.33% of the shares of KM Wedding Events Management Private Limited are being held by the Company. This acquisition has been accounted as a business combination.

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired in a business combination. It is assigned to reporting units as of the acquisition date. As per ASC 805-20-55-6, the value of an acquired intangible asset which are not identifiable as of the acquisition date is subsumed into Goodwill. The assets and liabilities are acquired at book value as there is no significant deviation from fair value. There are no related contingent consideration arised.

Impairment of Goodwill will be tested on annual basis at the end of the year.

22. Employee benefits

Defined Benefit Plan

The liability recognized in the balance sheets as of June 30 is as follows. The obligations are unfunded as on the dates of balance sheets.

Particulars	As at	
	June 30, 2015 (unaudited)	March 31, 2015
(a) Gratuity liability recognized in the balance sheet	16,726	16,257
Weighted average assumptions used to determine net gratuity cost and benefit obligations:		
Particulars	For the three months ended June 30,	
	2015 (Unaudited)	2014 (Unaudited)
(a) Discount rate	7.80% p.a.	8.50% p.a.
(b) Long-term rate of compensation increase	7.50% p.a.	10.00% p.a.
(c) Rate of return on plan assets	N.A.	N.A.

23. Going concern

The financial statements have been prepared on the basis that the Company is a going concern and, therefore, no adjustments are required to be made to the carrying amount of assets and liabilities.

-18-

KM Wedding Events Management, Inc

Notes to Interim Condensed Consolidated financial statements
(in US Dollars \$ unless otherwise stated)

24. Film costs

The amount of unamortised film costs disclosed in the balance sheet pertains to completed and not released films with respect to the television series. The entire amount of unamortised film costs is expected to be amortised during the next one year.

25. Commitments and contingencies

Service tax and other statutory dues

Penalties, if any, on account of delay in payment of service tax and other statutory dues are unascertainable.

27. Previous period figures

Figures of previous periods have been regrouped / rearranged, wherever required to confirm to the current period presentation.

-19-

OPERATIONS

THE FOLLOWING DISCUSSION AND ANALYSIS SHOULD BE READ TOGETHER WITH THE CONSOLIDATED FINANCIAL STATEMENTS OF KM WEDDING EVENTS MANAGEMENT, INC. AND THE NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Overview of Our Business

We have been involved in the wedding services industry in South India since 2004. “KM” is our brand, which is a short form for ‘KalyanaMalai’ meaning ‘Wedding Garland’ in South Indian language. Our services include Matrimonial (Matchmaking) Services (“Matrimonial Services”) and Wedding Services.

Matrimonial Services include matchmaking and partner identification, through multiple delivery channels via print and visual media, website, physical centers and events. Our Matrimonial Services covers 15 different services, including food and beverages, guest services, decorations, event planning and event management. In order to increase the Wedding Services business, we started leasing wedding halls (physical infrastructures where a wedding is conducted, similar to banquet halls of hotels). The first wedding hall has already commenced operations.

In India, we currently focus on the geographic locations of Tamil Nadu and Andhra Pradesh (two of the Southern States in India). We believe that we are well positioned to utilize the potential of the Wedding Services market because of our early presence in this market since 2004. We have conducted promotional events across the U.S. to capture the market potential. We are continuing our efforts to expand our presence in the US. Our target customers include the Indian high-income group, higher middle-income group, and other affluent individuals both in the U.S. and India. This segment, being upwardly mobile and comfort and service focused, is the right target group for our business strategy.

We, through our subsidiary KM India, have been servicing the Indian Diaspora in the U.S. through our website since 2004 which was followed up by Community Meets (events focused on bringing together individuals who are seeking a life partner and who share similar backgrounds (e.g., profession, socio-economic background, religion, etc.) conducted during the fiscal year 2011 in 5 cities (New York City, South Windsor (Connecticut), Boston, Houston and San Antonio) which was attended by approximately 1,200 prospective matrimonial customers. In October 2013, we also filmed for SUN TV across 6 different US cities (New York, South Windsor Connecticut), New Brunswick, San Jose, Dallas and Houston), which was attended by over 5,400 South Indian community members.

Based on the experience gained from the above activities, we believe that there is a demand and need in the Indian Diaspora in the U.S. for our Matrimonial and Wedding Services. We believe a customized and focused approach is required to market to this segment. The current plan for exploring this business opportunity includes setting up offices in the U.S. (fiscal 2015), growing Wedding Services for weddings to be conducted in India by Indians in the U.S. launching a customized website for Matrimonial Services in the U.S. market (fiscal 2015) and providing Wedding Services for conducting weddings locally in the U.S. (fiscal 2016-17).

Comparison of Three Months Ended June 30, 2015 and Three Months Ended June 30, 2014

Results of Operations

Our financial performance for the three months ended June 30, 2015 compared to the three months ended June 30, 2014 are discussed and analyzed below. For the purpose of comparison, conversion of Indian Rupees to USD is done based on the average exchange rate for the period for Income and Expenditure items and at the closing exchange rate for Balance Sheet items. The financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

For the three months ended June 30, 2015, the Company generated revenue of \$215,555 compared to \$396,350 for the corresponding period in the previous year.

In terms of revenue mix 72% of the revenues were generated from Matrimonial Services (69% for the corresponding three month period in the previous year); 22% from the Wedding Services (31% for the corresponding three month period in the previous year) and 6% of the revenues were generated from sale of rights (Nil for the corresponding three month period in the previous year).

During the three month period ended June 30, 2015, the Company incurred \$325,579 of operating expenses compared to \$361,992 for the corresponding three month period in the previous year, which included:

- Matrimonial Service expenses of \$85,841 compared to \$88,963 for the corresponding three month period in the previous year, which represents 56% of matrimonial revenues.
- Wedding Service expense of \$34,291 (\$97,520 for the corresponding three month period in the previous year) which represents 73% of wedding services revenues compared to 78 % for the corresponding three month period in the previous year.
- General and Administrative expense of \$100,109 (\$86,721 for the corresponding three month period in the previous year) which represents 46% of revenues compared to 22% for the corresponding three month period in the previous year. The increase in expenses is primarily owing to investment in the US markets.
- Personnel expenses of \$97,546 (\$ 82,354 for the corresponding three month period in the previous year) representing 45% of revenues compared to 21% of revenues in the corresponding three month period in the previous year; and
- Depreciation and Amortization expenses of \$7,792 (\$6,434 for the corresponding three month period in the previous year).

For the three months ended June 30, 2015, the Company had operating loss of \$110,024 compared to income of \$34,358 for the corresponding period in the previous year. In addition, for the three month ended June 30, 2015, the Company had a net loss of \$124,905 compared to income of \$20,345 for the corresponding three month period in the previous year).

Liquidity and Capital Resources

Overview

At June 30, 2015, the Company had cash equivalents of \$96,018 and accumulated deficit of \$325,977. At June 30, 2015, the Company had a positive working capital (including current portion of long-term debt) of \$224,882 compared to positive working capital of \$370,459 at March 31, 2015, resulting from:

- Accounts Receivable of \$545,072 at June 30, 2015 compared to \$551,575 at March 31, 2015, which represents a 1% decrease;
- Account Payable and accrued liabilities relating to accrued interest expense, unpaid professional fees, and unpaid general expenditures of \$227,957 at June 30, 2015 compared to \$190,087 at March 31, 2015, representing 20% increase;
- Statutory liabilities of \$270,007 at June 30, 2015 compared to \$247,731 at March 31, 2015, representing 9% increase;
- Short-term loans and current portion in long-term debt of \$214,659 at June 30, 2015 compared to \$217,843 at March 31, 2015, representing a decrease of 1%;

- Unsecured loans of \$104,592 at June 30, 2015 compared to \$85,933 at March 31, 2015, representing a 22% increase;
- Other current liabilities of \$162,454 at June 30, 2015 compared to \$140,796 at March 31, 2015, representing a 15% increase; and
- Non-current liabilities of \$288,269 at June 30, 2015 compared to \$300,355 at March 31, 2015, representing a reduction of 4%.

Cash flows from Operating Activities

During the three month period ended June 30, 2015, net cash used in operating activities was \$1,563 compared to net cash provided by operations \$ 7,993 during the corresponding period in the previous year.

Cash flows from Investing Activities

During the three month period ended June 30, 2015, net cash used in investing activities was \$1,342 compared to \$7,942 cash used for the corresponding period in the previous year.

Cash flows from Financing Activities

During the three month period ended June 30, 2015, net cash provided by financing activities was \$2,847 compared to \$17,090 provided by financing activities for the corresponding period in the previous year.

Future Capital Needs

At June 30, 2015, our working capital surplus was \$224,882. We had \$96,018 in cash and cash equivalents. We have evaluated our expected cash requirements over the next twelve months, and have determined that our existing cash resources are not sufficient to meet our anticipated needs during the next twelve months, and that additional financing is required to support current operations. In addition, we anticipate that further additional financing may be required to fund our business plan subsequent to that date, until such time as revenues and related cash flows become sufficient to support our operating costs.

The successful implementation of our business plan is dependent upon us receiving sufficient funds from the sale of securities and/or additional funding from management, the issuance of equity or debt, or through obtaining a credit facility. In addition, substantial expenditures will be required to enable us to expand and scale up our operations and quality of services. We will require additional financing from issuance of equity or debt, or through obtaining a credit facility, to execute our plan of operations. Our established bank-financing arrangements will not be adequate. Although management believes that the additional required funding will be obtained through the sale of securities, there is no guarantee we will be able to obtain the additional required funds in the future or that funds will be available on terms acceptable to us, if at all. If such funds are not available, management will be required to curtail its investments in additional sales and marketing and product development resources, and capital expenditures, which may have a material adverse effect on our future cash flows and results of operations, and its ability to continue operating as a going concern.

Brief Disclosure of Long Term Contractual Obligations

As at June 30, 2015, the Company has long term debts in the form of secured loans amounting to \$290,689 and repayable as under:

Less Than One Year	\$17,079
One to Three Years	\$79,137
More than Three Years	\$194,473

Recent Accounting Pronouncements

As of June 30, 2015, there are no other recently issued accounting standards not yet adopted that would have a material effect on the Company's consolidated financial statements.

Off-Balance Sheet Arrangements

We do not have any off-balance arrangements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The SEC defines the term "disclosure controls and procedures" to mean a company's controls and other procedures that are designed to ensure that information required to be disclosed in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC's rules and forms. "Disclosure controls and procedures" include, without limitation, controls and procedures designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits under the Exchange Act is accumulated and communicated to the issuer's management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Our disclosure controls and procedures are designed to provide reasonable assurance that such information is accumulated and communicated to our management. Our management (with the participation of our Chief Executive Officer and Chief Financial Officer) has conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act). Based on such evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report.

Changes in Internal Controls over Financial Reporting

During the quarter ended June 30, 2015, there were no material changes in our internal control over financial reporting identified in connection with the evaluation performed during the period covered by this report that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we have disputes that arise in the ordinary course of business. Currently, there are no material legal proceedings to which we are a party, or to which any of our property is subject.

ITEM 1A. RISK FACTORS

Not applicable.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On January 6, 2015, as consideration for consulting services provided by a consultant, the Company issued 25,000 shares of our Common Stock which had a fair market value of \$7,500. The shares were issued pursuant to

Section 4(2) of the Securities Act, as they were transactions by an issuer not involving a public offering, no underwriters were used and no commissions were paid.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable

ITEM 5. OTHER INFORMATION

None

ITEM 6. EXHIBITS

The following exhibits are filed as part of this Report

Exhibit No.	Description
31.1	Certification of Principal Executive Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Principal Financial Officer filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. *
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. *
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101.INS	XBRL Instance Document*
101.SCH	XBRL Taxonomy Extension Schema*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase*
101.DEF	XBRL Taxonomy Extension Definition Linkbase*
101.LAB	XBRL Taxonomy Extension Label Linkbase*
101.FRE	XBRL Taxonomy Extension Presentation Linkbase*

* Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KM WEDDING EVENTS MANAGEMENT, INC.

Date: August 14, 2015

By: /s/ Meera Nagarajan

Meera Nagarajan, Chief Executive Officer

