



10th April, 2026

Important Announcement

Widening the scope of mandatory applicability of Audit Quality Maturity Model (AQMM)

In partial modification of the Announcement dated 11th August 2025 hosted at <https://resource.cdn.icai.org/87517caq-aps1943.pdf> a clarification is hereby issued that the mandatory AQMM review shall be applicable to Practice Units undertaking audits of the holding/subsidiary/associates/ joint ventures of listed entity or banks other than Co-operative banks (except multi-state co-operative banks) or insurance companies which are subject to Peer Review.

The **Revised Announcement** should therefore be read as under:

At present the Audit Quality Maturity Model is mandatory for Firms auditing the following entities excluding the Firms conducting only branch audit:

- A Listed Entity
- Banks other than Co-Operative banks (Except multi- state Co-operative banks)
- Insurance Companies

The scope of mandatory applicability of AQMM version 2.0 has now been widened and accordingly AQMM v. 2.0 has been made mandatory in a phased manner for the following categories of firms:

S. No.	Category of Firms	Date of applicability (Peer Review conducted on or after)
1.	Firms which are subject to Peer Review and auditing the Holding/Subsidiary/ Associates/Joint Ventures of the following entities: a) A Listed Entity b) Banks other than Co-operative banks (Except multi- state Co-operative banks) c) Insurance Companies However, the firms conducting only branch audits are not to be covered.	April 1, 2026
2.	Firms (referred to as 'Practice Units' in Peer Review Guidelines 2022) which propose to undertake Statutory Audit of unlisted public companies having paid-up capital of not less than rupees five hundred crores or having annual turnover of not less than rupees one thousand crores or having, in aggregate, outstanding loans, debentures and deposits of not less than rupees five hundred crores as on the 31 st March of immediately preceding financial year.	April 1, 2026
3.	Firms (referred to as 'Practice Units' in Peer Review Guidelines 2022) which propose to undertake the Statutory Audit of entities which have raised funds from public or banks or financial institutions of over Fifty Crores rupees during the period under review or of any body corporate including trusts which are covered under public interest entities.	April 1, 2027