Standing Committee
The Standing Committee found that the 10-year record of implementation by the Central and State Governments was not only woeful but there was “wilful” violation of the Constitution. That even after 10 years, "a framework in conformity with the provisions of the Constitution to devolve appropriate powers so that the elected bodies could be made functional in totality" is lacking.

But the bureaucracy has not remained idle. The Standing Committee says, it has created "parallel structures" in the very subject areas assigned to panchayats by the Constitution be it education, health, watershed development, forestry management et al. The devolution of financial resources to panchayats is peripheral. The sums retained by the Governments in their own hands are mind-boggling. The annual budget of the Central and State governments combined relating to the 29 subjects in the panchayat schedule, is about Rs.71,000 crore. Not even five per cent of it is given to panchayats untied for village area planning envisioned by the 73rd Amendment. Infact, in an open affront to the Constitution, the Union Rural Development Ministry (which is responsible for seeing that the mandate of the 73rd Amendment is obeyed) is spending hundreds of crores annually to strengthen the administration of DRDAs (which were to be dissolved after the panchayats came in) with the declared objective of maintaining them as "distinct from panchayats".