A Practical Study Of Start-Ups At Kudumalakunte, Gowribidanur Industrial Area

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Abstract

Purpose : The primal intention of the present paper is to explore the problems faced by start-ups at Kudumalakunte Industrial Area, Gowribidanuru. Further the study also conducted to know the available opportunities at the Kudumalakunte start-up area. Kudumalakunte a hamlet came into fame when the government of Karnataka started industrial area and innumerable industries has been already established. Basically it is a industrial centre and start-ups could operate from the area. There is no start-up directory but one can find start-ups like Vasavi Adhesive, RL Fine Chem and RAC Pharmachemicals. Many more may join in the likely future.

Design of the study : A questionnaire well drafted in English was administered to collect the necessary data. Questions were framed based on the objectives of the study. The researchers collected the data in a natural setting through survey. Chi-square, contingency co-efficient weighted arithmetic mean and ANOVA was performed.

Findings of the study: The study explored that demographics showing significant variation with high degree of relationship. The opportunities as per the present study includes easy mobility of labour and availability of labour, congenial environment and development of new operations. With the available of labour, working in congenial environment the successful units can go far development of new operations. The challenges likely to be faced include in the order, infrastructure deficiencies, unreliable power and inconsistent internet connectivity. Further, the study explored likely problems to be faced includes difficulty in securing funds, limited funding and retaining the existing employees.

Key words : Funding, cyber security, training, exit patent, tax, lapses, robust, hiring, permits, problems, opportunities, internet, transportation, environment.

Introduction : Kudumalakunte is basically an industrial centre established as KSSIDC Industrial Estate to support small and Medium Enterprises (SMF) with plots developed by KIADB for various industries rather than a dedicated start-up hub, though government initiative support education based start ups in the region. At present the wave supports the establishment of start-ups at the said industrial centre. Start-ups are gaining attention and contributing to the economic development and also provides job operatives. Bengaluru a 'technology hub' and industrial centre of South India is over burdened with innumerable manufacturing companies, service providing companies and facing innumerable problems and the biggest is transportation and heavy intolerable traffic jams and waste of time when caught in between heavy traffic hours. The solution to all problems is diversification further so that high concentration may be reduced. Government should encourage the establishment of start-ups away from Bengaluru and Kudumalkunte area is highly suitable one for the start-up hub.

Start-ups are mini organisations which are refined in nature and renewed of an entrepreneur (Akansha Dutti, 2016). Start-ups founders are the providers of requirements of society (Rajesh, 2023). Start-up drive innovation and create new employment opportunities (Yuwei Rong, 2025). The Indian government is increasingly showing greater enthusiasm to increase the GDP from gross root level with induction of liberal policies and initiatives for entrepreneurs like "Make in India", "start up India", MUDRA etc. Start-up founders hope and dream of satisfying the requirements of society. Today innumerable start-ups are emerging in service sector including education, legal, retail and insurance and health (Pragathi Gupta et al 2024). Indian start-ups face challenges despite the existence of plenty of opportunities to establish start-ups. Start-ups are critical to the growth of the economy and are prominent force in modern economics (Akkayya 2019; Gokul Prasanth et al., 2023).

Statement of the problem :

Kudumalakunte industrial area Gowribidanuru is expanding and adding to its industrial empire the start-ups also. Instead of concentration of all kind of industries where in we find too many civic problems, the highest dangerous one is wastage and around 6 tonnes every day creates major environmental problem like land fill, ground water contamination and severe air pollution from illegal burning on account of illegal dumping, poor source segregation. Further, Bengaluru overcrowded and common people cannot lead a descent life. The last solution is stop industrial licensing at Bengaluru and nearby area and encourage establishment start-ups, SMEs a distant place like Kudumalakunte where the government already started permitting the establishment of industries. Land cost when compare to Bengaluru, Kudumalakunte and Gowribidanuru are cheaper at present. Rural and Urban Development simultaneously grew and bridging the rural areas with establishment of start-ups definitely serve the purpose of balanced growth of all areas. The study interviewed locals, agriculturists, entrepreneurs, students, land lords. The study conducted with an intention of surveying the opinions of locals, unemployed, students and landlords collected opinions from this concerned about establishment of start-ups in the area. The study found all the demographics showing significant variation with high degree of relationship. The study further found available opportunities in the proposed areas which includes easy mobiles.

Review of literature

The study by Vikram et al. (2025) has revealed many challenges in running the start-ups. The study further revealed the significance of seasoned approach and the need for a positive measures to overcome challenges and developing a conducive environment for the start-ups in Bengaluru city. The study also highlighted some of the challenges faced by Bengaluru startups include tough competition, insufficient access to forcing and capital, getting best talented personnel, intricate regularity environment etc. The researchers recommended that regulatory bodies should lend their initial support in facilitating the growth of start-ups.

Raghavendra Talwar et al. (2024) study examined on the areas like issues and challenges that an Indian start-up has to face and the opportunities that the country can provide in the current ecosystem. They have stated that India's start-up ecosystem has become a talking point for the entire world. Further, the study stated that hundreds of innovative youngsters choosing to pursue the path of entrepreneurship instead of joining MNCs and government ventures, the business would has witnessed on explosion of ground breaking start-ups offering solutions to real obstacles at a mass level in the recent past.

Sweta Kumari (2024) expressed that India's economic situation is witnessing growth and progress. The Government of India is showing a growth eagerness to enhance GDP growth rate from basic level. The research further stated that the start-up sector has numerous problems including financing human resource launching and maintaining. The study ends with a positive network that the present days start-ups are overcoming the challenges.

Gokuldas Prashanth et al. (2023) in their research work on start-ups found Bengaluru face multiple number of challenges which impacts growth and sustainability. The researchers further expressed that a limited access to funding emerged is a significant challenge with start-ups struggling to ensure adequate financial support. The severe competition in Bengaluru further intensifies these problems and the start-up entrepreneurs have to face problem of market variations in sufficient infrastructures.

Research Methodology

Data Source : The present proposed study depends upon both primary and secondary data. primary data gathered by a well designed questionnaire and administered as schedule. The secondary source include books, e-journal and internet.

Sample and sampling technique : The sample of the study for this purpose was fixed at 100. Convenient sampling technique was performed.

Participants in the study and sample area : The participants in the study include, employees, unemployed graduates, landlords, students and local entrepreneurs. The sample area is Gowribidanuru and as per population census 2011 population is 37,947. The study also conducted in the areas of Kudumalakunte, and nearby villages like Doddakurugodu, Chikkakurugodu, Kalludi.

Data Analysis : The data was analysed using the quantitative technique like Chi-square, contingency co-efficient, weighted Arithmetic mean and ANOVA using MS Excel-16. Likert 3 point scale was also used to present the data.

Objectives of the study

1. To study the demographic profile of respondents.
2. To analyse opportunities available in the proposed study.
3. To study the likely challenges to be faced by start-up entrepreneurs.
4. To analyse the likely problems to be faced.

Hypotheses

H_{01} : There exist no significant variation in the demographics and they do not support the study.

H_{02} : There are no opportunities in the proposed area.

H_{03} : There are no likely challenges to be faced.

H_{04} : Start-up entrepreneurs do not face any problems

Research questions

1. What are the reasons behind the demographics not varying significantly?
2. What are the opportunities available to open start ups?
3. What are the challenges to be faced ?
4. What are problems likely to be faced?

Limitations

1. The study is confirmed only to Gowribidanuru and selected villages.
2. The sample is very small.
3. The limitation of time, finance and transportation.

Survey Findings

Table-1 highlights data about demographic of selected respondents. There are 81 males and 19 females and out of 100, 85 are married, 37 are degree holders, 40 studied up to 10th standard, 12 PUC, 7 PG and 4 ITI certificate holders. 79 possess some well experience and 80 are trained. 52 belongs to 20-30 years group 24 to the 30-40 years group, 14 to the 40-50 years and 10>50 years. The monthly income data reveals that 45 are getting monthly income in between 15K-20K, 28 in between 10-15K, 12 getting in the range of 20-25K, 8<10K and 7>25K. All the demographics are significantly varying with high degree of relationship between the variables.

Table-2 confess data about opportunities available for the entrepreneurs to open start-ups at the said industrial area. To measure these opportunities weighted Arithmetic was performed. The bipolar opinions of respondents defined as 'f' and weights are 'w' and 'fw' was obtained and divided by the sum of 'w' i.e., $3 + 2 + 1 = 6$, to get 'WA' i.e., weighted arithmetic mean. The factors are ranked as per the highest order. Accordingly 1st rank was given to easy mobility and labour and availability of labour, the second rank was given to congenial environment and the third rank was awarded to development new operations. The remaining factors have ranked as per their highest order. Likert 3 point scale was used to present the opinions of respondents.

Table-3 divulge details about likely challenges to be faced. The challenges are measured by performing weighted average quantitative technique. Likert-3 point scale with varying degree 'strongly agree to some about agree' was used to present the opinions of respondents. The opinions are defined as 'f' and weights are 'w' and 'fw' was obtained and divided by the sum of 'w' to derive 'WA'. The first rank was given to the variable infrastructure deficiencies as per the highest order of opinion, the second rank was given to unreliable power and the third rank was awarded to the in consistent internet connectivity. The remaining factors ranked as per their strength of occurrence.

Table - 4 delve data about likely problems to be faced. To measure the potential problems ANOVA quantitative technique was performed. MS Excel-16 was used to analyse and present the data. There are 72 respondents who expressed strongly agree, 17 agree and 11 somewhat agree. 32 expressed at difficulty in securing funds, 17 about limited funding, 15 about managing high cost of operation. The calculated value being 12.37591 higher than 0.05 level of significance with P-value very 0.000416, ANOVA fails to accept H0 and accepts H1. Hence it is concluded that there exist significant variable in the data with highest relationship.

Survey Discussion:

Conclusion :

Kudumalakunte by virtue of industrial area is critical as far as establishment of any industries is concerned. The environmental issues are favourable and also the over congestion at Bengaluru can be reduced. The oversized growth of industrial area is playing a role of significant as far as revenue generation is concerned. It is now high time to think solidly to stop further licensing at Bengaluru and assist to development of rural industrialisation. The demographic profile of respondents is varying significantly with high degree of relationships. The likely challenges that may arose may be infrastructure deficiency, unreliable power and inconsistent internet connectivity and opportunities available easy mobility of labour, congenial environment and development of new opportunities likely problems to be faces include difficulty in securing funds, limited funding and managing highest.

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Table - 1 :Demographic profile of respondents

Demographic profile of respondents	x^2	TV @ 0.05	df	Result of x^2	"c"	Result of c
Gender	38.44	3.841	1	Significant	0.52	High Degree
Marital status	49.00	3.841	1	Significant	0.57	High Degree
Education	58.9	9.488	4	Significant	0.60	High Degree
Previous work experience	33.64	3.841	1	Significant	0.50	High Degree
Training	98.24	5.951	2	Significant	0.81	High Degree
Age in years	37.20	7.815	3	Significant	0.52	High Degree
Existing Monthly Income	53.30	9.488	4	Significant	0.59	High Degree

Source: Field Survey

Note : x^2 = Chi-square
'c' = $\sqrt{(x2 / x2 + N)}$
Where 'c' = Contingency Co-efficient, N = Number of Observations

When the value 'c' is equal or nearer to 1, it means that there is high degree of association between attributes. Contingency co-efficient will always to be less than 1. High degree is considered here if 'c' is 0.50 and above.

Table - 2 : Opportunities available in Proposed Kudumalakunte Industrial Area

Opportunities available	Weight	3	2	1	T	WA
	Likert Scale	SA	A	SWA		
Easy mobility of labour and availability of labour	f	94	6	-	100	I
	fw	282	12	-	292	48.67
Away from heavy traffic at Bengaluru	f	80	10	10	100	X
	fw	240	20	10	260	43.33
Development of new operations	f	78	21	1	100	III
	fw	234	42	1	277	46.17
Congenial environment	f	85	10	5	100	II
	fw	255	20	5	280	46.67
Easy exist	f	59	31	10	100	XIV
	fw	177	62	10	249	41.50
KSCIDC Support for SMEs	f	65	28	7	100	XI
	fw	195	56	7	258	43.00
Plots available for SC/ST entrepreneurs	f	48	31	21	100	XVI
	fw	144	62	21	227	37.83
Government incentives to make area more attractive	f	82	8	10	100	IV
	fw	246	16	10	272	45.33
Opportunity for promotion	f	73	23	6	100	V
	fw	219	46	6	271	45.17
Border area attracts different cultural personnel	f	75	21	4	100	V
	fw	225	42	4	271	45.17
Cheaper patent cost	f	70	25	5	100	VIII
	fw	210	50	5	265	44.17
Tax holiday	f	65	23	12	100	XIII
	fw	195	46	12	253	42.17
Skill development - Govt. tool room & training centre	f	60	22	18	100	XV
	fw	180	44	18	242	40.33
Existence of support services	f	68	31	1	100	VII
	fw	204	62	1	267	44.50
High demand for warehouse associates, logistics staff and delivery, personnel	f	73	18	9	100	IX
	fw	219	36	9	264	44.00
Presence of scientific presence (BARC, TIFR)	f	78	20	2	100	XII
	fw	234	40	2	276	42.67

Source : Field Survey

Likert scale : 3 Point - SA - Strongly Agree, A - Agree, SWA - Somewhat Agree

Weights = 3 + 2 + 1 = 6

WA = fw total / sum of weights

Table - 3 : Likely challenges to be faced by start-ups at Kudumalakunte

Possible challenges	Weight	3	2	1	T	WA
	Likert Scale	SA	A	SWA		
Infrastructure deficiencies	f	92	8	-	100	I
	fw	276	16	-	292	48.67
Difficulty in acquiring talent	f	85	10	5	100	IV
	fw	255	20	5	280	46.67
Away from urban life - Employees may not show maximum interest	f	68	21	11	100	XI
	fw	204	42	11	257	42.82
Market entry hurdles	f	73	21	6	100	VIII
	fw	219	42	6	267	44.50
Transportation lapses	f	65	25	10	100	XII
	fw	195	50	10	255	42.50
Unavailable power	f	90	7	3	100	II
	fw	270	14	3	287	47.83
Increased logistics cost	f	68	21	11	100	V
	fw	204	63	11	278	46.33
Difficult to local entrepreneurs to secure early stage capital	f	73	20	7	100	X
	fw	219	40	7	266	44.37
Lack of robust support system	f	78	18	4	100	VII
	fw	234	36	4	274	45.67
Lack of experienced factors	f	65	23	12	100	XIII
	fw	195	46	12	253	42.17
Regulatory compliances leading to bureaucratic delays	f	73	21	6	100	VIII
	fw	219	42	6	267	44.50
Limited market reach	f	63	18	19	100	XV
	fw	189	36	19	244	40.67
Difficult in hiring skilled labours	f	78	20	2	100	XIV
	fw	234	40	2	252	42.00
Inconsistent internet connectivity	f	89	7	4	100	III
	fw	267	14	4	285	47.50
Delays in obtaining necessary permits	f	80	15	5	100	VI
	fw	240	30	5	275	45.83

Source : Field survey and Google form.   Note : ΣWA = Total / ΣW

Table-4 : Likely problems to be faced

No.	Types of problems to be faced	SA	A	SWA	T
1	Limited funding	12	3	2	17
2	Retaining the employees	10	2	2	14
3	Difficulty in securing funds	22	6	4	32
4	Managing highest of operation	11	2	2	15
5	Attracting the skilled labour	6	2	-	8
6	Cyber security	5	1	1	7
7	Environmental clearance	6	1	-	7
	Total	72	17	11	100

Source : Field Survey and Google form

ANOVA

Summary

Groups	Count	Sum	Average	Variation
Column - 1	7	72	10.28571	34.2381
Column - 2	7	17	2.428571	2.952381
Column - 3	7	11	1.571429	1.952381

ANOVA

Source of variation	SS	df	MS	F	P-value	F-script
Between the groups	322.9524	2	161.4762	12.37591	0.000416	3.554557
Within groups	234.8571	18	13.04762			
Total	557.8095	20				

Source : Field Survey & Google Form