

# What is CRIF Score?

The CRIF score is a three-digit figure which is assigned to an individual or an entity by CRIF High Mark, one of the four main credit bureaus operating in India. Your CRIF High Mark credit score is an indicator of your loan repayment ability and it is one of the first things a lender checks when they receive your loan application. This article will tell you everything you need to know about the CRIF High Mark credit score. Read on to know more.

## What is a CRIF Credit Report?

A CRIF credit information report is a detailed record of the credit information behavior displayed by you in the past. Your CRIF High Mark credit information report will include the following bits of information:

- Your personal details(Name, ID number, date of birth etc.)
- The number of credit accounts that are active
- Your repayment history
- The amount that you still owe the lenders, and
- The number of enquiries that have been recently made about you by financial institutions

A lender takes all of this information into account and then decides whether or not you should be granted more credit as it gives them an indication of your creditworthiness.

## Check CRIF High Mark Credit Score and Report?

- 1. Fill your personal details:** Visit the official portal of CRIF High Mark and Fill in your Details like Full Name, Mobile Number, Date of Birth, Residence Address & Gender. You will also have to submit your identification details such as PAN number, Voter's ID, Passport Number, Driving License etc.
- 2. Select your Report type:** You can either get an instant credit report or you can get a free credit report. Instant credit report will be ready to download within 5 minutes, but it will cost you ₹ 399. A free credit report can take up to three business days to be ready for you to view.
- 3. Authenticate your inquiry:** Finally, you will need to verify your identity by answering questions about your recent credit behavior. If you answer correctly, your report will be shared on the registered email ID.

## Key Points About the Credit Score Given by CRIF

Here is a list of pointers that one should know about CRIF Highmark free credit report -

- The Highmark credit score determines the creditworthiness of loan applicants.
- The CRIF Highmark score should range between 300 - 900.
- An individual can generate a CRIF credit report free of cost once a year. Generating credit reports more than once is chargeable and can cost around ₹399.
- Personal credit score and business credit score are two types of CRIF Highmark scores for individuals and business entities.
- The major elements that are taken into consideration to determine CRIF Highmark credit score are - credit utilization ratio, credit card applications, credit mix, credit payment history, etc.

## CRIF Score Ranges and Their Meaning

Your CRIF credit score stays within the range of 300-900. 900 is the highest and best possible score you can get, whereas 300 is the lowest and the worst. If your credit score is between 300-500, it is considered to be poor. If it is within the range of 500-700, it is considered to be fair. But, if your CRIF credit score is within the range of 700-850, it means that you have a good credit score. If it is above 850, you can say that you have an excellent CRIF credit score.

| CRIF Score Range | Creditworthiness |
|------------------|------------------|
| 300-500          | Poor             |
| 500-700          | Fair             |
| 700-850          | Good             |
| 850-900          | Excellent        |

## How Does CRIF High Mark Calculate Your Credit Score?

CRIF High Mark calculates your credit scores with the help of the FICO credit scoring model. As per the scoring model, CRIF High Mark takes certain pieces of your credit information into consideration and assigns each one of them a weightage that is expressed in percentage terms.

- Credit Mix
- Credit History
- New Credit
- Payment History
- Amount Owed
- Credit Utilization Ratio

- 1. Credit Mix:** Your credit mix is essentially the ratio of your unsecured loans to your secured forms of credit.
- 2. Credit History:** The loans and credit cards availed by you in the past years is a part of this section.
- 3. New Credit:** The credit cards and loans which you have availed in the recent past is also accounted for by CRIF High Mark while calculating your credit score.
- 4. Payment History:** This is the most important factor that is taken into consideration by CRIF High Mark when they are calculating your credit score. This section essentially is a record of all your credit repayments and late payments (if any).
- 5. Amount Owed:** Your outstanding dues are also accounted for while calculating your credit score. It gives the lender a sense of your loan repayment capability and your capacity of taking on new credit when they check your credit report after you apply for a loan/credit card from them.
- 6. Credit Utilization Ratio:** The percentage of your available credit which has already been used is also looked into by CRIF High Mark at time of calculating your score.

## What are Benefits of Good High Mark Credit Score?

The benefits of a good CRIF High Mark credit score are as follows:

- You can get pre-approved offers from lenders.
- You can get favorable interest rates on your credit cards or loans
- You can get easily approved for personal loans, home loans or car loans
- You may even be able to negotiate repayment terms with your lender

## How can you Improve Your CRIF High Mark Credit Score?

You can improve your CRIF High Mark credit score in the following ways:

- **Pay your dues on time:** One obvious way to increase your CRIF High Mark credit score is by repaying your loan/credit card bill payments on a timely basis. If you have extra funds in your bank account, you should also consider fully or partially prepaying your loans and outstanding credit card dues too.
- **Maintain a low credit utilization ratio:** Financial institutions recommend that you should use less than 40% of your available credit at any given time, as it is recorded by the credit bureaus in their reports about you. If you are going past the 40% mark, you can come across as a credit hungry person and therefore, the lender may become skeptical giving you more credit. A high credit utilization ratio could also cause rejection of your loan/credit card application.
- **Keep old credit cards active:** Some of the best minds in the finance world say that you should keep your old credit cards active until their expiry since they essentially give the lender a sense of your credit behavior over many years. If you have been repaying your dues on time over the course of the past many years, it can impact your CRIF High Mark credit score positively.
- **Maintain a healthy credit portfolio:** Always aim to maintain a healthy mix of unsecured and secured forms of credit. The dominance of unsecured credit in portfolio can impact your CRIF score negatively.
- **Get new credit cards:** If you get a new credit card, your available credit will automatically increase, which means that your credit utilization ratio will go down. If you manage to bring your credit utilization ratio down in this manner, you will be able to improve your overall credit score.

## Factors That Affect Your CRIF High Mark Credit Score

Some of the factors that affect your CRIF credit score are:

- **Repayment history:** The frequency with which you repay your credit obligations greatly affects your CRIF High Mark credit score. If you keep making timely payments, you will have a healthy credit score. If you pay your dues late or miss them, such instances may cause a fall in your credit score.

- **Credit utilization ratio:** If you are using less than 40% of your available credit limit, your credit score should remain healthy. If you go past that mark, your CRIF credit score can fall due to it.
- **Credit mix:** The ratio of your secured to unsecured kinds of credit in your portfolio also determines your credit score. If unsecured credit makes up for a major part of your credit portfolio, consider adding secured forms of credit to it whenever you feel the need to borrow.
- **Length of Credit History:** The length of your credit history is a reflection of how long your credit history has been in place. To get a credit score, you need some form of credit history. In order to succeed in the credit market, you must have a strong credit history with financial institutions and creditors.
- **The number of enquiries made by lending institutions:** When a lender receives your loan/credit card application, they do what is known as a hard inquiry for your credit score. These hard inquiries are recorded by credit bureaus and then they add the same in your credit profile. When you apply for credit often, the lenders will keep making frequent inquiries regarding your credit reports, all of which will be recorded and then added to your report. If your credit report shows too many of such inquiries in a short span of time, it will give the lender the impression that you are a credit hungry person, which may make them skeptical about giving you a loan. It is due to this reason why you must space out your loan/credit card requests.

## Products and Services Offered by CRIF High Mark

The services and products offered by CRIF High Mark are:

- **Credit bureau information:** CRIF provides detailed and comprehensive reports to individuals and lenders alike. These reports help individuals assess their personal credit health and help lenders in deciding whether to accept an individual as a borrower or not by giving them a sense of their creditworthiness.
- **Fraud and identification services:** CRIF also helps you identify potential instances of identity theft by providing them with their detailed credit reports. You can scan these reports and look for potentially suspicious activities. Upon identifying them, you must report them immediately. If left unchecked, these unauthorized transactions can affect your credit health negatively.
- **Business Information:** If you are a lender and are planning to give a business a loan, CRIF helps you take a deeper look into their credit history and disputes (if any) so that you can make informed lending decisions.