Bank credit refers to the provision of funds by a bank or financial institution to an individual, business, or organization with the agreement that the borrowed amount will be repaid over time, **Credit** is typically with interest. It is a form of debt financing provided by banks to support various purposes such as personal expenses, business investments, or capital expenditures.

Bank credit can take different forms, including:

> Loans: Banks offer various types of loans, such as personal loans, home loans, car loans, and business loans. These loans provide a specific amount of money upfront, which is repaid in installments over a predetermined period, often with interest.
> Lines of Credit: A line of credit is a flexible form of borrowing that allows individuals or businesses to access funds up to a predetermined credit limit. The borrower can withdraw funds as needed and is only required to pay interest on the amount borrowed.
> Credit Cards: Credit cards are a common form of bank credit that allows users to make purchases on credit. The cardholder can borrow up to a certain credit limit and is required to repay the borrowed amount, typically with interest, by the due date or in monthly installments.

When granting credit, banks assess the creditworthiness of the borrower, considering factors such as income, credit history, and collateral (if applicable). They also set an interest rate based on the perceived risk associated with lending to the borrower.

It's important to note that bank credit is a financial obligation, and borrowers are responsible for repaying the borrowed funds according to the agreed-upon terms. Failure to make timely payments can result in additional fees, penalties, and damage to one's credit history.