

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: December 31, 2014

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

Non-accelerated filer

(Do not check if a smaller reporting company)

Accelerated filer

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 January 9, 2015 was 41,871,160 shares of common stock outstanding.

KM WEDDING EVENTS MANAGEMENT, INC.

FORM 10-Q
For the Quarterly Period Ended December 31, 2014

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KM WEDDING EVENTS MANAGEMENT, INC.
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PART I - FINANCIAL INFORMATION

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, 2014 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.

ITEM 1.

FINANCIAL STATEMENTS

KM Wedding Events Management, Inc.

Interim Condensed Consolidated Balance Sheet at December 31, 2014

(in US Dollars \$ unless otherwise stated)

	At December 31, 2014	At March 31, 2014
	Not	(unaudited)
ASSETS		
Current assets:		
Cash and cash equivalents	3 84,243	88,616
Accounts receivable	4 461,056	278,857
Other current assets	5 480,902	507,830
Total current assets	1,026,201	875,303
Non-current assets:		
Long Term Investments	6 -	135,000
Property, plant and equipment, net	7 118,513	133,616
Intangible assets, net	8 24,402	1,173
Goodwill	21 684,441	687,139
Film costs	24 17,254	19,566
Other non-current assets	9 35,048	64,123
Total non-current assets	879,658	1,040,617
Total assets	1,905,859	1,915,920
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued liabilities	10 168,315	121,324
Income tax and other statutory liabilities	11 229,681	135,485
Short-term loans & current portion of long term debt	12 168,376	357,024
Unsecured loans from related parties, net of advances	65,527	221,040
Other current liabilities	13 232,711	258,399
Total current liabilities	864,610	1,093,272
Non-current liabilities:		
Long-term debt	12 49,923	20,865
Deferred tax liabilities	393	32,275
Other non-current liabilities	14 19,336	18,813
Total non-current liabilities	69,652	71,953
Equity:		
Common stock par value \$ 0.001 (shares outstanding: 42,071,160 and 41,646,160 as of December 31, 2014 and March 31, 2014, respectively)	15 42,071	41,646
Additional paid-in-Capital	1,158,237	1,031,162
Accumulated deficit	(247,584)	(268,403)
Equity Attributable to equity holders of the Company	952,724	804,405
Non-Controlling Interest	18,873	(53,710)
Total equity	971,597	750,695
Total liabilities and equity	1,905,859	1,915,920

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

KM Wedding Events Management, Inc.

Interim Condensed Consolidated Statement of Income

(in US Dollars \$ unless otherwise stated)

Notes	For the three months ended 31-Dec-14	For the three months ended 31-Dec-13	For the nine months ended 31-Dec-14	For the nine months ended 31-Dec-13	
	(unaudited)	(unaudited)	(unaudited)	(unaudited)	
Revenues					
Matrimonial service income	16	450,929	277,256	1,053,819	764,339
Wedding catering service income		177,086	98,840	389,364	218,709
Total		628,015	376,096	1,443,183	983,048
Costs and expenses					
Matrimonial service expenses	17	109,496	129,369	291,662	333,415
Wedding catering service expenses		143,610	82,897	315,763	183,480
Personnel costs		98,974	92,044	264,188	244,750
General and administrative expenses	18	172,953	76,831	410,716	275,635
Depreciation and amortization		8,654	10,290	22,281	26,404
Total		533,687	391,431	1,304,610	1,063,684
Operating Income / (loss)		94,328	(15,335)	138,573	(80,636)
Other income / (expenses)					
Loss on sale of Property Plant & Equipment		-	-	-	-
Unrealized foreign exchange gain / (loss)		6,466	-	13,616	-
Miscellaneous income		(275)	-	-	-
Interest Income		(151)	3,450	7,802	9,266
Finance charges		(13,385)	(10,470)	(45,943)	(29,278)
Total other income / (expenses), net		(7,345)	(7,020)	(24,525)	(20,012)
Income / (loss) before income tax expense		86,983	(22,355)	114,048	(100,648)
Income taxes					
Current tax		(25,965)	-	(25,965)	-
Deferred tax (expense) / benefit		31,464	-	31,464	-
Prior Period Taxes		(19,545)	(85)	(19,545)	(1,983)
Net income / (loss)		72,937	(22,440)	100,002	(102,631)
Attributable to:					
Equity holders of the Company		50,281	(44,638)	24,449	(84,710)
Non-controlling interest		22,656	22,198	75,553	(17,921)
Net income / (loss)		72,937	(22,440)	100,002	(102,631)

Earnings / (loss) per share - basic and diluted	19	0.0012	(0.0011)	0.0006	(0.0021)
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The accompanying notes are an integral part to these interim condensed financial statements.

**KM Wedding Events Management,
Inc.**

Interim Condensed Consolidated Statement of Comprehensive Income

(in US Dollars \$ unless otherwise stated)

	For the three months ended 31-Dec-14	For the three months ended 31-Dec-13	For the nine months ended 31-Dec-14	For the nine months ended 31-Dec-13
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Net Profit	72,937	(22,440)	100,002	(102,631)
Other Comprehensive Loss				
Foreign Currency Translation Profit/(Loss)	(4,210)	-	(6,600)	-
Total Other Comprehensive Loss	(4,210)	-	(6,600)	-
Attributable to:				
Equity holders of the Company	(2,455)	-	(3,630)	-
Non-controlling interest	(1,755)	-	(2,970)	-
Comprehensive Income/(loss)	68,727	(22,440)	93,402	(102,631)

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

KM Wedding Events Management, Inc.

Condensed Consolidated Statement of Changes in Equity (Unaudited)

(in US Dollars \$ unless otherwise stated)

	Number of shares	Common stock	Additional Paid-in-capital	Accumulated deficit	Equity Attributable to equity holders of the Company	Non - controlling interest	Total Equity
At March 31, 2013	39,246,160	39,246	553,562	(268,635)	324,173	(602,566)	(278,393)
Fresh issue of equity shares#	2,400,000	2,400	477,600	Nil	480,000	Nil	480,000
Adjustment in Non-controlling interest	Nil	Nil	Nil	Nil	Nil	943,626	943,626
Net income / (loss) for the period	Nil	Nil	Nil	(57,860)	(57,860)	(490,922)	(548,782)
At December 31, 2013	41,646,160	41,646	1,031,162	(326,495)	746,313	(149,862)	596,451
# 2,400,000 no of equity shares of par value USD 0.001 are issued at USD 0.20 per share. Also refer note 15 "Common stock"							
At March 31, 2014	41,646,160	41,646	1,031,162	(268,403)	804,405	(53,710)	750,695
Fresh issue of equity shares*	425,000	425	127,075	(Nil)	127,500	Nil	127,500
Net income / (loss) for the period	Nil	Nil	Nil	20,819	20,819	72,583	93,402
At December 31, 2014	42,071,160	42,071	1,158,237	(247,584)	952,724	18,873	971,597

* 425,000 no of equity shares of par value USD 0.001 are issued at USD 0.30 per share. Also refer note 15 "Common stock"

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

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

	For the nine months ended	
	31-Dec-14	31-Dec-13
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Net income / (loss)	100,002	(102,631)
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	22,281	26,404
Deferred tax expense / (benefit)	31,464	-
Unrealized foreign exchange (gain) / loss	(13,616)	-
Bad debts	47,432	37,342
Amortization of film costs	37,222	527
Changes in operating assets and liabilities		
(Increase) / decrease in Long term Investments	-	-
(Increase) / decrease in accounts receivables	(216,015)	(13,704)
(Increase) in other current assets	26,928	(253,906)
(Increase) / Decrease in film costs	(34,910)	(27,859)
(Increase) in other non-current assets	29,075	(10,259)
Increase in accounts payable	46,991	(33,305)
Increase in income tax and other statutory liabilities	94,196	(16,989)
Increase / (decrease) in other current liabilities	(181,201)	233,050
Increase / (decrease) in other non-current liabilities	523	(582)
Net cash provided by (used in) operating activities	(9,628)	(161,912)
Cash flows from investing activities		
Additions to property, plant and equipment	(9,689)	(39,728)
Investments in long-term investments	135,000	(130,814)
Proceeds from disposal of property, plant and equipment	-	-
Advance given for Investment	(60,000)	(1,280)
Acquisition of additional stake in subsidiary	-	(229,000)
Net cash provided by (used in) investing activities	65,311	(400,822)
Cash flows from financing activities		
Proceeds from short term debts	(188,648)	(170,258)
Proceeds from issue of Equity Shares	127,500	480,000
Proceeds from / (repayment of) long term debts	29,058	(49,453)
Net cash provided by (used in) financing activities	(32,090)	260,289
Effect of exchange rate changes on cash	(27,966)	(9,297)
Net increase in cash and cash equivalents	(4,373)	(311,742)
Cash and cash equivalents, beginning of period	88,616	374,598
Cash and cash equivalents, end of period	84,243	62,856
Supplementary disclosures of cash flow information		
Cash paid during the year for:		
Interest paid	45,943	18,808
Income taxes paid	16,956	1,156
Non-cash items:		
Allotment of common stock	-	-

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

KM Wedding Events Management, Inc.

Notes to Interim Condensed Consolidated Financial Statements
(in US Dollars \$ ("USD") 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 recently 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 of December 31, 2014, the Company maintains a 58.32% 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 USD 509,000 to acquire 2,513,144 no of 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 subsidiaries are generally denominated in the currency of Indian Rupee. The statements of income of our international operations are translated into U.S. dollars at exchange rates indicative of market rates during each applicable period.

Subsequent events have been evaluated through February 23, 2015, the date these financial statements are available to be issued.

The closing exchange rate as of December 31, 2014 and March 31, 2014 was 63.04 and 60 Indian Rupees to one US dollar, respectively. The average exchange rates for the nine months ended December 31, 2014 was 60.7596.

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.

d. Comprehensive Loss

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

3. Cash and cash equivalents

Cash and cash equivalents at December 31, 2014 comprises the following:

Particulars	For the nine Months ended	For the year ended
	31 December, 2014 (Unaudited)	31 March, 2014
(a) Cash on hand	69,279	80,046
(b) Balance with banks on current accounts	14,964	8,570
Total	84,243	88,616

4. Accounts receivable

Accounts receivable at December 31, 2014 and March 31, 2014, respectively, comprises the following:

Particulars	For the Nine Months Ended	For the Year Ended
	31 December, 2014 (Unaudited)	31 March, 2014
(a) Customers (trade)	461,056	278,857
Total	461,056	278,857

5. Other current assets

Other current assets at December 31, 2014 and March 31, 2014, respectively, comprises the following:

Particulars	31 December, 2014 (Unaudited)	31 March, 2014
	(a) Event advances	172,040
(b) Staff advances	33,832	33,624
(c) Advance tax (net of provision for income tax)	(16,343)	10,728
(d) Loans and advances	277,044	329,000
(e) Interest accrued on Bank deposits	-	10,605
(f) Prepaid expenses	14,329	1,450
Total	480,902	507,830

6. Long term investments

Long-term investments at December 31, 2014 and March 31, 2014, respectively, comprise the following:

Particulars	31 December, 2014 (Unaudited)	31 March, 2014
	(a) Bank deposits ¹	-
Total	-	135,000

¹ These bank deposits are for a term of 555 days and earn interest at the rate of 9.10%. These bank deposits are held under lien against short term borrowings from bank.

7. Property, plant and equipment, net

Property, plant and equipment at December 31, 2014 and March 31, 2014, respectively, comprises the following:

Particulars	Gross Carrying Value		Accumulated Depreciation		Net Carrying Value	
	31 Dec, 2014 (Unaudited)	31 March, 2014	31 Dec, 2014 (Unaudited)	31 March, 2014	31 Dec, 2014 (Unaudited)	31 March, 2014
(a) Vehicles	41,630	43,740	5,524	2,776	36,106	40,964
(b) Computers & Peripherals	72,495	75,330	67,229	69,414	5,266	5,916
(c) Furniture & Fixtures	13,398	13,675	5,998	5,238	7,400	8,437
(d) Office Equipment	57,420	57,109	30,435	25,625	26,985	31,484
(e) Leasehold improvements	78,422	82,395	39,837	35,580	38,585	46,815
(f) Plant & Machinery	5,443	-	1,272	-	4,171	-
Total	268,808	272,249	150,295	138,633	118,513	133,616

Leased property, plant and equipment, net

The following is the analysis of property, plant and equipment under capital leases as of December 31, 2014 and March 31, 2014, respectively, included within property, plant and equipment, net:

Particulars	31 December, 2014 (Unaudited)	31 March, 2014
Vehicles	41,630	43,740
Less: accumulated depreciation	(5,524)	(2,776)
Net book value of leased assets	36,106	40,964

Operating leases

The total amount of operating lease expenses at December 31, 2014 and March 31, 2014, respectively, are as follows:

Particulars	31 December, 2014 (Unaudited)	31 December, 2013 (Unaudited)
Lease Expenses	28,157	22,766

8. Intangible assets, net

Intangible assets at December 31, 2014 and March 31, 2014, respectively, comprises the following:

Particulars	Gross Carrying Value		Accumulated Amortization		Net Carrying Value	
	31 Dec, 2014 (Unaudited)	31 March, 2014	31 Dec, 2014 (Unaudited)	31 March, 2014	31 Dec, 2014 (Unaudited)	31 March, 2014
(a) Software	53,037	27,974	28,635	26,801	24,402	1,173
Total	53,037	27,974	28,635	26,801	24,402	1,173

9. Other non-current assets

Other non-current assets at December 31, 2014 and March 31, 2014, respectively, comprises of the following:

Particulars	
(a)	Rental advance
(b)	Deposits
(c)	Software under application development stage
Total	

10. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities at December 31, 2014 and March 31, 2014, respectively, comprise of the following:

	Particulars	31 December, 2014 (Unaudited)	31 March, 2014
(a)	Accounts payable	73,878	42,145
(b)	Salary payable	31,614	27,624
(c)	Current portion of provision for gratuity	1,135	1,135
(d)	General and administrative expenses payable	61,688	50,420
Total		168,315	121,324

11. Income tax and other statutory liabilities

Income tax and other statutory liabilities at December 31, 2014 and March 31, 2014, respectively, comprises of the following:

	Particulars	31 December, 2014 (Unaudited)	31 March, 2014
(a)	Service tax	143,509	75
(b)	Provident fund	43,700	24
(c)	Employees state insurance	6,447	3
(d)	Professional tax	3,622	3
(e)	Tax deducted at source	32,403	27
Total		229,681	135

12. Short term borrowings and long term debt

Short term loans and borrowings at December 31, 2014 and March 31, 2014, respectively comprises of the following:

Particulars	31 December, 2014 (Unaudited)	31 March 2014
(a) Bank overdraft ²	162,124	218,124
(b) Loan against Bank deposit	-	129,000
(c) Secured loans ³	-	-
(d) Current portion of long-term debt	6,252	8,998
Total	168,376	357,122

² The bank overdraft facility 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.

³ The secured loan is secured by way of hypothecation / first charge on the cumulative inventory book debt and all current assets of the Company. The interest rate is 12.85 % and repayable in six months with moratorium period of two months.

Particulars	31 December, 2014 (Unaudited)	31 March, 2014
(a) Secured loans ⁴	496	3,233
(b) Capital lease obligations	23,953	26,630
(c) Unsecured Loan	31,726	-
	56,175	29,863
(d) Current portion of long-term debt	(6,252)	(8,998)
Total	49,923	20,865

⁴ The interest rates of the long-term loans range from 11.50 % to 12.50 %. These loans are repayable in monthly installments 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 December 31, 2014 is as follows:

Particulars	At December 31, 2014 (Unaudited)
2015	33,601
2016	5,937
2017	6,763
2018	5,416
2019	4,458
Total long term debt	56,175

13. Other current liabilities

Other current liabilities at December 31, 2014 and March 31, 2014, respectively, comprises of the following:

Particulars		31 December, 2014 (Unaudited)	31 March, 2014
(a)	Unearned revenues (i.e. billings in excess of revenue)	155,617	258,399
(b)	Advances received	77,094	-
Total		232,711	258,399

14. Other non-current liabilities

Other non-current liabilities at December 31, 2014 and March 31, 2014, respectively, comprises of the following:

Particulars	31 December, 2014		31 March, 2014
	(Unaudited)		
(a) Trade Deposits		5,788	6,082
(b) Provision for gratuity		13,548	12,731
Total		19,336	18,813

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 authorized Equity share capital (number of shares) of the Company is 300,000,000 shares as of December 31, 2014 and March 31, 2014. The issued, subscribed and paid-up Equity share capital (number of shares) of the Company is 42,071,160 shares as of December 31, 2014 and 41,646,160 shares as of March 31, 2014.

The shares issued are as follows:

- (i) 4,596,160 number of shares are issued at a price of \$ 0.05 per share
- (ii) 4,050,000 number of shares are issued at a price of \$ 0.20 per share
- (iii) 33,000,000 number of shares at par value of \$ 0.001 per share are issued for consideration other than cash.
- (iv) 425,000 number of shares are issued at a price of \$ 0.30 per share

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 number 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 authorized Preference share capital (number of shares) of the Company is 10,000,000 shares having a par value of \$ 0.001 per share as of December 31, 2014. The issued, subscribed and paid-up Preference share capital is Nil as of December 31, 2014.

16. Matrimonial service income

Particulars	For the three months ended		For the nine months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(a) Profile Registration and Event Incomes	148,343	200,962	536,251	555,539
(b) Sponsorship Income and advertisement Income	85,525	43,711	161,695	103,634
(c) Sale of space or time slot - Television series	22,053	20,828	67,397	61,240
(d) Franchisee License	90,000	-	90,000	-
(e) Sale of television rights	105,008	9,391	196,384	37,391
(f) Sale of products (magazines)	-	2,364	2,092	6,535
Total	450,929	277,256	1,053,819	764,339

17. Matrimonial service expenses

Particulars	For the three months ended		For the nine months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	(Unaudited)		(Unaudited)	
(a) Event expenses	43,191	24,910	114,352	94,766
Production and telecast expenses - Television				
(b) series	25,392	74,746	80,689	155,093
(c) Publication expenses	16,149	24,044	44,848	66,109
(d) Franchisee commission	5,091	5,647	14,551	16,920
(e) Amortization of film cost	19,673	22	37,222	527
Total	109,496	129,369	291,662	333,415

18. General and administrative expenses

Particulars	For the three months ended		For the nine months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	(Unaudited)		(Unaudited)	
(a) Lease expenses	9,460	8,185	28,157	22,766
(b) Repairs & Maintenance	8,856	20,318	23,363	62,656
(c) Insurance	(7)	62	721	819
(d) Electricity charges	2,357	2,493	8,141	7,644
(e) Audit fees	2,221	2,491	6,789	6,885
(f) Filing Charges	3,978	6,870	27,806	6,870
(g) Bank charges	1,064	3,137	6,905	7,829
(h) Bad debts	26,544	1,592	47,432	37,342
(j) Travelling and conveyance	12,524	5,950	31,039	14,017
(k) Professional charges	21,302	4,465	47,240	57,697
(l) Printing & Stationery	1,136	3,358	3,467	7,218
(m) Telephone, Courier & Postage	7,289	7,843	19,886	20,935
(n) Security charges	1,067	717	3,259	1,983
(o) Business promotion expenses	5,752	6,232	27,502	12,694
(p) Rates and taxes	1,812	-	1,812	-
(q) Marketing expenses	64,698	-	116,698	-
(r) Others	2,900	3,118	10,499	8,280
Total	172,953	76,831	410,716	275,635

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

Particulars	For the three months ended		For the nine months ended	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	(Unaudited)		(Unaudited)	
(a) Net income / (loss) Attributable to Equity holders	50,281	(44,638)	24,449	(84,710)
Weighted average number of equity shares				
(b) outstanding shares	41,721,845	41,218,524	41,721,845	41,218,524
Earnings / (loss) per share - basic and diluted	0.0012	(0.0011)	0.0006	(0.0021)

20. Related party disclosures

(a) Names of related party and relationship

(i) Key Management Personnel (“KMP”)

(a) Mr. T V Mohan (formerly Known as V Venkatesan) - 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 December 31, 2014:

Particulars	KMP and Relative of KMP		Entity in which KMP has control	
	2014 (unaudited)	2013 (unaudited)	2014 (unaudited)	2013 (unaudited)
Transactions				
Advances given for business purposes	205,289	151,251	-	-
Settlement of advances given for business purposes	67,193	80,563	-	-
Unsecured loans received	-	62,758	-	-
Unsecured loans given (Net of receipt)	-	-	-	155,000
Repayment of unsecured loans	6,758	36,353	-	-
Closing balances				
Unsecured Loans given	-	-	-	155,000
Advances given for business purposes (debit balance)	205,597	126,376	-	-
Unsecured loans received (credit balance) ⁵	271,124	738,715	-	-

⁵ Unsecured loans from related parties are repayable on demand.

21. Goodwill

Particulars	
Goodwill ⁶	679,948
Add: Cumulative Translation adjustment	4,493
Balance as of December 31, 2014	684,441

⁶Goodwill arises in the process of acquiring KM Matrimony Private Limited. In April 2013, the Company acquired 55.32% interest of KM WEDDING EVENTS PRIVATE LIMITED, India (formerly known as "KM Matrimony Private Limited", India). As of December 31, 2014, 58.32% 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 December 31 is as follows. The obligations are unfunded as on the dates of balance sheets.

Particulars	As at December 31	
	2014 (unaudited)	2013 (Unaudited)
(a) Gratuity liability recognized in the balance sheet	14,683	10,922
Weighted average assumptions used to determine net gratuity cost and benefit obligations:		
Particulars	For the Nine Months Ended December 31,	
	2014 (Unaudited)	2013 (Unaudited)
(a) Discount rate	8.50% p.a.	8.50% p.a.
(b) Long-term rate of compensation increase	10.00% 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.

24. Film costs

The amount of unamortized film costs disclosed in the balance sheet pertains to completed and not released films with respect to the television series. The entire amount of unamortized film costs is expected to be amortized during the next three months.

25. Risks and uncertainties

Credit risk

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. Accounts receivable balances are typically unsecured and are derived from revenues earned from customers. The Company's management reviews ageing analysis of outstanding accounts receivables and follows up on past due balances. There is no significant concentration of credit risk.

26. Commitments and contingencies

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 conform to the current period presentation.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF 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 intend to lease and/or own wedding halls (physical infrastructures where a wedding is conducted, similar to banquet halls of hotels) and provide Wedding Services for the weddings conducted in these halls.

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 and respected brand name. Our target customers include the Indian high-income population, higher middle-income population, 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. Our TV show is a 30 minute matrimonial-related program produced by us which telecasts once a week by SUN TV. The TV program introduces profiles of individuals seeking to be matched and also incorporates an entertainment based "debate show" which covers various "topics of social impact" which are discussed and debated upon by professionals and experts.

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. (started during the fiscal 2014), providing Wedding Services for weddings to be conducted in India by Indians in the U.S. (started during fiscal 2014), 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).

Results of Operations

Our financial performance for the three and nine months ended December 31, 2014 compared to the three and nine months ended December 31, 2013 are discussed and analyzed below. For the purpose of comparison, conversion of Indian Rupee to US dollar is done based on average exchange rate for the period for Income and Expenditure items and at the closing exchange rate for Balance Sheet items.

Comparison of Three Months Ended December 31, 2014 and Three Months Ended December 31, 2013

For the three months ended December 31, 2014, the Company generated revenue of \$628,015 compared to \$376,096 for the corresponding period in the previous year. The revenue grew by 67% compared to the corresponding period in the previous year.

In terms of revenue mix 72% of the revenues were generated from Matrimonial Services (74% for the corresponding three month period in the previous year) and 28% from the Wedding Services (26% for the corresponding three month period in the previous year).

During the three month period ended December 31, 2014, the Company incurred \$533,687 of operating expenses compared to \$391,431 for the corresponding three month period in the previous year, which included:

- Matrimonial Service expenses of \$109,496 compared to \$129,369 for the corresponding three month period in the previous year, which represents 24% of matrimonial revenues. The decrease from 47% of the matrimonial revenues is a result of operational efficiency, focus on high margin schemes and cost management.
- Wedding Service expense of \$143,610 (\$82,897 for the corresponding three month period in the previous year) which represents 81% of wedding services revenues compared to 84 % for the corresponding three month period in the previous year;
- General and Administrative expense of \$172,953 (\$76,831 for the corresponding three month period in the previous year) which represents 28% of revenues compared to 20% 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 \$98,974 (\$92,044 for the corresponding three month period in the previous year) representing 16% of revenues compared to 24% of revenues in the corresponding three month period in the previous year; and
- Depreciation and Amortization expenses of \$8,654 (\$10,290 for the corresponding three month period in the previous year).

For the period from October 1, 2014 to December 31, 2014, the Company had operating income of \$94,328 compared to a loss of \$15,335 for the corresponding period in the previous year. In addition, for the three month ended December 31, 2014, the Company had a net income of \$72,937 compared to a loss of \$22,440 for the corresponding three month period in the previous year). The increase in our operating income and net profit was due to revenue growth and improved operational efficiency.

Comparison of Nine Months Ended December 31, 2014 and Nine Months Ended December 31, 2013

For the nine months ended December 31, 2014, the Company generated revenues of \$1,443,183 compared to \$983,048 for the corresponding nine month period in the previous year. The revenue grew by 68% compared to the corresponding nine month period in the previous year.

In terms of revenue mix 73% of the revenues were generated from Matrimonial Services (78% for the corresponding nine month period in the previous year) and 27% from the Wedding Services (22% for the corresponding nine month period in the previous year).

During the nine month period ended December 31, 2014, the Company incurred \$1,304,610 in operating expenses compared to \$1,063,684 for the corresponding nine month period in the previous year, which included:

- Matrimonial Service expenses of \$291,662 compared to \$333,415 for the corresponding nine month period in the previous year, which represents 28% of matrimonial revenues. The decrease from 44% from the corresponding nine month period in the previous year is a result of operational efficiency and focus on high margin schemes;
- Wedding Service expense of \$315,763 (\$183,480 for the corresponding nine month period in the previous year) which represents 81% of wedding services revenues compared to 84% for the corresponding nine month period in the previous year;
- General and Administrative expense of \$410,716 (\$275,635 for the corresponding nine month period in the previous year) which represents 28% of revenues. This expense remained at the same level of 28% of the revenues for the corresponding nine month period in the previous year;
- Personal expenses of \$264,188 (\$244,750 for the corresponding nine month period in the previous year) representing 18% of revenues compared to 25% of revenues in the corresponding nine month period in the previous year; and
- Depreciation and Amortization expenses of \$22,281 (\$26,404 for the corresponding nine month period in the previous year).

For the nine month period ended December 31, 2014, the Company had operating income of \$138,573 compared to a loss of \$80,636 for the corresponding nine month period in the previous year. In addition, for the nine month period ended December 31, 2014, the Company had a net income of \$100,002 compared to a loss of \$102,631 for the corresponding nine month period in the previous year. The increase in our operating income and net profit was due to revenue growth, high operating leverage and the impact of the depreciation of the Indian Rupee against the U.S. dollar.

Liquidity and Capital Resources

Overview

At December 31, 2014, the Company had cash equivalents of \$84,243 and accumulated deficit of \$247,584. At December 31, 2014, the Company had a positive working capital (including current portion of long-term debt) of \$161,591 compared to negative working capital of \$217,969 at March 31, 2014, resulting from:

- Accounts Receivable of \$461,056 at December 31, 2014 compared to \$278,857 at March 31, 2014, which represents a 65% increase;
- Account Payable and accrued liabilities relating to accrued interest expense, unpaid professional fees, and unpaid general expenditures of \$168,315 at December 31, 2014 compared to \$121,324 at March 31, 2014, representing 39% increase;
- Income tax and other statutory liabilities of \$229,681 at December 31, 2014 compared to \$135,485 at March 31, 2014, representing 70% increase;
- Short-term loans and current portion in long-term debt of \$168,315 at December 31, 2014 compared to \$357,024 at March 31, 2014, representing a decrease of 53%;

- Unsecured loans of \$65,527 at December 31, 2014 compared to \$221,040 at March 31, 2014, representing a 70% reduction;
- Other current liabilities of \$232,711 at December 31, 2014 compared to \$258,399 at March 31, 2014, representing a 10% reduction; and
- Non-current liabilities of \$69,652 at December 31, 2014 compared to \$71,953 at March 31, 2014, representing a reduction of 3%.

Cash flows from Operating Activities

During the nine month period ended December 31, 2014, net cash used in operating activities was \$9,628 compared to \$161,912 during the corresponding period in the previous year. Improved accounts receivable has resulted in decrease in cash used in operating activities.

Cash flows from Investing Activities

During the nine month period ended December 31, 2014, net cash provided by investing activities was \$65,311 compared to \$400,822 cash used for the corresponding period in the previous year. The reduction was owing to the investment in Indian Subsidiary by the Company during the previous period under comparison.

Cash flows from Financing Activities

During the nine month period ended December 31, 2014, the Company net cash used in financing activities was \$32,090 compared to \$260,289 provided by financing activities for the corresponding period in the previous year. The decrease in cash used is a result of short term debts being repaid by the Company.

Future Capital Needs

The Company has evaluated its expected cash requirements over the next twelve months which include, but are not limited to, support of current operations, investments in additional sales and marketing and product development resources, capital expenditures, and working capital requirements, and has determined that our existing cash resources are not sufficient to meet our anticipated needs during this period. Our established bank-financing arrangements will not be adequate to provide sufficient funds. Therefore, we will require additional capital from financing through the issuance of equity or debt, or through obtaining a credit facility, to execute our plan of operations. In efforts to raise capital on November 18, 2013, we filed a registration statement number 333-192399, with the SEC to register an offering of 10,000,000 shares of our common stock, at \$0.30 per share (the "Offering"). The registration statement was declared effective on March 11, 2014.

The financial statements reflected in this Form 10-Q do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern. As discussed below, the successful implementation of our business plan is dependent upon receiving sufficient funding from management, the issuance of equity or debt, or through obtaining a credit facility. Substantial expenditures will be required to enable us to expand and scale up our operations and quality of services. There can be no assurance, however, that such efforts will generate availability of additional funds when needed, or on terms acceptable to us, if at all. Any such additional financing may result in significant dilution to existing stockholders. If adequate funds are not available, we may be required to curtail our expansion plans, which will adversely affect our revenue, profitability and our financial condition.

Brief Disclosure of Long Term Contractual Obligations

At December 31, 2014, the Company has long term debts in the form of secured loans against the respective assets/by way of assignment of the trade receivables of the Company and capital lease obligations secured against respective assets. The total long term debt as of December 31, 2014 is \$56,175 repayable in a period of five years or under:

Less Than One Year	\$33,601
One to Three Years	\$18,116
More than Three Years	\$4,458

Recent Accounting Pronouncements

As of December 31, 2014, 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 December 31, 2014, there were no material changes in our internal control over financial reporting identified in connection with the evaluation performed during the fiscal year 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 August 11, 2014, the Company sold 200,000 shares of our Common Stock to a foreign investor for an aggregate purchase price of \$60,000. The sale of the shares of Common Stock was exempt from registration pursuant to Regulation S under the Securities Act of 1933 (the "Securities Act").

On July 28, 2014, as consideration for consulting services provided by a consultant, the Company issued 225,000 shares of our Common Stock which had a fair market value of \$67,500. 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: February 23, 2015

By: /s/ Meera Nagarajan
Meera Nagarajan, Chief Executive Officer