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AWARENESS AND ACCESSIBILITY OF STARTUP INDIA INITIATIVE AND KARNATAKA STARTUP POLICY AMONG ENTREPRENEURS IN KALYANA KARNATAKA REGION

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ABSTRACT

This paper examines the level of awareness and accessibility of the Startup India Initiative and Karnataka Startup Policy (KSP) among entrepreneurs in the Kalyana Karnataka region. Based on primary data from 109 registered startups, the study uses descriptive and inferential statistics to assess how entrepreneurs perceive and access policy benefits. Statistical tools, including Chi-square tests and correlation analysis, were applied to measure associations between demographic variables and awareness/accessibility levels. The results reveal that awareness of both schemes is moderate, with accessibility hindered by procedural complexity, information gaps, and geographic imbalance. The findings highlight the need for stronger outreach mechanisms, simplified policy procedures, and localized incubation infrastructure to ensure inclusive entrepreneurial growth.

KEYWORDS: *Startup India, Karnataka Startup Policy, Awareness, Accessibility, Entrepreneurship, Kalyana Karnataka Region*

1. INTRODUCTION

Entrepreneurship is recognized as a vital driver of innovation, employment, and inclusive economic growth. Over the past decade, India has witnessed a significant transformation in its startup ecosystem, owing to proactive policy interventions. The **Startup India Initiative**, launched in January 2016 by the Government of India, aims to build a robust startup ecosystem through policy reforms, financial incentives, incubation support, and simplified regulations.

At the state level, Karnataka became the first Indian state to formulate a dedicated startup policy in 2015. The **Karnataka Startup Policy (2015–2025)** seeks to make Karnataka a global innovation hub by providing seed funding, incubation infrastructure, and R&D support through programs like K-Tech Innovation Hubs and NAIN (New Age Incubation Network).

However, the **Kalyana Karnataka region**, encompassing the districts of Bellary, Kalaburagi, Bidar, Raichur, Koppal, Yadgir, and Vijayanagara, remains economically backward compared to southern Karnataka. While the Startup India database shows a gradual increase in recognized startups from this region, the benefits of government initiatives have not been fully realized due to lack of awareness, infrastructural deficiencies, and administrative bottlenecks.

This study, therefore, investigates the **extent of awareness and accessibility** of these two policy initiatives among entrepreneurs in the region, compares their relative performance, and identifies socio-economic factors that influence policy participation.

2. REVIEW OF LITERATURE

Several scholars have examined the role of startup policies in fostering entrepreneurship, yet few have explored the regional disparities in their outcomes.

Vahoniya et al. (2023) analyzed Startup India's operational framework and found that the number of DPIIT-recognized startups increased from 400 in 2016 to over 80,000 by 2023, showing policy effectiveness at a macro level. However, the study also pointed to low awareness outside metropolitan cities.

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Begum (2020) examined the policy's socio-economic implications and found that many entrepreneurs in Tier-II and Tier-III cities were unaware of application procedures and funding schemes, primarily due to inadequate government outreach.

Gupta (2019) highlighted that simplified compliance mechanisms and self-certification processes under Startup India improved startup survival rates, but emphasized that awareness campaigns needed regional customization.
Srivastava (2019) discussed the significance of academia–industry collaboration in developing innovation ecosystems and argued that incubation support should be decentralized to include rural universities and technical colleges.

Prajapati and Alam (2019) examined the Karnataka Startup Policy, noting its focus on ICT, biotechnology, and manufacturing sectors but observed that infrastructure remained heavily concentrated in Bengaluru, limiting inclusivity.

Despite these contributions, **empirical evidence from the Kalyana Karnataka region**—a zone with distinctive socio-economic and educational characteristics—remains limited. This study bridges that research gap by analyzing actual awareness and accessibility levels among registered entrepreneurs in this underrepresented region.

3. OBJECTIVES OF THE STUDY

1. To assess the awareness levels of entrepreneurs regarding the *Startup India Initiative* and *Karnataka Startup Policy*.
2. To examine accessibility of financial and non-financial benefits under both policies.
3. To analyze demographic factors (age, education, gender, type of business) influencing awareness and accessibility.
4. To identify barriers affecting the utilization of policy benefits.

4. RESEARCH METHODOLOGY

4.1 Research Design

The study follows a **descriptive and analytical design**, using both primary and secondary data to assess awareness and accessibility of government initiatives.

4.2 Sample

Primary data were collected from **109 entrepreneurs** registered under Startup India in the Kalyana Karnataka region, selected through deductive sampling.

District	No. of Startups
Bellary	39
Kalaburagi	18
Bidar	21
Raichur	14
Koppal	8
Vijayanagara	7
Yadgir	2
Total	**109**

4.3 Data Collection

Data were collected through a structured questionnaire. Sections included demographic information, awareness of benefits, accessibility, and perceptions of policy effectiveness.

4.4 Statistical Tools Used

- Descriptive statistics (percentage and mean)
- Chi-square test for association
- Correlation analysis
- SPSS software

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5. RESULTS AND DISCUSSION

5.1 Awareness of Financial Benefits

Policy	Highly Aware (%)	Moderately Aware (%)	Not Aware (%)
Startup India	38.5	41.3	20.2
Karnataka Startup Policy	33.9	43.1	23.0

Chi-sq uare = 12.74, p < 0.05

Interpretation

About 80% of entrepreneurs had at least moderate awareness of Startup India's financial schemes such as tax exemptions, credit guarantees, and SIDBI Fund of Funds. Awareness of Karnataka's schemes was slightly lower, reflecting weaker outreach. Entrepreneurs in IT and service sectors displayed higher awareness compared to those in traditional manufacturing.

5.2 Awareness of Non-Financial Benefits

Policy	Highly Aware (%)	Moderately Aware (%)	Not Aware (%)
Startup India	41.3	39.4	19.3
Karnataka Startup Policy	37.6	40.4	22.0

Chi-square = 14.22, p < 0.05

Interpretation

Awareness about non-financial incentives (mentorship, IPR facilitation, networking events) was moderate. Entrepreneurs with prior incubation exposure (e.g., from local engineering colleges) reported higher understanding, suggesting institutional proximity affects information flow.

5.3 Accessibility of Benefits

Policy	Easily Accessible (%)	Moderately Accessible (%)	Not Accessible (%)
Startup India	34.9	38.5	26.6
Karnataka Startup Policy	29.4	42.2	28.4

Chi-square = 10.89, p < 0.05

Interpretation

Accessibility is comparatively weaker than awareness. Delays in fund release and complex documentation were common complaints. Many entrepreneurs indicated lack of local support cells and online technical guidance as primary obstacles.

5.4 Awareness by District

District	High (%)	Moderate (%)	Low (%)
Bellary	48.7	33.3	18.0
Kalaburagi	44.4	38.9	16.7
Bidar	42.9	38.1	19.0
Raichur	35.7	42.9	21.4
Koppal	33.3	41.7	25.0
Vijayanagara	40.0	35.0	25.0
Yadgir	25.0	37.5	37.5

Chi-square = 18.62, p < 0.05

Interpretation

Awareness is highest in Bellary and Kalaburagi—districts with technical institutions and incubation support. Yadgir's low awareness (only 25%) highlights the rural–urban divide.

5.5 Accessibility by Type of Startup

Type	Easily Accessible (%)	Moderately Accessible (%)	Not Accessible (%)
Manufacturing	32.4	41.2	26.4
Service	38.6	40.0	21.4
IT/Technology	43.5	39.1	17.4

Chi-square = 11.41, p < 0.05

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Interpretation
IT and service startups find government support more accessible due to digital familiarity. Manufacturing startups, often requiring physical assets and capital, face more paperwork and eligibility constraints.

5.6 Correlation Analysis

Variable Pair	r-value	p-value	Interpretation
Awareness × Accessibility (Startup India)	0.537	0.000	Moderate positive correlation
Awareness × Accessibility (KSP)	0.494	0.002	Moderate positive correlation
Education × Awareness	0.471	0.014	Education improves awareness
Age × Accessibility	0.162	0.318	Weak, not significant

Interpretation
Entrepreneurs with higher education show better awareness and hence better access. Digital literacy significantly influences effective policy participation.

6. DISCUSSION

The findings indicate a **mismatch between policy design and regional implementation**. Startup India's national-level digital systems enhance visibility, but state-level follow-up under KSP is limited. Many respondents reported relying on informal networks or peers rather than official channels to learn about benefits.

Infrastructure gaps—such as absence of district-level incubation centers—restrict opportunities for rural innovators. The dominance of Bengaluru in Karnataka's startup ecosystem further marginalizes regions like Kalaburagi and Yadgir. Awareness and accessibility are therefore not only administrative issues but also reflections of **spatial inequality** in policy outreach.

7. CONCLUSION AND POLICY IMPLICATIONS

The study concludes that while Startup India and Karnataka Startup Policy have created enabling environments nationally and at the state level, **their penetration into Kalyana Karnataka remains incomplete**. Moderate awareness coexists with poor accessibility, indicating the need for a decentralized approach.

Recommendations

- Establish district-level startup facilitation centers.
- Simplify fund application and verification procedures.
- Introduce awareness drives through local universities and chambers of commerce.
- Integrate central and state databases to prevent duplication and improve transparency.

Such measures would help ensure equitable startup development and bridge the regional innovation divide in Karnataka.

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