FINDINGS, SUGGESTIONS AND CONCLUSION

In this study, researcher has given the brief introduction about components. Further, researcher been analyzed inflows of Foreign Direct Investment, Foreign aid and Personal Transfer from United States & world countries, calculated their percentage share of India in comparison to world countries, fluctuation reasons and forecasted values for years 2014-15 to 2019-20. Apart from these, researcher has also identified the contribution of foreign direct investments and its nature of correlation with Gross Domestic Product, Export and Employment.

4.1 Findings

In this section, researcher mentions the findings of analysis work has been completed.

The Findings of study are as follows.

- In International Monetary Transactions from United States to India. The following results were found; minimum share (-56.69%) in 2010-11 and maximum 26.37% in 2008-09.

- The Foreign Direct Investment from United States to India was found lowest in year 2001-02 which was 282.8 (Mn$) while on other hand in 2007-08 it was found to be highest that was 1,098.36 (Mn$). During the study period annual average was 818.40(Mn$).

- The Foreign Direct Investment from United States to World Countries was found to be lowest with 2,092.15(Mn$) in 2006-07 and highest was found to be 21,260.64 (Mn$) in 2007-08. During the study period annual average was 11,597(Mn$).

- The following foreign direct investment results were found; minimum change 10.97% in 2002-13 and maximum 22.37% in 2010-11 for mining sector.

- In Mining Sector, for the year 2002-03, Foreign Direct Investment sector-wise percentage share was lowest with 10.97% while highest was 22.37% in 2010-11. During the study period annual average was 119.80(Mn$).

- The following world countries foreign direct investment to India results were found; minimum share (-43.01%) in 2012-13 and maximum 70.87% in 2005-06.

- The following foreign direct investment results were found; minimum share (-70.82%) in 2003-04 and maximum 45.19% in 2012-13 for mining sector.
• The following results were found in this sector; minimum share 3.57% in 2013-14 and maximum 20.04% in 2003-04.

• In Mining Sector, for the year 2013-14, minimum percentage share was 3.57% while maximum 20.04% in 2003-04.

• In Mining Sector, for the year 2002-03, GDP has made minimum contribution 7.27% while maximum 11.70% in 2006-07 with Compound Annual Growth Rate 0.03.

• In Mining Sector, for the year 2010-11, Export has made minimum contribution 10.38% while maximum 11.27% in 2008-09 with Compound Annual Growth Rate 0.03.

• The following employment contribution was found; minimum share 10.38% in 2010-11 and maximum 48.25% in 2008-09.

• In Mining Sector, the correlation between Foreign Direct Investment and GDP indicates very high degree of positive correlation with 0.881.

• The correlation 0.815 was very high for Foreign Direct Investment and Export.

• The correlation 0.812 was very high for Foreign Direct Investment and Employment.

• The following results were found in Petroleum & Natural Gas Sector for distributing sector-wise share; minimum share 14.88% in 2008-09 and maximum 21.91% in 2010-11.

• In Petroleum & Natural Gas Sector for the year 2008-09, Foreign Direct Investment sector-wise percentage share was lowest with 14.88% while highest was 21.91% in 2010-11. During the study period annual average was 132.31(Mn$).

• In Petroleum & Natural Gas Sector for the year 2012-13, minimum percentage change for Foreign Direct Investment from World Countries to India was (-68.17%) while maximum 37.96% in 2011-12. During the study period annual average was 1,354.67(Mn$).

• In Petroleum & Natural Gas Sector for the year 2012-13, minimum percentage change for United States Foreign Direct Investment to India was (-54.10%) while maximum 45.07% in 2009-10. During the study period annual average was 132.31(Mn$).

• The following results were found in GDP Contribution; minimum share 8.52% in 2013-14, maximum 14.58% in 2001-02 and CAGR (-0.01).
• The following results were found in Export Contribution; minimum share 9.09% in 2001-02, maximum 11.74% in 2012-13 and CAGR 0.04.

• In Petroleum & Natural Gas Sector for year 2001-02, Export has made minimum contribution 9.09% while maximum 11.74% in 2012-13 with Compound Annual Growth Rate 0.04.

• In Petroleum & Natural Gas Sector for year 2002, Employment has made minimum contribution 5.89% while maximum 8.78% in 2000-01 with Compound Annual Growth Rate 0.01.

• The correlation is found negative (-0.898) for the relationship of Foreign Direct Investment and GDP.

• The correlation is found positive 0.822 for the relationship of Foreign Direct Investment and Export.

• In Petroleum & Natural Gas Sector the correlation between Foreign Direct Investment and Export indicates very high degree of positive correlation with 0.822.

• In Petroleum & Natural Gas Sector the correlation between Foreign Direct Investment and Employment indicates moderate degree of positive correlation with 0.435.

• The following sector-wise foreign direct investment results were found; minimum change 13.23% in 2002-03 and maximum 22.96% in 2011-12 for defense sector. During the study period annual average was 122.81(Mn$).

• In Defense Sector during the year 2012-13, minimum percentage change for Foreign Direct Investment from World Countries to India was (-72.06%) while maximum 38.75% in 2011-12. During the study period annual average was 1,304.39(Mn$).

• The following United States foreign direct investment to India results were found; minimum change (-41.99%) in 2004-05 and maximum 46.18% in 2009-10 for mining sector and during the study period annual average was 122.81(Mn$).

• The following United States foreign direct investment to India results were found; minimum change (-41.99%) in 2004-05 and maximum 46.18% in 2009-10 for defense sector.
The following results were found; minimum change 3.72% in 2004-05 and maximum 16.27% in 2000-01 for defense sector.

In Defense for the year 2012-13, GDP has made minimum contribution 9.35% while maximum 13.19% in 2000-01 with Compound Annual Growth Rate (-0.02).

In Defense Sector for the year 2008-09, Export has made minimum contribution 10.32% while maximum 11.99% in 2013-14 with Compound Annual Growth Rate 0.04.

The following results were found in employment contribution; minimum change 3.77% in 2004-05, maximum 12.72% in 2009-10 and CAGR 0.05 for defense sector.

The negative relationship (-0.696) was judged for Foreign Direct Investment and GDP.

The positive relationship 0.816 was judged for Foreign Direct Investment and Export.

The positive relationship 0.876 was judged for Foreign Direct Investment and Employment.

The following results were found; minimum change 12.04% in 2003-04, maximum 32.44% in 2012-13 for Information & Broadcasting Sector.

The following results were found in case of FDI inflows to India at global level; minimum change (-69.64%) in 2012-13, maximum 38.34% in 2011-12 for Information & Broadcasting Sector.

The following results were found in case of US FDI inflows to India; minimum change (-36.62%) in 2004-05, maximum 43.54% in 2009-10 for Information & Broadcasting Sector and during the study period annual average was 122.41(Mn$).

The following results were found; minimum change 5.81% in 2003-04, maximum 15.67% in 2000-01.

In Information & Broadcasting Sector for the year 2013-14, GDP has made minimum contribution 7.26% while maximum 18.9% in 2001-02 with Compound Annual Growth Rate (-0.03).

In Information & Broadcasting Sector for the year 2004-05, Export has made minimum contribution 6.57% while maximum 9.88% in 2000-01 with Compound Annual Growth Rate 0.03.
The following results were found in employment contribution; minimum change 7.25% in 2000-01, maximum 11.25% in 2004-05 and CAGR 0.04.

In Information & Broadcasting Sector the correlation between Foreign Direct Investment and GDP indicates negative correlation with (-0.890).

In Information & Broadcasting Sector the correlation between Foreign Direct Investment and Export indicates high degree of positive correlation with 0.712.

In Information & Broadcasting Sector the correlation between Foreign Direct Investment and Employment indicates high degree of positive correlation with 0.737.

In Civil Aviation Sector, for the year 2012-13, Foreign Direct Investment sector-wise percentage share was lowest with 4.86% while highest 6.83% in 2009-10. During the study period annual average was 52.95(Mn$).

The following results were found in FDI to India at global level; minimum change (-34.74%) in 2010-11, maximum 20.46% in 2009-10 for Civil Aviation Sector.

The following results were found in US FDI to India; minimum change (-77.54%) in 2012-13, maximum 45.70% in 2009-10.

In Civil Aviation Sector, for the year 2012-13, minimum percentage share for United States Foreign Direct Investment to India was (-77.54%) while maximum 45.70% in 2009-10. During the study period annual average was 52.95(Mn$).

In Civil Aviation Sector, for the year 2000-01, minimum percentage share was 7.88% while maximum 44.28% in 2009-10.

In Civil Aviation Sector, for the year 2003-04, GDP has made minimum contribution 6.48% while maximum 9.80% in 200-10 with Compound Annual Growth Rate 0.03.

The following results were found in export contribution; minimum change 7.92% in 2002-03, maximum 12.24% in 2004-05 and CAGR 0.05.

In Civil Aviation Sector, for the year 2000-01, Employment has made minimum contribution 6.27% while maximum 8.11% in 2009-10 with Compound Annual Growth Rate 0.03.

The positive relationship (0.616) is judged in case of FDI and GDP.
• The positive relationship (0.555) is judged in case of FDI and Export.
• The positive relationship (0.521) is judged in case of FDI and Employment.
• In Industrial Parks Sector, for the year 2012-13, Foreign Direct Investment sector-wise percentage share was lowest with 6.35% while highest was 8.15% in 2002-03. During the study period annual average was 61.35(Mn$).
• The following results were found in case of FDI to India at global level; minimum change (-70.51%) in 2012-13, maximum 39.96% in 2011-12 and during the study period annual average was 1,237.00(Mn$).
• The following results were found in case of US FDI to India; minimum change (-70.03%) in 2010-11, maximum 43.03% in 2009-10 and during the study period annual average was 61.35 (Mn$).
• The following results were found in sector-wise percentage share; minimum change 6.35% in 2012-13, maximum 8.15% in 2002-03.
• In Industrial Parks Sector, for the year 2012-13, minimum percentage share was 2.02% while maximum 11.91% in 2003-04.
• In Industrial Parks Sector, for the year 2008-09, GDP has made minimum contribution 9.71% while maximum 11.63% in 2005-06 with Compound Annual Growth Rate 0.09.
• In Industrial Parks Sector, for the year 2000-01, Export has made minimum contribution 7.77% while maximum 8.65% in 2013-14 with Compound Annual Growth Rate 0.04.
• In Industrial Parks Sector, for the year 2006-07, Employment has made minimum contribution 8.91% while maximum 12.53% in 2003-04 with Compound Annual Growth Rate 0.03.
• The positive relationship (0.085) is found between Foreign Direct Investment and GDP.
• The positive relationship (0.861) is found between Foreign Direct Investment and Export.
• The correlation between Foreign Direct Investment and Export indicates high degree of positive correlation with 0.861.
• The correlation between Foreign Direct Investment and Employment indicates moderate degree of positive correlation with 0.470.

• In Telecom Sector for the year 2005-06, Foreign Direct Investment sector-wise percentage share was lowest with 14.05% while highest was 22.97% in 2010-11. During the study period annual average was 125.21(Mn$).

• The following results were found for FDI at global level; minimum change (-34.25%) in 2011-12, maximum 27.16% in 2009-10 and during the study period annual average was 296.14(Mn$).

• The following results were found for US FDI to India; minimum change (-79.31%) in 2011-12, maximum 43.27% in 2009-10 and during the study period annual average was 125.21(Mn$).

• The following results were found; minimum change 19.16% in 2001-02, maximum 65.16% in 2009-10 and during the study period annual average was 296.14(Mn$).

• In Telecom Sector for the year 2001-02, minimum percentage share was 19.16% while maximum 65.15% in 2009-10.

• The following results were found in GDP contribution; minimum 9.29% in 2001-02, maximum 10.93% in 2012-13 and CAGR (0.01).

• In Telecom Sector for the year 2005-06, Export has made minimum contribution 7.77% while maximum 9.66% in 2013-14 with Compound Annual Growth Rate 0.04.

• The following results were found in Employment contribution; minimum 6.45% in 2008-09, maximum 11.79% in 2004-05 and CAGR (0.01).

• The positive relationship (0.367) is found between Foreign Direct Investment and GDP.

• The positive relationship (0.355) is found between Foreign Direct Investment and Export.

• The negative relationship (-0.369) is found between Foreign Direct Investment and Employment.

• The following results were found; minimum change 3.79% in 2010-11, maximum 4.70% in 2007-08 and during the study period annual average was 35.66(Mn$).
• The following results were found for FDI at global level; minimum change (-64.60%) in 2012-13, maximum 37.95% in 2011-12 and during the study period annual average was 1,362.58 (Mn$).

• The following results were found for US FDI to India; minimum change (-55.84%) in 2010-11, maximum 56.04% in 2009-10 and during the study period annual average was 35.66 (Mn$).

• In Automobile Sector for the year 2012-13, minimum percentage share was 0.68 while maximum 5.40 in 2003-04.

• In Automobile Sector for 2001-02, GDP has made minimum contribution 6.26% while maximum 11.89% in 2012-13 with Compound Annual Growth Rate 0.04.

• In Automobile Sector for 2012-13, Export has made minimum contribution 9.83% while maximum 11.21% in 2000-01 with Compound Annual Growth Rate 0.03.

• In Automobile Sector for 2012-13, Employment has made minimum contribution 11.55% while maximum 14.71% in 2004-05 with Compound Annual Growth Rate 0.01.

• The correlation between Foreign Direct Investment and GDP indicates high degree of positive correlation with 0.735.

• The positive relationship (0.893) is judges for Foreign Direct Investment and Export.

• The positive relationship (0.449) is judges for Foreign Direct Investment and Employment.

• In Retail Sector for the year 2012-13, Foreign Direct Investment sector-wise percentage share was lowest with 9.56% while highest was 22.04% in 2010-11. During the study period annual average was 117.26(Mn$).

• In Retail Sector for the year 2013-14, minimum percentage change for Foreign Direct Investment from World Countries to India was (-35.24%) while maximum 36.21% in 2006-07. During the study period annual average was 1,272.35(Mn$).
The following results were found for FDI at global level; minimum change (-65.14%) in 2011-12, maximum 45.39% in 2009-10 and during the study period annual average was 117.26 (Mn$).

In Retail Sector for the year 2013-14, minimum percentage share was 3.54% while maximum 18.56% in 2003-04.

In Retail Sector for the year 2003-04, GDP has made minimum contribution 11.08% while maximum 12.27% in 2008-09 with Compound Annual Growth Rate 0.07.

In Retail Sector for the year 2006-07, Export has made minimum contribution 8.95% while maximum 9.84% in 2000-01 with Compound Annual Growth Rate 0.03.

The following results were found in Employment contribution; minimum change 10.82% in 2007-08, maximum 15.53% in 2002-03 and CAGR 1.68.

The positive relationship (0.877) is judges for Foreign Direct Investment and GDP.

The negative relationship (-0.118) is judges for Foreign Direct Investment and Employment.

The following results were found for FDI at global level; minimum change (-68.74%) in 2012-13, maximum 38.85% in 2011-12 and during the study period annual average was 1,307.46(Mn$).

The following results were found for US FDI to India; minimum change (-39.34%) in 2004-05, maximum 46.36% in 2010-11 and during the study period annual average was 61.52 (Mn$).

In Asset Reconstruction Sector for the year 2012-13, minimum percentage share was 1.95% while maximum 10.03% in 2003-04.

The following results were found in GDP contribution; minimum 7.71% in 2005-06, maximum 9.02% in 2002-03 and CAGR (-1.35).

In 2005-06, GDP has made minimum contribution 7.71% while maximum 9.02% in 2002-03 with Compound Annual Growth Rate (-1.35).

In 2006-07, Export has made minimum contribution 8.04% while maximum 10.20% in 2000-01 with Compound Annual Growth Rate 0.03.
• In 2013-14, Employment has made minimum contribution 11.25% while maximum 14.48% in 2000-01 with Compound Annual Growth Rate 0.24.

• The correlation between Foreign Direct Investment and GDP indicates negative degree of correlation with (-0.179).

• The positive relationship (0.869) was judged for FDI and Export.

• The correlation between Foreign Direct Investment and Employment indicates low degree of positive correlation with 0.054.

• The following results were found for US Foreign aid to India; minimum 172(Mn$) in 2013-14, maximum 222(Mn$) in 2000-01.

• The Foreign aid from United States to India was found lowest in year 2013-14 which was 172 (Mn$) while on other hand in 2000-01 it was found to be highest that was 222.00 (Mn$). During the study period annual average was 181.29(Mn$).

• The Foreign aid from United States to World Countries was found to be lowest with 16,836 (Mn$) in 2000-01 and highest was found to be 48,923 (Mn$) in 2007-08. During the study period annual average was 33,773(Mn$).

• As per the India’s percentage share of Foreign aid was lowest with 0.30% in 2008-09 and highest 1.32% in 2000-01.

• The Personal Transfer from United States to India was found lowest in year 2000-01 which was 461.35 (Mn$) while on other hand in 2008-09 it was found to be highest that was 1,802.71 (Mn$). During the study period annual average was 1,099.35(Mn$).

• The following results were found for US Personal Transfer at global level; minimum 9,867.23 (Mn$) in 2005-06, maximum 23,249.54 (Mn$) in 2011-12.

• The Personal Transfer from United States to World Countries was found to be lowest with 9,867.23 (Mn$) in 2005-06 and highest was found to be 23,249.54 (Mn$) in 2011-12. During the study period annual average was 15,768.68(Mn$).

• As per the India’s percentage share of Foreign aid was lowest with 3.64% in 2002-03 and highest 11.96% in 2008-09.
During the study period, the followings problems have been identified.

**Foreign Direct Investment**

- Trade barriers.
- Opaque and complicated tax structure.
- Complicated procedural and frequent change in regulations.
- Procedural delays about permission to invest.
- Unfair advantages to the local public sectors.
- Lack of infrastructure facilities.
- Long duration of settlement of legal issue.
- Problem in re-possession of securities.
- Lack of secondary market for selling stressed assets.
- Regional dispersion, political challenges and federal challenges etc.

**Foreign aid**

- Natural disaster.
- Increase in foreign aid/debt servicing.
- Increase in productive cost.
- Habit of dependence on foreign loan and misuse of aid.
- Exploitation by donor country.
- Commodity aid discourages domestic agriculture output.
- Dependence of imported raw material by donor country.
- Project tied loans for less priority projects.
- Unstable political situation.

**Personal Transfer**

- Restriction by the government.
- Technology failure-modes of transfer.
- Danger of money laundering and different KYC standards.
- Complex and different tax treatment of remittances.
Suggestions

On the basis of analysis work and the conversation of various noted academicians, researches, bankers. The researcher submits suggestions.

Foreign Direct Investment

- Tax system/structure should be made simple, transparent and compliable. This will give fillip to flow of international funds.
- Regulations should be made simple, easy to comply and consistent.
- Procedure should be made perfect and less time consuming.
- Governments should endeavor to maintain level play amongst various players.
- Infrastructure should be improved to attract foreign investors in industry.

Foreign aid

- Aid/debt should be productively utilized.
- Donor countries should refrain from exploitation and multi partner agreements can be worked out to avoid monopolistic exploitations.
- The countries which have natural productive resources should develop internal capability rather than depending upon aid.
- The countries which have natural productive resources should develop internal capability rather than depending upon aid.
- International fraternity and brotherhood and respect for each other’s sovereignty can ensure stability.

Personal Transfer

- The government should gradually relax restrictions.
- Technology needs to be properly tamed.
- KYV regulations and compliance may help in combating this problem.
• Tax structure should be streamlined.

Conclusions

Researcher in his study, covers the research areas, ‘Foreign Direct Investment, Foreign aid and Personal Transfer’ for the period from 2000-01 to 2013-14 with United States. He analyzes inflows from United States to World Countries and India and noticed that the United States Foreign Direct Investment played an important role in attracting the maximum inflows amongst rest components.

Apart from this, researcher identifies the contribution of United States Foreign Direct Investment in Gross Domestic Product, Export and Employment. He finds that in Gross Domestic Product, it was maximum in Information & Broadcasting Sector while minimum in Automobile Sector. Further, in export, it was maximum in Civil Aviation Sector while minimum in Information & Broadcasting Sector and last, in Employment, it was maximum in Mining Sector while minimum in Automobile Sector.

The study clearly shows the direct relationship between Foreign Direct Investment and Gross Domestic Product of country. The United States has positive relationship with growth of Mining Sector, Petroleum & Natural Gas Sector, Defense Sector, Information & Broadcasting Sector, Civil Aviation Sector, Industrial Parks Sector, Telecom Sector, Automobile Sector, Retail Sector and Asset Reconstruction Sector during the study period. United States of America also shows the positive correlation with export & employment and above mentioned sector.

Foreign Direct Investment plays an important role in promoting growth of country and suggested for avoiding economic fluctuations and helps to make stable policies for economic growth of India for increasing inflows of Foreign Direct Investment. Further, in Foreign aid, the steady flow of foreign assistance was required for increasing Per Capita Income & Purchasing Power Parity and in Personal Transfer, maintenance transfer must be stable for increasing earning capacity of recipients.

Action-Plan for Future Course of Action

After conducting the research work, researcher suggests an action plan to improve Indo-US Monetary Transactions.
### Foreign Direct Investment

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<tr>
<td>Long duration of settlement of legal issue.</td>
<td>The judicial reforms may be introduced to make legal system more efficient.</td>
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### Foreign aid

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<td>Habit of dependence on foreign loan and misuse of aid.</td>
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### Personal Transfer

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