

JERASH HOLDINGS (US), INC.

AUDIT COMMITTEE CHARTER

I. PURPOSE

The purpose of the Audit Committee (the “*Committee*”) of the Board of Directors (the “*Board*”) of Jerash Holdings (US), Inc. (the “*Company*”) is to oversee the Company’s accounting and financial reporting processes and the audit of the Company’s financial statements. The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of any registered accounting firm engaged for the purpose of performing any audit, review or attest services and shall deal directly with that accounting firm.

The Committee’s primary focus will be: (a) to assist the Board in monitoring (i) the integrity of the financial statements of the Company and its subsidiaries, (ii) the compliance by the Company and its subsidiaries with legal and regulatory requirements, (iii) the independent auditors’ qualifications and independence, (iv) the performance of the Company’s independent auditors, and (v) the design and implementation of the internal audit function; and (b) to prepare the audit committee report that the United States Securities and Exchange Commission (the “*SEC*”) rules require be included in the Company’s annual proxy statement.

II. MEMBERSHIP

The Committee shall consist of three or more directors, as the Board may determine from time to time. All Committee members shall be independent as that term is defined under Rule 5605(a)(2) of The Nasdaq Stock Market (the “*Nasdaq Rules*”) and Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the “*Exchange Act*”); provided, however, that the Company is entitled to rely on the independence phase-in rules set forth under Exchange Act Rule 10A-3 and the cure periods provided by Nasdaq Rule 5605(c)(4). Each Committee member may receive his or her director fee in cash and/or Company stock or options or other in-kind consideration.

In addition to the independence requirements of Nasdaq Rule 5605(a)(2) and Exchange Act Rule 10A-3, all members of the Committee must: (a) not have participated in the preparation of financial statements of the Company or any of its subsidiaries at any time during the three prior years, and (b) be able to read and understand fundamental financial statements, including the Company’s balance sheet, income statement and cash flow statement.

At least one member of the Committee must be financially sophisticated, in that the member has past employment experience in finance, accounting or any other comparable experience or background, including having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. The Board has determined that a person who qualifies as an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K is financially sophisticated.

The Nominating Committee shall recommend nominees for appointment to the Committee annually and as vacancies occur or new positions are created. The members of the Committee shall be appointed by the Board and shall serve until their earlier removal, resignation or death. The Board may remove any member of the Committee at any time with or without cause. The Board shall designate the chairperson of the Committee.

III. MEETINGS

The Committee shall hold such regular meetings as may be necessary or advisable, but no less frequently than quarterly, and special meetings as may be called by the Committee's chairperson. The Committee chairperson should consult with management in the process of establishing agendas for Committee meetings. The Committee is governed by the same rules regarding meetings, action without meetings, notice, waiver of notice and quorum and voting requirements as are applicable to the Board.

The Committee shall meet separately, and periodically, with management, the personnel primarily responsible for the design and implementation of the Company's internal audit department and representatives of the Company's independent auditors, and shall invite these individuals to its meetings as the Committee deems appropriate, to assist in carrying out the Committee's duties and responsibilities. However, the Committee shall meet regularly without these individuals present.

IV. MINUTES

The Committee shall maintain and submit to the Board copies of minutes of each meeting of the Committee, and each written consent to action taken without a meeting, reflecting the actions so authorized or taken by the Committee since the preceding meeting of the Board. A copy of the minutes of each meeting and each written consent shall be placed in the Company's minute book.

V. OUTSIDE ADVISORS

At its sole discretion, the Committee has the power to retain outside legal, accounting and financial consultants or other advisors or to delegate to subcommittees to assist it in its activities to the extent permitted by the SEC and the Nasdaq Rules. The Committee shall set the compensation and oversee the work of any outside advisors. The fees and expenses of these consultants and advisors shall be borne by the Company.

VI. CHARTER AMENDMENT

Any member of the Committee may submit proposed amendments to this charter to the Nominating Committee or the Board, which shall circulate any proposed amendments to members of the Committee immediately upon receipt. By a majority vote, the Board may approve the amendments to this charter.

VII. DUTIES AND RESPONSIBILITIES

The Committee's policies and procedures shall remain flexible in order to best react to changing conditions and to help ensure that the Company's accounting and reporting practices are consistent with applicable legal requirements and are of the highest quality. In furtherance of the foregoing, the Committee shall have the following authority and responsibilities:

1. select, appoint, retain, compensate, dismiss, as applicable (and subject to stockholder approval or ratification, if deemed advisable by the Board), and oversee the work of the Company's independent auditors for the purpose of auditing the Company's annual financial statements, books, records, accounts and internal controls over financial reporting or performing other audit, review or attest services for the Company;
2. select, appoint, retain, compensate, oversee, and dismiss, if necessary, any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company;
3. pre-approve the retention of the Company's independent auditors for any non-audit services;
4. approve all audit engagement fees and terms and pre-approve appropriate funding for payment of (a) compensation to the Company's independent auditors or any other registered public accounting firm for the purpose of rendering audit and non-audit services, (b) compensation to any consultants or advisors retained by the Committee and (c) ordinary administrative expenses necessary to carry out the Committee's duties. The Committee may delegate the duty to pre-approve any such payment to any member of the Committee provided that the decisions of that member to grant pre-approvals shall be presented to the full Committee for ratification. If the Committee does not delegate authority to a member, the full Committee shall reconvene in response to any requests or applications to provide services that have not been previously approved or have been approved but exceed the pre-approved fee range for those services. The Committee may designate a member of management to monitor the performance of all services provided by the independent auditors and to report his or her findings to the Committee;
5. review, approve and oversee any transactions between the Company and a related person (as defined in Item 404 of Regulation S-K) and other potential conflict of interest situations on an ongoing basis;
6. keep the Company's independent auditors informed of the Committee's understanding of the Company's relationships and transactions with related persons that are significant to the Company, and review and discuss with the Company's independent auditors the auditors' evaluation of the Company's identification of, accounting for, and disclosure of its relationships and transactions with related persons, including any significant matters arising from the audit regarding the Company's relationships and transactions with related persons;
7. evaluate the qualifications, performance and independence of the Company's independent auditors, including to ensure audit partner rotation if the lead audit partner, or the audit partner responsible for reviewing the audit, has performed audit services for the Company in each of the Company's five previous fiscal years;

8. review and approve the Company's annual audited financial statements and the form of audit opinion to be issued by the independent auditor on the financial statements and review the Company's quarterly unaudited financial statements with the Company's management and independent auditors;
9. review the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's periodic reports and registration statements filed with the SEC;
10. design and implement the internal audit function, including the independence and authority of its reporting obligations, the proposed audit plans, and coordinate the audit plans with the work of the independent auditors;
11. review, approve, and discuss with the Company's management and independent auditors the Company's quarterly earnings press releases (paying particular attention to any use of pro forma, adjusted or non-GAAP information) and earnings guidance, provided that the Committee need not discuss in advance each earnings release or each instance in which the Company may provide earnings guidance;
12. review and discuss generally with the Company's management and independent auditors the type of other financial information provided to analysts and rating agencies, provided that the Committee need not discuss such other financial information before it is provided to analysts and rating agencies;
13. review with the Company's management and independent auditors any major changes to the Company's auditing and accounting principles and practices and financial statement presentation; any significant financial reporting issues and judgments made in connection with the preparation of the Company's financial statements, including the effects of alternative GAAP methods; and the effect of regulatory and accounting initiatives and off-balance sheet structures on the Company's financial statements;
14. at least annually, obtain and review with the independent auditors a written report by the Company's independent auditors describing all relationships between the independent auditors and the Company and actively discuss with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the auditor, and take or recommend that the Board take appropriate action to oversee the independence of the auditor;
15. review and receive periodic reports (as well as the written disclosures and the letter from the independent auditors required by The Public Company Accounting Oversight Board Rule 3526, as it may be modified, supplemented or replaced) from the Company's independent auditors, including the lead partner, regarding the auditors' qualifications, performance, independence and their registration with the SEC; discuss these materials with the auditor; after receipt of the annual report provided by the independent auditors discussed above in Section 14, and taking into account the opinions of management and the internal auditors, present the Committee's conclusions with respect to the independent auditors to the Board; and, if so determined by the Committee, recommend that the Board take appropriate action to ensure the independence of the auditors and continued registration with the SEC;

16. review, as needed, major issues or errors regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles and material misstatements, along with the review of management's root cause investigation and resolution;
17. review the audit report provided by the Company's management and independent auditors, which should include:
 - a. all critical accounting policies and practices used;
 - b. all alternative treatments of financial information within GAAP that have been discussed with management and the independent auditors, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by management and the independent auditors; and
 - c. other material written communications between the independent auditors and management;
18. review with the Company's management and independent auditors the adequacy and effectiveness of the Company's internal controls, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company's internal controls and any special audit steps adopted in light of any material control deficiencies, and any fraud involving management or other employees with a significant role in such internal controls;
19. meet periodically with the Company's management, independent auditors, and the personnel primarily responsible for the design and implementation of the Company's internal audit department in separate sessions to review the Company's policies with respect to major risk exposures and the steps management has taken to monitor and control such exposures;
20. meet periodically with the Company's management, independent auditors, and the personnel primarily responsible for the design and implementation of the Company's internal audit department in separate sessions to encourage entirely frank discussions with the Committee, including without limitation, discussions regarding the Company's financial reporting control procedures, the quality of the Company's financial reporting and the adequacy and competency of the Company's financial management;
21. meet and discuss with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 1301, Communications with Audit Committees, or any successor provision, relating to the conduct of the audit of the Company's annual financial statements and the matters required to be discussed relating to the conduct of the review of the Company's quarterly financial statements;
22. meet and discuss with the Company's management and the personnel primarily responsible for the design and implementation of the Company's internal audit department the Company's risk assessment and risk management policies and processes and systems of internal control;
23. establish procedures for:
 - a. the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

- b. the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
24. obtain assurance from the Company's management, independent auditors, and the personnel primarily responsible for the design and implementation of the Company's internal audit department that they have notified the Committee of any failure of the Company to comply with applicable legal and regulatory requirements of which those individuals are aware;
25. set hiring policies for employees or former employees of the independent auditors so as to avoid any conflict of interest under the rules and regulations set forth by the SEC;
26. review and approve the Committee's report within the Company's annual proxy statement;
27. oversee risks relating to cybersecurity and review any significant incidents as they may arise;
28. oversee and periodically evaluate the Company's Whistleblower Policy and respond to complaints as required by that policy;
29. meet regularly with the Board to effect the Committee's purpose;
30. review and reassess the adequacy of this charter at least annually and recommend any proposed changes to the Nominating Committee or the Board for review;
31. review, evaluate and reassess the performance of the Committee annually and discuss this annual performance evaluation with the Board; and
32. perform every other act incidental to, arising out of or in connection with, or otherwise related to, the authority granted to the Committee hereby or the carrying out of the Committee's duties and responsibilities hereunder.

VIII. LIMITATION OF COMMITTEE'S ROLE

While the Committee has the authority, powers, and responsibilities set forth in this charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with GAAP and applicable legal, accounting, and other requirements. These are the responsibilities of the Company's management and the independent auditors.

Adopted on May 3, 2018.