

Standing Committee Report Summary

Performance Review of National Statistical Commission

- The Standing Committee on Finance (Chair: Mr. Bhartruhari Mahtab) presented its report on ‘Performance Review of National Statistical Commission (NSC)’ on December 2, 2025. NSC began functioning in July 2006. Key functions of NSC include: (i) developing policies, priorities, and standards for statistical systems, (ii) ensuring coordination between ministries and agencies, and (iii) advising the central and state governments on matters related to statistics. Key observations and recommendations of the Committee include:
 - **Statutory Authority to NSC:** Rangarajan Commission (2000) had recommended the creation of a statutory body for official statistics. However, NSC was set up through a government resolution. The Committee also took note of a growing role of private data providers. It observed that the existence of different data producers leads to discrepancies between their statistical estimates and those of NSC. This could undermine stakeholder confidence. The Committee recommended: (i) establishing NSC as the nodal and autonomous body for all statistical activities with full statutory backing, (ii) constituting a permanent technical committee to align definitions, methodologies, and data sources for socio-economic indicators, with representation from private statistical agencies, academia, and industry experts, and (iii) developing a national standards framework on data collection, sampling, and reporting protocols. NSC should prescribe and coordinate statistical standards and methodologies for both government and private sector data producers.
 - **Auditing:** NSC is mandated to undertake regular statistical audits. The Committee noted only notable action was audit of Index of Industrial Production in 2011. It recommended establishing a statistical audit function and standardised audit guidelines which incorporate international standards. To ensure transparency, it also recommended publishing audit findings in reports that identify weaknesses, provide solutions, and track their implementation.
- **Incorporation of informal economic activity in GDP estimates:** The Committee recommended refining GDP data to capture all economic activity, especially within the informal or unorganised sector.
- **Overlap between statistical activities:** The Committee noted data overlap on the same subject between different ministries and departments, due to differences in sets of samples, data collection and processing. This leads to misleading differences in results and outcomes. It recommended synchronisation of all statistical activities and publications at the earliest.
- **Integration of Artificial Intelligence (AI):** The Committee noted that adopting AI must be supported by capacity building. It recommended an extensive strategy for integrating AI. It noted that this would require clear operational guidelines, ethical standards, and oversight mechanisms. This would also include skill development of workforce.
- **Promoting international collaboration:** The Committee noted that despite frequent international engagements, there is a gap between research and policy implementation. It recommended that the Ministry follow a complete plan to operationalise international collaborations through formal memoranda of understanding and institutional partnerships. Priority should be given to joint research, use of global data standards, and regular capacity building programmes.

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