

TUTORIAL 8 - HOW TO BUILD CREDIT SCORE

The ICICI Bank Credit Builder Programme Tutorials are an attempt to empower you with information so that you can manage credit responsibly and thereby, build a strong credit history. For more details, refer

www.icicibank.com/creditbuilder

Did you know ?

- More than 80% of loans in India are issued after checking credit scores
- Most banks and financial institutions report your credit behavior to credit rating agencies
- A good credit score takes time to build – it's prudent to start now even if you don't need a loan right away
- A good credit score can help you get better credit card limits, larger loan amounts and even better lending rates sometimes

1. Getting started

As credit score is a numerical value assigned to your credit behavior, you need to display some of this behavior first to build credit score i.e you need to have some form of credit and re-payment history.

That brings us to a little problem - to get credit you need to have a credit score (lenders may not lend, otherwise) and to get a credit score, you should already have credit.

You can break this impasse with the ICICI Bank Instant Credit Card—because we don't need a proven credit score to issue this card to you.

How the ICICI Bank Credit Builder program works -

The Instant Credit Card is an excellent choice to help you begin building a good credit score:

- Entry into the Credit Builder program is complimentary with the Instant Credit Card
- We report your credit behavior to credit rating agencies to generate your credit score
- We also give you access to a vast store of information on how to build good scores

2. Building credit score

- Spend regularly on your card
- Stay within your credit limit: this indicates that you are not 'credit-hungry' and is a good credit practice
- Always make your monthly payments to us and to other lenders on time. Behaving well on Instant Card is important but don't allow late payments or defaults on other loans or cards to spoil your score – after all, other lenders may report your behavior as well.