Government of India (Audit & Account) order, 1936 regarding the duties and powers of Auditor General :-

1. (1) Subject to the provisions of this paragraph, the Auditor General shall be responsible for the keeping of the accounts of the Federation and of each province, other than accounts of the Federation relating to defence or railways and accounts relating to transactions in the United Kingdom.

(2) In respect of accounts of the Federation, the Governor General, exercising his individual judgement, and in respect of accounts of a province, the Governor, exercising his individual judgement, may, after consultation with the Auditor General make provision by rules for relieving the Auditor General from responsibility for the keeping of the accounts of any particular service or department.

(3) The Governor General, exercising his individual judgement, may, after consultation with the Auditor General make provision by rules relieving the Auditor General from responsibility for keeping accounts of any particular class or character.

(4) The Auditor General shall, from the accounts kept by him and by the other persons responsible for keeping public accounts, prepare in each year accounts (including, in the case of accounts kept by him appropriation accounts) showing the annual receipts and disbursements for the purposes the Federation and each province, distinguished under the respective heads thereof, and shall submit those accounts to the
Federal Government, or, as the case may be, to the Government of the province on such dates as he may, with the concurrence of the Government concerned, determine.

(5) Notwithstanding anything in this paragraph, the Auditor General shall comply with any general or special orders of the Governor General or, as the case may be, a Governor as the head of account under which any specified transaction or transactions of any specified class is, or are to be included.

In issuing any such order as aforesaid the Governor General or Governor shall exercise his individual judgement after consulting the Auditor General.

2. It shall be the duty of the Auditor General to prepare annually, in such form as he with the concurrence of the Governor General a General Financial Statement incorporating a summary of the Accounts of the Federation and of all the provinces for the last preceding year and particulars of their balances and outstanding liabilities, and containing such other information as to their financial position as the Governor General may direct to be included in the statement.

3. (1) It shall be the duty of the Auditor General:

(i) to audit all expenditure from the revenues of the Federation and of the provinces and to ascertain whether moneys shown in the accounts as having been disbursed where legally available for and applicable to the service or purpose to which they have been applied or charged and whether the expenditure conforms to the authority which governs it;
(11) to audit all transactions of the Federation and of the provinces relating to debt, deposits, sinking funds, advances, suspense accounts and remittance business;

(iii) to audit all trading, manufacturing and profit and loss accounts and balance sheets kept by order of the Governor General or of Governor of a province in any department of the Federation or of the province;

and in each case to report on the expenditure, transactions or accounts so audited by him.

(2) The Auditor General may with the approval of, and shall if so required by, the Governor General or the Governor of any province audit and report on:

(i) the receipts of any department of the Federation or as the case may be, of the province;

(ii) the accounts of stores and stock kept in any office or department of the Federation or, as the case may be, of the province.

The Governor General or the Governor of a province may after consultation with the Auditor General make regulations with respect to the conduct of audits under this sub-paragraph.

4. If the Governor General appoints an independent officer to audit sections to expenditure accorded by the Auditor General, the Auditor General shall produce for inspection by that officer all books and other documents relating thereto and give him such information as he may require for the purposes of his audit.
5. It shall be the duty of the Auditor General, so far as the accounts for the keeping of which he is responsible enable him so to do, to give to the Federal Government and to the Government of every province such information as they may from time to time require, and such assistance in the preparation of their annual financial statements as they may reasonably ask for.

6. The Federation and every province shall -

   (i) supply to the Auditor General free of charge the annual Budget estimates of the Federation or of the province and any other publications issued by a Department of the Federation or of the province which he may require for purposes connected with his audit functions, and

   (ii) give to him such information as he may require for the preparation of any account or report which it is his duty to prepare.

7. The Auditor General shall have authority to inspect any office of accounts in India which is under the control of the Federation or of a province, including treasuries and such offices responsible for the keeping of initial or subsidiary accounts as submit accounts to him.

8. The Auditor General shall have authority to require that any books and other documents relating to transactions to which his duties in respect of audit extend, other than books or documents which are in the United Kingdom, shall be sent to such place as he may appoint for inspection by him.
Provided that, if the Governor General or the Governor of a province certifies that any such book or document is a secret book or document, the Auditor-General shall accept as a correct statement of the facts stated in that book or document a statement certified as correct by the Governor-General or, as the case may be, by the Governor.

9. Anything which under this order is directed to be done by the Auditor-General may be done by an officer of his department authorised by him either generally or specially:

Provided that, except during the absence of the Auditor General on leave or otherwise, an officer shall not be authorised to submit on his behalf any report which the Auditor General is required by the Act to submit to the Secretary of State, the Governor General or the Governor of a province.