

TUTORIAL 9 - HOW TO MAINTAIN A GOOD 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

We have put together major factors that affect your credit score in this section.

Here's what you can do to build and maintain a good credit score:

- Use your Instant Credit Card regularly.
- Make payments on time. Late payments or defaults indicate that you are unable to manage the expense. If you have to make partial payments, try to pay back at least 50-75% of the outstanding.
- Monitor any joint loan accounts – a missed payment by your joint applicant will also affect your credit score.
- Stay within your credit limit. A high utilization of credit limit may indicate that your income is not sufficient to manage expenses.
- Apply for new credit in moderation – only as much as you need. Make an informed decision to apply for loans / cards at multiple lenders.
- Think twice before closing your credit card account. Responsible use of credit cards indicates that you are financially secure and in control of your expenses. This may make lenders view future loan applications favorably.

Lastly, keep track of your credit score to see if you are moving in the right direction. This will also help you look out for any errors in reporting and get them corrected.

Read more on tracking your credit score in tutorial 10.