



The Export Behaviour of Textile, Chemical, Food and Engineering sector firms in context of Gujarat

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Abstract: *The state's Gross State Domestic Product (GSDP) expanded at a CAGR of 15.79% from 2008-09 to 2013-14. Gujarat's current erratic level of manufacturing export involvement and performance, coupled with the fact that the phenomenon is extensively researched mainly in the developed economies, a research problem is posed. Gujarat registered an increase of 14.82% in the Per Capita Income for 2013-14, estimated at INR 106,831 at current prices and well above the national average of INR 80,388 for the same year. Gujarat attracted 131 FDI proposals worth USD 3.7 billion over 2011-12 and became the state with the second highest number of FDI proposals. Various growth drivers of Gujarat Economy are; Enabling business environment with greater global participation, Access to technology as a consequence of the IT revolution, Simplification and rationalization of Direct and Indirect Tax structures, well established Financial System & Strong Market Fundamentals, Land of abundant natural resources and diverse climatic conditions. The number of factories in Gujarat have increased from 22, 220 in 2011-12 to 22587 in 2012-13. 41% of total Indian port cargo was handled by Gujarat's ports (2013-14). Gujarat industrial sector comprises of over 5,75,000 MSME's providing employment to 36.56 lakh people. In nutshell, if we talk about total export and import of Gujarat there is a enormous opportunities lies beyond horizon. The main research problem this paper seeks to address is: why is the export involvement of manufacturing SMEs from the following sub-sector in Gujarat is erratic: Textiles Machinery, Food & Agro, Based Industries and Chemicals & Chemicals Products. Extant empirical findings in the field which relate to the problem above are based in a developed context (e.g. North America & Europe). As a result, the understanding of exporting and non-exporting behaviour of SMEs in Gujarat represents a gap in the field. Therefore, this thesis seeks to identify key factors that determine exporting behaviour of various sector of operations' like Textile, Engineering, Food & Agro based Sector and Chemical & Chemical Product Sector in Gujarat. We have identified various factors affecting export behaviour of these sectors and also checked impact on various types of sectors we have taken for our study. We have used questionnaire method for data collection and in analysis conducted Descriptive & ANOVA test. Findings suggest that all independent variable taken has more impact on textile and chemical and chemical product sector firms compare to engineering and food/agro sector firms.*

Keywords: *Textile, GSDP, CAGR, FDI, Gujarat, Chemical, SMEs, Engineering.*

I. INTRODUCTION

The state of Gujarat has a significant contribution towards the agricultural and industrial production in India. It is regarded as the most industrialized state of the country and boasts of an array of industries, mainly in the sector of chemical, fertilizers, petrochemicals, minerals, cement, textile, dairy products and engineering. The state is hailed as the most prosperous in India as its per capita GDP is higher than the average GDP of the country. The period of 1960-90 was crucial and quite phenomenal too as the state established its leadership in the domains of dairy products, gems and jewellery, cotton and textile, engineering, drugs and pharmaceuticals (Rojasri and Qureshi., 2013). From the period of 1994-2002, the state domestic product rose at the rate of 14% per annum in real terms. Gujarat is one of the primary states of India to have pioneered the cause of private sector investment which is still in operation. The state has the largest co-operative milk marketing federation and houses the biggest dairy of Asia.

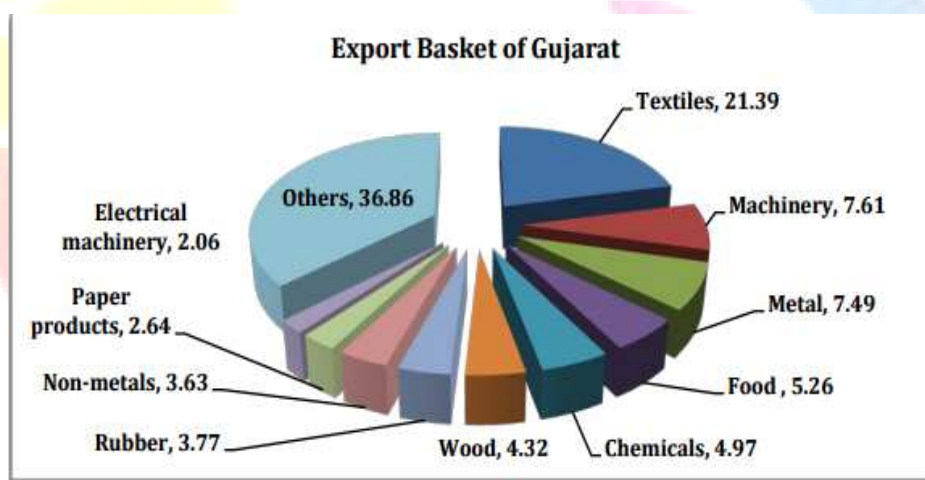
The strength of the state in the present times has been packaged well by the government in power. The automotive industry is on a roll in the state and the presence of big names such as Maruti Suzuki, Ford Motors, Hero Honda and Tata Motors have somewhat eclipsed the development of the similar sector in the other states of the country. The state is home to the largest Greenfield refinery in the world in the form of Reliance Industries and is regarded as the largest producer of processed diamonds. The state rode the steep curve of industrialization since the 80s and 90s when there was hardly any recognizable difference between the national and the state's rate of growth in the manufacturing sector. While the country grew at 8.1%, Gujarat recorded growth at 7%. The recession faced by the state during the period of 1999-2002, reflected in the decline of 0.03% in the manufacturing sector which took an upswing 2003 onwards under the leadership of the then chief minister, Narendra Modi when

the union government's expenditure bouquets showed a sharp rise and the trend continued till 2010 making the state clock a growth rate of 12.8% against the national rate of 8.1%.

- ❖ The GITCO survey conducted on 2001 revealed the following facts about the export sector of the state of Gujarat:
- ❖ Around more than half of the exporters from the state constitute from the partnership organizations and or the private concerns (Thakkar et al., 2008).
- ❖ Generic exporters and producers of the state are 80% in number while the rest 20% that are involved in the export scenario are business traders of the state.
- ❖ The special benefits of the export trade can be availed by about one-fourth of the concerns only since they are the ones that have the status of Export house to enjoy such benefits.
- ❖ It was after 1991-92 that almost 40% of the export concerns took shape within the state.
- ❖ A raising disparity exists in the export sector companies as the sector of agro-based products constitute only around 10% of the export concerns.
- ❖ About two-thirds of the exporting firms in the state belong to the sector of small and medium scale enterprises and about 29% of such firms have an export limit below Rs 5 million while the range of exports between 5 – 50 million constitute 37% of the firms (Ravi., 2009).

Gujarat, which represents around a quarter of India's aggregate fares, is pondering a five-year send out arrangement to concentrate on worth included fares in segments, for example, materials, agribusiness and dairy. The move by the top sending out state in the nation returns on the hanging endeavours by the middle to help waning fares. The principal state in the nation to have a fare strategy, Gujarat arrangements to increment the offer of fares from the state from 25% to 30% in five years. The state as of now has potential in the material division, as about 23% of the state GDP originates from material and related commercial enterprises. Different regions that Gujarat added to India's fares in 2011-12 incorporate 70% in the diamonds what's more, gems part, 30% in pharmaceuticals, 20% in materials, 12% in designing and 18% in chemicals. The state has 41 minor and middle of the road ports and 55 SEZs, included in divisions like biotechnology, power, handiwork, pearls and adornments. Gujarat additionally has a near favorable position in numerous items, similar to flavors and seeds, mineral and metals and cotton.

Small scale sector development is spread crosswise over distinctive modern areas. Then again, the pattern at the point when contrasted and substantial businesses introduces an alternate picture. Material including hosiery and pieces of clothing records for the biggest number of SSI units, trailed by different parts. This can be seen from the accompanying graph.



Textiles: Gujarat's material division has been investigating more up to date subsectors like specialized material segment. This segment is relied upon to develop prodded by the enormous development or developing prerequisite in car applications, therapeutic materials, geo-materials, agro-materials utilized for harvest assurance and defensive attire for shoot warriors, shot evidence coats and space suits (Nichter and Goldmark.,2009). Also, with another material approach set up, Gujarat is set to see hearty development in piece of clothing fares in the following five years, educated Federation of Indian Export Organizations (FIEO).

Gems and Jewelry: Gujarat represents more than 70% of aggregate Gems and Jewelry fares of India. Right around 80% of cutting and cleaning of precious stones is done in Gujarat and 90% of aggregate jewels in Gujarat are prepared by around 10,000 precious stone units situated in and around Surat.

Plastics/Chemical/Petrochemical area: Gujarat's chemicals and petrochemicals industry offers a wide range of chances for the financial specialists both from India and abroad. Gujarat is known as the 'Petro Capital' of India. The State contributes 62% of nation's petrochemicals generation and 51% of nation's chemicals creation. Gujarat contributes 15% of the aggregate national concoction sends out.



II. REVIEW OF LITERATURE

It is argued that the determinants of export decisions of the SMEs appear to consist of external and internal factors, but it is the influence of the internal resource capacity which significantly facilitates the export behaviour of the SME rather than the external factors (McDougal et al., 1997; Rueber & Fisher, 1997; Ibeh, 2003; 2004; Westhead et al., 2004; Ibeh, 2005; Ibeh & Wheeler, 2005; Sousa et al., 2008; Williams, 2008; Lages et al., 2009). The core argument of these studies is that, although macro level export promotion policies are necessary, they do not constitute the ultimate condition for the SMEs to change its strategy from one of a wholly domestic firm to an international firm.

Furthermore, neither do the macro level programmes constitute a sufficient condition for existing exporters to improve their export performance. As a result, these authors contend that for SMEs to respond positively to macro export promotions and change from being wholly domestic firms to becoming exporters, the actual stimulus resides within the firms' internal resource capacity, including the personal aspirations and subjective factors of its owner-manager. Although previous arguments appear to offer a straightforward answer with regard to why export activity among Gujarat's SMEs is so erratic, the theoretical frameworks in the field were developed based on the export behaviour of developed countries' firms and so most of the empirical studies were also mainly based on SMEs from the developed countries (e.g. North America & Europe).

Therefore, because the socio economic contexts of the developed countries differ from those of developing countries (e.g. India), the understanding of the export behaviour of the SME from developing country contexts (e.g. India) is limited in the literature. As a result, the assumptions of extant theories applied in the field (e.g. the resource-based view and the stage theory), with their associated empirical findings, cannot automatically be externally generalised to Gujarat.

The present study therefore, extends the exporting behaviour of research into SMEs using evidence from Gujarat to shed light on the phenomenon. Building on the literature review, unlike previous studies (e.g., Bell, 1995; Coviello & Munro, 1995; Reuber & Fischer, 1997; Westhead et al., 2001; Moen & Servais, 2002; Hall & Tu, 2003; 2004; Ibeh, 2005; Williams, 2008) that apply a single theoretical framework to address the topic, a proposed integrated theoretical framework is applied in this thesis to shed light on the export behaviour of the SMEs. The proposed integrated theoretical framework applied in the thesis consists of combining the resource-based view, the stage theory, the network theory and the international entrepreneurship theory.

The argument behind the proposed integrated theoretical framework that guides the thesis follows that of Coviello & Martin (1999), Crick & Spence (2005), Coviello & Cox (2006), inter alia, who contend that SME export behaviour is a complex phenomenon that cannot be fully understood by applying a single theoretical framework. Moreover, unlike other previous studies (e.g. McDougall et al., 1994; Reuber & Fischer, 1997; Westhead et al., 2001; Moen & Servais, 2002; Manolova, 2002), this thesis also takes into consideration the influence of the external environment in analysing the export behaviour of the SMEs. As a result, contingency theory is also applied; this theory is used to supplement the four theoretical frameworks so as to shed greater light on the phenomenon.

Moreover, following Bell (1995) SMEs' exporting activities represent a complex, dynamic and interactive phenomenon which no single theoretical framework can explain it in fully and so the integration approach adopted in this thesis provide a robust method for addressing SMEs' exporting activities that will be appropriate for the context of developing economies. The resource-based view (RBV), stage theory, network theory and international entrepreneurship offer the best and most detailed explanation of export activities of SMEs than others (e.g. product life cycle theory, internalisation and transaction cost theory) (Ruzzier et al., 2006; Johanson & Vahlne, 2009; Johanson & Vahlne, 2010).

III. OBJECTIVE OF THE STUDY

- ❖ To identify the various factors affecting export behaviour of textile, engineering, food/agro firms and chemical sector firms.
- ❖ To study impact of these factors on various types of firm's viz. textile, engineering, food/agro firms and chemical sector firms.
- ❖ To find out which type of Sector gets affected in export related decisions by these factors.

IV. METHODOLOGY

For the purpose of the study a survey design was used. The region of study was Gujart. We have collected data from firm's owner, CEO, VP, GM, Country manager, Manager international sales, Key opinion leaders of various manufacturing associations, policy makers, Government officials involved in export oriented regulatory norms, entrepreneurs, export consultants etc. This is a kind of study where personal experiences of stakeholders are crucial. Therefore, visiting many manufacturing firms apart from collecting data from various stakeholders is necessary. The collected data was analysed with ANOVA tests

V. MEASURES

In this responses were scored on 5-point likert scale (1=strongly disagree, 2 = disagree, 3= neutral , 4= agree, 5= strongly disagree)

VI. ANALYSIS AND RESULTS

Through various secondary research we have identified various factors affecting export behaviour of SMEs are; Firm’s Size, Type of the firm, Sector of Operation, Countries in which major exports do occur, Various parameters affecting export decision, Satisfaction level of the firm by government policies, Critical incidents that triggered export initiation, Factors affecting capacity of firm to meet export orders, Various networking factors affecting capacity of firm to meet export orders, Various entrepreneurial traits influencing the export decision of firm, Extent to which changes in domestic market affect export initiation, Extent to which changes in foreign market affect export initiation, Influence of home government’s incentives to promote export, Influence of foreign government’s incentives to promote export, Influence of intermediaries to export decision, Level of competition in local market influencing export, Level of competition in foreign market influencing export etc.

VII. TESTING OF HYPOTHESIS

One way ANOVA

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
SUM_Export	Between Groups	1090.952	3	363.651	15.333	.000
	Within Groups	19921.526	840	23.716		
	Total	21012.477	843			
SUM_Satisfied	Between Groups	98.430	3	32.810	3.642	.012
	Within Groups	7566.853	840	9.008		
	Total	7665.283	843			
SUM_Internalfactor	Between Groups	234.115	3	78.038	4.443	.004
	Within Groups	14754.173	840	17.564		
	Total	14988.288	843			
SUM_Network	Between Groups	541.671	3	180.557	21.752	.000
	Within Groups	6972.685	840	8.301		
	Total	7514.355	843			
SUM_Entrepreneurial_Traits	Between Groups	443.894	3	147.965	16.265	.000
	Within Groups	7641.770	840	9.097		
	Total	8085.664	843			
SUM_DemocraticMarket	Between Groups	518.311	3	172.770	7.306	.000
	Within Groups	19863.948	840	23.648		
	Total	20382.259	843			
SUM_ForeignMarket	Between Groups	193.542	3	64.514	18.761	.000
	Within Groups	2888.500	840	3.439		
	Total	3082.041	843			
SUM_Government Incentives	Between Groups	190.707	3	63.569	7.651	.000
	Within Groups	6979.327	840	8.309		
	Total	7170.033	843			
SUM_ForeignGovernment Incentives	Between Groups	133.976	3	44.659	21.605	.000
	Within Groups	1736.331	840	2.067		
	Total	1870.307	843			
SUM_Intermediaries_Influence	Between Groups	324.408	3	108.136	28.770	.000
	Within Groups	3157.223	840	3.759		
	Total	3481.630	843			
SUM_LocalMarket_Influence	Between Groups	290.550	3	96.850	11.486	.000
	Within Groups	7083.065	840	8.432		
	Total	7373.615	843			
SUM_Customer_Influence	Between Groups	112.186	3	37.395	21.301	.000
	Within Groups	1474.653	840	1.756		
	Total	1586.839	843			

Multiple Comparisons							
Tukey HSD							
Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
SUM_Export	Textile	Engineering	1.69880*	.43526	.001	.5784	2.8192
		Food and Agro based	.64646	.59855	.702	-.8943	2.1872
		Chemical & Chemical	-1.12493	.47439	.083	-2.3461	.0962



		Products					
	Engineering	Textile	-1.69880*	.43526	.001	-2.8192	-.5784
		Food and Agro based	-1.05234	.56143	.240	-2.4976	.3929
		Chemical & Chemical Products	-2.82373*	.42660	.000	-3.9219	-1.7256
	Food and Agro based	Textile	-.64646	.59855	.702	-2.1872	.8943
		Engineering	1.05234	.56143	.240	-.3929	2.4976
		Chemical & Chemical Products	-1.77139*	.59228	.015	-3.2960	-.2468
	Chemical & Chemical Products	Textile	1.12493	.47439	.083	-.0962	2.3461
		Engineering	2.82373*	.42660	.000	1.7256	3.9219
		Food and Agro based	1.77139*	.59228	.015	.2468	3.2960
SUM_Satisfied	Textile	Engineering	.21278	.26825	.858	-.4778	.9033
		Food and Agro based	.25070	.36889	.905	-.6989	1.2003
		Chemical & Chemical Products	-.60317	.29237	.166	-1.3558	.1494
	Engineering	Textile	-.21278	.26825	.858	-.9033	.4778
		Food and Agro based	.03792	.34601	1.000	-.8528	.9286
		Chemical & Chemical Products	-.81595*	.26292	.011	-1.4927	-.1392
	Food and Agro based	Textile	-.25070	.36889	.905	-1.2003	.6989
		Engineering	-.03792	.34601	1.000	-.9286	.8528
		Chemical & Chemical Products	-.85387	.36502	.090	-1.7935	.0858
	Chemical & Chemical Products	Textile	.60317	.29237	.166	-.1494	1.3558
		Engineering	.81595*	.26292	.011	.1392	1.4927
		Food and Agro based	.85387	.36502	.090	-.0858	1.7935
SUM_Internal factor	Textile	Engineering	.58406	.37458	.403	-.3802	1.5483
		Food and Agro based	.45298	.51510	.816	-.8730	1.7789
		Chemical & Chemical Products	-.71272	.40825	.301	-1.7636	.3382
	Engineering	Textile	-.58406	.37458	.403	-1.5483	.3802
		Food and Agro based	-.13108	.48316	.993	-1.3748	1.1127
		Chemical & Chemical Products	-1.29678*	.36713	.002	-2.2418	-.3517
	Food and Agro based	Textile	-.45298	.51510	.816	-1.7789	.8730
		Engineering	.13108	.48316	.993	-1.1127	1.3748
		Chemical & Chemical Products	-1.16570	.50971	.102	-2.4778	.1464
	Chemical & Chemical Products	Textile	.71272	.40825	.301	-.3382	1.7636
		Engineering	1.29678*	.36713	.002	.3517	2.2418
		Food and Agro based	1.16570	.50971	.102	-1.464	2.4778
SUM_Network	Textile	Engineering	1.39688*	.25751	.000	.7340	2.0597
		Food and Agro based	.77701	.35411	.126	-.1345	1.6885
		Chemical & Chemical Products	-.51039	.28066	.265	-1.2328	.2121
	Engineering	Textile	-1.39688*	.25751	.000	-2.0597	-.7340
		Food and Agro based	-.61987	.33215	.243	-1.4749	.2351
		Chemical & Chemical Products	-1.90727*	.25238	.000	-2.5569	-1.2576
	Food and Agro based	Textile	-.77701	.35411	.126	-1.6885	.1345
		Engineering	.61987	.33215	.243	-.2351	1.4749
		Chemical & Chemical Products	-1.28740*	.35040	.001	-2.1894	-.3854
	Chemical & Chemical Products	Textile	.51039	.28066	.265	-.2121	1.2328
		Engineering	1.90727*	.25238	.000	1.2576	2.5569
		Food and Agro based	1.28740*	.35040	.001	.3854	2.1894
SUM_Entrepreneurial_Traits	Textile	Engineering	1.45842*	.26958	.000	.7645	2.1524
		Food and Agro based	1.04472*	.37071	.025	.0904	1.9990
		Chemical & Chemical Products	-.12426	.29381	.975	-.8806	.6321
	Engineering	Textile	-1.45842*	.26958	.000	-2.1524	-.7645
		Food and Agro based	-.41371	.34772	.633	-1.3088	.4814
		Chemical & Chemical Products	-1.58268*	.26421	.000	-2.2628	-.9025



	Food and Agro based	Textile	-1.04472*	.37071	.025	-1.9990	-.0904
		Engineering	.41371	.34772	.633	-.4814	1.3088
		Chemical & Chemical Products	-1.16898*	.36683	.008	-2.1133	-.2247
	Chemical & Chemical Products	Textile	.12426	.29381	.975	-.6321	.8806
		Engineering	1.58268*	.26421	.000	.9025	2.2628
		Food and Agro based	1.16898*	.36683	.008	.2247	2.1133
SUM_Democratic Market	Textile	Engineering	1.07462	.43463	.065	-.0442	2.1934
		Food and Agro based	.21729	.59768	.984	-1.3212	1.7558
		Chemical & Chemical Products	-.89692	.47370	.232	-2.1163	.3225
	Engineering	Textile	-1.07462	.43463	.065	-2.1934	.0442
		Food and Agro based	-.85733	.56061	.420	-2.3005	.5858
		Chemical & Chemical Products	-1.97154*	.42598	.000	-3.0681	-.8750
	Food and Agro based	Textile	-.21729	.59768	.984	-1.7558	1.3212
		Engineering	.85733	.56061	.420	-.5858	2.3005
		Chemical & Chemical Products	-1.11421	.59142	.236	-2.6366	.4082
	Chemical & Chemical Products	Textile	.89692	.47370	.232	-.3225	2.1163
		Engineering	1.97154*	.42598	.000	.8750	3.0681
		Food and Agro based	1.11421	.59142	.236	-.4082	2.6366
SUM_Foreign Market	Textile	Engineering	.75563*	.16574	.000	.3290	1.1823
		Food and Agro based	.41026	.22791	.274	-.1764	.9970
		Chemical & Chemical Products	-.41271	.18064	.102	-.8777	.0523
	Engineering	Textile	-.75563*	.16574	.000	-1.1823	-.3290
		Food and Agro based	-.34536	.21378	.370	-.8957	.2049
		Chemical & Chemical Products	-1.16834*	.16244	.000	-1.5865	-.7502
	Food and Agro based	Textile	-.41026	.22791	.274	-.9970	.1764
		Engineering	.34536	.21378	.370	-.2049	.8957
		Chemical & Chemical Products	-.82297*	.22553	.002	-1.4035	-.2424
	Chemical & Chemical Products	Textile	.41271	.18064	.102	-.0523	.8777
		Engineering	1.16834*	.16244	.000	.7502	1.5865
		Food and Agro based	.82297*	.22553	.002	.2424	1.4035
SUM_Government Incentives	Textile	Engineering	-.06227	.25763	.995	-.7255	.6009
		Food and Agro based	-.11014	.35428	.990	-1.0221	.8018
		Chemical & Chemical Products	-1.13289*	.28079	.000	-1.8557	-.4101
	Engineering	Textile	.06227	.25763	.995	-.6009	.7255
		Food and Agro based	-.04787	.33231	.999	-.9033	.8075
		Chemical & Chemical Products	-1.07062*	.25250	.000	-1.7206	-.4206
	Food and Agro based	Textile	.11014	.35428	.990	-.8018	1.0221
		Engineering	.04787	.33231	.999	-.8075	.9033
		Chemical & Chemical Products	-1.02275*	.35057	.019	-1.9252	-.1203
	Chemical & Chemical Products	Textile	1.13289*	.28079	.000	.4101	1.8557
		Engineering	1.07062*	.25250	.000	.4206	1.7206
		Food and Agro based	1.02275*	.35057	.019	.1203	1.9252
SUM_Foreign Government Incentives	Textile	Engineering	.84677*	.12850	.000	.5160	1.1776
		Food and Agro based	.50430*	.17671	.023	.0494	.9592
		Chemical & Chemical Products	-.00562	.14005	1.000	-.3661	.3549
	Engineering	Textile	-.84677*	.12850	.000	-1.1776	-.5160
		Food and Agro based	-.34247	.16575	.165	-.7691	.0842
		Chemical & Chemical Products	-.85239*	.12594	.000	-1.1766	-.5282
	Food and Agro based	Textile	-.50430*	.17671	.023	-.9592	-.0494
		Engineering	.34247	.16575	.165	-.0842	.7691
		Chemical & Chemical Products	-.50992*	.17486	.019	-.9600	-.0598
	Chemical &	Textile	.00562	.14005	1.000	-.3549	.3661



	Chemical Products	Engineering	.85239*	.12594	.000	.5282	1.1766
		Food and Agro based	.50992*	.17486	.019	.0598	.9600
SUM_Intermediaries_Influence	Textile	Engineering	1.28813*	.17328	.000	.8421	1.7342
		Food and Agro based	.73559*	.23828	.011	.1222	1.3490
		Chemical & Chemical Products	-.06678	.18885	.985	-.5529	.4194
	Engineering	Textile	-1.28813*	.17328	.000	-1.7342	-.8421
		Food and Agro based	-.55253	.22350	.065	-1.1279	.0228
		Chemical & Chemical Products	-1.35491*	.16983	.000	-1.7921	-.9177
	Food and Agro based	Textile	-.73559*	.23828	.011	-1.3490	-.1222
		Engineering	.55253	.22350	.065	-.0228	1.1279
		Chemical & Chemical Products	-.80238*	.23578	.004	-1.4093	-.1954
	Chemical & Chemical Products	Textile	.06678	.18885	.985	-.4194	.5529
		Engineering	1.35491*	.16983	.000	.9177	1.7921
		Food and Agro based	.80238*	.23578	.004	.1954	1.4093
SUM_LocalMarket_Influence	Textile	Engineering	.95207*	.25954	.001	.2840	1.6202
		Food and Agro based	.65936	.35690	.252	-.2594	1.5781
		Chemical & Chemical Products	-.44914	.28287	.386	-1.1773	.2790
	Engineering	Textile	-.95207*	.25954	.001	-1.6202	-.2840
		Food and Agro based	-.29271	.33477	.818	-1.1545	.5690
		Chemical & Chemical Products	-1.40121*	.25437	.000	-2.0560	-.7464
	Food and Agro based	Textile	-.65936	.35690	.252	-1.5781	.2594
		Engineering	.29271	.33477	.818	-.5690	1.1545
		Chemical & Chemical Products	-1.10850*	.35316	.009	-2.0176	-.1994
	Chemical & Chemical Products	Textile	.44914	.28287	.386	-.2790	1.1773
		Engineering	1.40121*	.25437	.000	.7464	2.0560
		Food and Agro based	1.10850*	.35316	.009	.1994	2.0176
SUM_Customer_Influence	Textile	Engineering	.80338*	.11842	.000	.4985	1.1082
		Food and Agro based	.44718*	.16285	.031	.0280	.8664
		Chemical & Chemical Products	.04641	.12907	.984	-.2858	.3787
	Engineering	Textile	-.80338*	.11842	.000	-1.1082	-.4985
		Food and Agro based	-.35620	.15275	.092	-.7494	.0370
		Chemical & Chemical Products	-.75697*	.11607	.000	-1.0557	-.4582
	Food and Agro based	Textile	-.44718*	.16285	.031	-.8664	-.0280
		Engineering	.35620	.15275	.092	-.0370	.7494
		Chemical & Chemical Products	-.40077	.16114	.063	-.8156	.0140
	Chemical & Chemical Products	Textile	-.04641	.12907	.984	-.3787	.2858
		Engineering	.75697*	.11607	.000	.4582	1.0557
		Food and Agro based	.40077	.16114	.063	-.0140	.8156
*. The mean difference is significant at the 0.05 level.							

While encounter with the respondent we have consider different demographic factors like; Type of firm and Sector of Operation. These categories are classified into more than two types. Therefore, independent t-test cannot applied to derive right conclusion for the various parameters like; Parameters affecting export decision based on firm's experience, Firm's satisfaction level by state/ central government policies for export, various internal factors affecting capacity of firm to meet its export orders, networking factors influence the capacity of firm to meet its export orders, entrepreneurial traits influencing the export decision, changes in domestic market affect export decision, changes in foreign market affect export decision, home government's incentives and schemes influence export decision, foreign government's incentives and schemes influence export decision, intermediaries influence your export decision, competition in the local market influence export decision, customers influence export decision. Therefore, we have applied one way ANOVA to understand directions of export behaviour. Sector of Operation categorised in 4 parts. No.1 code is allocated to Textile Sector, No.2 code is allocated to Engineering Sector, No.3 code is allocated to Food & Agro Based Sector and No.4 code is allocated to Chemical & Chemical Products Sector. We have considered the various questions related with all the various parameters taken for our research.

H_{01} = There is no significance difference among various Sector of Operations' of 4 categories regarding overall Parameters affecting export decision based on firm's experience.



H_1 = There is a significance difference among various Sector of Operations' of 4 categories regarding overall Parameters affecting export decision based on firm's experience.

Sig. Value is 0.000 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significance difference among various Sector of Operations' of 4 categories regarding overall Parameters affecting export decision based on firm's experience.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 1.69880 and 1.12493. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile sector and code no.4 – Chemical & Chemical product sector is significantly different than those of the other type of sectors in the context of overall Parameters affecting export decision based on firm's experience.

H_{01} = There is no significance difference among various Sector of Operations' of 4 categories regarding overall Firm's satisfaction level by state/ central government policies for export.

H_1 = There is a significance difference among various Sector of Operations' of 4 categories regarding overall Firm's satisfaction level by state/ central government policies for export.

Sig. Value is 0.12 which is more than 0.05 which indicate that null hypothesis has to be accepted and alternate hypothesis should be rejected. It suggests that there is no significance difference among various Sector of Operations' of 4 categories regarding overall Firm's satisfaction level by state/ central government policies for export.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we cannot find asterisk (*) mark in any column 4. This suggests that if these groups are compared than there are no significantly different from one another at 0.05 Sig. Level.

H_{01} = There is no significance difference among various Sector of Operations' of 4 categories regarding overall various internal factors affecting capacity of firm to meet its export orders.

H_1 = There is a significance difference among various Sector of Operations' of 4 categories regarding various internal factors affecting capacity of firm to meet its export orders.

Sig. Value is 0.259 which is more than 0.05 which indicate that null hypothesis has to be accepted and alternate hypothesis should be rejected. It suggests that there is no a significance difference among overall various internal factors affecting capacity of firm to meet its export orders.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we cannot find asterisk (*) mark in any column 3. This suggests that if these groups are compared than there are no significantly different from one another at 0.05 Sig. Level.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall networking factors influence the capacity of firm to meet its export orders.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall networking factors influence the capacity of firm to meet its export orders.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall networking factors influencing the capacity of firm to meet its export orders.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 1.39688, 1.90727 and 1.28740 respectively. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall networking factors influence the capacity of firm to meet its export orders.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall entrepreneurial traits influence the capacity of firm to meet its export orders.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall entrepreneurial traits influence the capacity of firm to meet its export orders.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall entrepreneurial influencing the capacity of firm to meet its export orders.



ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 1.45842, 1.04472 and 1.58268 respectively. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall networking factors influence the capacity of firm to meet its export orders.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall changes in domestic market influence the capacity of firm to take export decisions.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall changes in domestic market influence the capacity of firm to take export decisions.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall changes in domestic market influence the capacity of firm to take export decisions.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 1.97154. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall changes in domestic market influence the capacity of firm to take export decisions.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall changes in foreign market influence the capacity of firm to take export decisions.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall changes in foreign market influence the capacity of firm to take export decisions.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall changes in foreign market influence the capacity of firm to take export decisions.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 0.75563 and 1.16834. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall changes in foreign market influence the capacity of firm to take export decisions.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall home government's incentives and schemes influence export decision.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall home government's incentives and schemes influence export decision.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among home government's incentives and schemes influence export decision.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 0.75563, 1.16834 and 0.82297. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall home government's incentives and schemes influence export decision.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall foreign government's incentives and schemes influence export decision.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall foreign government's incentives and schemes influence export decision.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall foreign government's incentives and schemes influence export decision.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean



difference we can find asterisk (*) mark in column 4 with the value of 0.84677, 0.50430, 0.00562 and 0.50992. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of foreign government's incentives and schemes influence export decision.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall intermediaries influencing export decisions.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall intermediaries influencing export decisions.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall intermediaries influencing export decisions.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 1.28813, 0.73559 and 1.35491. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall intermediaries influencing export decisions.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall local market influence export decisions.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall local market influence export decisions.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall local market influence export decisions.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 0.95207, and 1.40121. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall local market influence export decisions.

H_{01} = There is no significance difference among various Sectors of Operations' of 4 categories regarding overall local market influence export decisions.

H_1 = There is a significance difference among various Sectors of Operations' of 4 categories regarding overall customer influence export decisions.

Sig. Value is 0.00 which is less than 0.05 which indicate that null hypothesis has to be rejected and alternate hypothesis should be accepted. It suggests that there is a significant difference among overall customer influence export decisions.

ANOVA never tell us which group is different from other groups, so to understand homogeneity within groups Post-Hoc test can be used. Post-Hoc test will derive where the differences among groups occur or not. If we check the column of Mean difference we can find asterisk (*) mark in column 4 with the value of 0.80338, 0.44718 and 0.75697. This suggests that if these three groups are compared than they are significantly different from one another at 0.05 Sig. Level. It indicates that code no.1 – Textile Sector and code no.4 Chemical and Chemical Product Sector are significantly different than those of the other sectors of operations' in the context of overall customer influence export decisions.

VIII. CONCLUSION

Firm's Size, Type of the firm, Sector of Operation, Countries in which major exports do occur, Various parameters affecting export decision, Satisfaction level of the firm by government policies, Critical incidents that triggered export initiation, Factors affecting capacity of firm to meet export orders, Various networking factors affecting capacity of firm to meet export orders, Various entrepreneurial traits influencing the export decision of firm, Extent to which changes in domestic market affect export initiation, Extent to which changes in foreign market affect export initiation, Influence of home government's incentives to promote export, Influence of foreign government's incentives to promote export, Influence of intermediaries to export decision, Level of competition in local market influencing export, Level of competition in foreign market influencing export etc. . Export behavior and related issues involves both tangible as well as intangible aspects in nature and much heterogeneity in opinion of various stakeholders prevails in market.

Only having and enough production capacity if not enough but to have skilled and high talented labor and working professionals who can generate high quality output which increase the demand of domestic product in foreign market is also essential. What are the various policies and procedures established by government to initiate and increase export? Do this type of



system working with proper implementation? What is the effectiveness and efficiency of such mechanism? And what are the outcomes? There are 4 Lakh registered SMEs in Gujarat, contributing 30 per cent to Gujarat's exports and 7.6 per cent to national employment. Both the states have wide range of opportunities in the field of manufacturing, automobile and auto-components, pharmaceutical, food processing, tourism etc.

Textile and Chemical sector having total turnover between 20 to 80 cr are been affected most by all these independent factors in terms of export related behaviour and decisions. The primary reason for taking export decisions by these type of firms are; shrinking demand in domestic market, over saturated market, intense competition, need to reduce dependency on domestic market, favourable foreign exchange, unfavourable state of domestic economy and many more.

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