

The Easiest Way to Check Your Credit Score Before Applying for a Loan

Category: Business

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Before applying for a loan on a [loan app](#), individuals must understand their eligibility. One very simple way to do this is by checking the credit score. This three-digit number gives lenders insight into a borrower's creditworthiness.

It thus plays a key role in determining loan eligibility and terms for potential borrowers. A good credit score may often lead to lower interest rates and quicker approvals when applicants meet other criteria like income, age, and more.

Regularly monitoring one's score also helps in identifying and correcting any errors in the credit report. The OneScore App makes it easy for consumers to track and improve their credit scores.

Understanding Credit Scores

A credit score is a three-digit number that reflects an individual's creditworthiness. It helps lenders evaluate how likely a borrower is to repay borrowed money on time. Credit scores range from 300 to 900 and are calculated using several factors, such as:

- Payment History and Utilisation of Credit
- Total Debt
- Length of Credit History
- Types of Credit Available

- Recent Credit Activity

RBI– Approved Credit Score Providers

India has four credit bureaus authorised by the Reserve Bank of India (RBI) to operate as Credit Information Companies. While they all provide credit scores ranging from 300 to 900, each has its own features and specialisations:

1. TransUnion CIBIL

- One of the earliest and most widely used credit bureaus in India
- Offers credit reports and CIBIL scores for individuals
- Provides lenders with CIBIL Rank and Company Credit Reports for evaluating businesses
- Also supports portfolio analysis and market insight services

2. Equifax

- Licensed to operate in India since 2010
- Uses the standard credit score range of 300 to 900
- Offers additional services like fraud detection tools, risk assessments, and portfolio tracking
- Supports financial institutions with industry-specific analytics

3. Experian

- A global credit bureau that began operating in India in 2010
- Assign scores between 300 and 900 to individuals

- Provides services such as customer targeting, debt recovery, data insights, and consumer engagement strategies
- Works with both individuals and businesses

4. CRIF High Mark

- Started in India in 2007 and became a licensed credit bureau in 2010
- Uses the 300-900 score scale, with 720+ considered good and 640 or below as poor
- Offers portfolio management, credit alerts, and location-based analytics for businesses
- Serves banks, NBFCs, and microfinance institutions

All four agencies generate credit reports and scores that can be used by both individuals and lenders to assess creditworthiness. While the score range is uniform, the reporting format, additional services, and data insights may vary across each bureau.

Credit Score Ranges

Below is a breakdown of credit score ranges of CIBIL and Experian:

CIBIL

TransUnion CIBIL is an RBI-authorised credit bureau in India known for providing CIBIL scores widely used by lenders to evaluate creditworthiness.

Score Range	Meaning
800 and above	Excellent
740 to 799	Very Good

670 to 739	Good
580 to 669	Fair
300 to 579	Poor
Below 300	NA

- 800 and above – Shows excellent creditworthiness and strong repayment history
- 740 to 799 – Indicates responsible credit use and timely payments
- 670 to 739 – Reflects average to good credit behaviour, with occasional delays
- 580 to 669 – Suggests some risk due to missed or late payments
- 300 to 579 – Signals high risk, likely defaults or irregular repayments
- Below 300 – Insufficient credit history or no active credit records

Experian Score

Experian is a leading RBI-authorized credit bureau in India, providing credit scores that help lenders assess a borrower's creditworthiness. Its score range generally aligns with other Indian bureaus like CIBIL.

Score Range	Meaning
800 – 900	Excellent
740 – 799	Very Good
670 – 739	Good
580 – 669	Fair
300 – 579	Poor

- 800 – 900 – Reflects strong credit health and high chances of loan approval
- 740 – 799 – Indicates responsible repayment behaviour and low credit risk
- 670 – 739 – Shows average credit standing with scope for improvement
- 580 – 669 – Suggests moderate risk due to irregular repayment patterns
- 300 – 579 – Points to poor credit habits and potential loan rejections

10 ⁽⁵⁾Tips to Improve Credit Scores

Here are a few simple tips that individuals can use to improve their credit scores:

1. Keep credit utilisation below 30%
2. Minimise new credit applications
3. Refrain from applying for multiple loans frequently
4. Pay credit card bills and EMIs promptly
5. Choose longer loan tenures for easier repayments
6. Use credit responsibly and repay on time
7. Avoid becoming a guarantor for others
8. Request a higher credit card limit
9. Review credit card statements and reports regularly
10. Ensure timely repayments

Checking the credit score before applying for any loan, like a

personal loan, helps consumers assess their standing and improve approval chances. OneScore offers free, ad-free access to the score, along with regular updates and insights to help users manage their credit health and make informed borrowing decisions.

Users can not only get their credit scores and reports from CIBIL and Experian for free across their lifetime but can also access personalised suggestions to boost their scores smooth user experience. What's more, they can move towards their desired score by using the app's 'Score Planner' feature.

OneScore also allows users to check all the credit against their name and get bill payment reminders for credit cards and EMI due dates for loans. With a commitment to user privacy, safe data practices, and a smooth user experience, it is a dependable option for managing credit and loans.

Once users reach a certain score, OneScore also acts as a [loan app](#), offering easy access to personal loans from reputed lenders to customers who qualify. This makes it a one-stop solution for users looking to fulfil needs related to all things credit.

