20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **CGTMSE stands for the Credit Guarantee Fund Trust for Micro and Small Enterprises, enabling collateral-free lending.**
   CGTMSE offers a guarantee cover to banks so small units can borrow without pledging heavy collateral.

2. **MSME Sambandh is the public procurement portal used to monitor government purchases from MSMEs.**
   It helps track compliance with mandated procurement targets from registered MSME units.

3. **ZED certification stands for Zero Defect Zero Effect, promoting quality manufacturing with minimal environmental harm.**
   ZED pushes MSMEs toward defect-free products and eco-friendly processes, unlocking related incentives.

4. **PMEGP, the Prime Minister's Employment Generation Programme, blends a bank loan with a government subsidy for new ventures.**
   It is designed to generate self-employment by helping first-time entrepreneurs set up new units.

5 **Pradhan Mantri MUDRA Yojana (PMMY) set up MUDRA to fund small entrepreneurs through last-mile lending agents.**
MUDRA channels funding to tiny businesses that often lack access to formal bank credit directly.

6 **Under CGTMSE, primary security can include credit-financed assets, the unit's land and building, and a personal guarantee.**
These form the primary security package lenders may rely on alongside the CGTMSE guarantee cover.

7 **PMEGP is generally meant for new projects, and only one member of a family can be the beneficiary.**
This eligibility rule prevents multiple applications for the same subsidy from one household.

8 **The PMEGP scheme does not impose an income ceiling on the beneficiary's family.**
Unlike some welfare schemes, PMEGP eligibility is not restricted by family income level.

9 **Banks missing the priority-sector agriculture lending sub-target deposit the shortfall with NABARD's Rural Infrastructure Development Fund.**
This RIDF mechanism channels the shortfall into rural infrastructure financing instead.

10 **The Performance & Credit Rating Scheme is used to assess and rate the creditworthiness of MSME units.**

A better rating can help an MSME access credit on more favourable terms from lenders.

11 **Direct finance to agriculture under priority sector norms includes credit to Joint Liability Groups for farming activities.**

JLG lending lets groups of small farmers jointly access credit for agriculture and allied work.

12 **In franchising, the franchisor typically provides an established market, management assistance, and bulk-purchase economies of scale.**

These benefits are core value the franchisor extends to the franchisee under the arrangement.

13 **The MSME Databank Portal functions as a central database of registered micro, small, and medium enterprises.**

It consolidates enterprise data to support policy planning and scheme implementation.

14 **MSMEs are a major driver of employment, exports, and grassroots economic growth in India.**

Banks lend heavily to this sector every year, making it central to India's credit landscape.

15 **The IIBF Certificate in MSME exam tests candidates on MSME credit management, schemes, and policy awareness.**
It aims to certify bankers who can assess creditworthiness and apply scheme benefits correctly.

16 **Priority sector agriculture lending is split into direct finance to farmers and indirect finance like input-supply credit.**
The two categories are counted differently toward the overall priority sector lending target.

17 **The National SC-ST Hub was created to support SC/ST entrepreneurs, including through outreach campaigns.**
The Hub aims to improve market access and handholding support for SC/ST-owned enterprises.

18 **A higher Ease of Doing Business ranking generally reflects a regulatory environment that eases starting and operating firms.**
The World Bank index is often referenced in MSME exam material on the business environment.

19 **High-yield IIBF MSME exam topics include CGTMSE, PMEGP, MUDRA, ZED, priority sector lending, and MSME portals.**
Mastering these core schemes covers a large share of questions typically asked in the exam.

20 **Bankers holding the IIBF MSME certification are better positioned for credit appraisal and SME relationship-manager roles.**

The certification signals strong end-to-end understanding of MSME finance to employers.