

# **Milestone 2 Report: Response Handling & Dialogue Management**

## **Introduction**

Milestone 2 focuses on managing conversations and delivering accurate responses based on predicted intents.

## **Objectives**

- Map intents to appropriate banking responses.
- Handle follow-up questions and conversational flow.
- Implement fallback mechanisms for unsupported queries.

## **Implementation**

Rule-based dialogue management was used to associate intents with predefined responses. Confidence threshold logic ensures unknown queries are handled gracefully. Terminal-based chatbot interaction was implemented for testing.

## **Testing**

Multiple sample conversations were conducted to verify response accuracy, intent consistency, and smooth conversational transitions.

## **Outcome**

The chatbot successfully responds to banking queries and handles invalid or unclear inputs without system failure.