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## ABSTRACT

Expert systems (ES) are being rapidly employed for specific domains in various functions of business. From pure scientific and engineering applications, the attention is being focussed on business and commercial areas for successful exploitation of expert systems' usage for quite long time. Financial management offers extensive potential for expert systems applications, since it includes various specific functions of decision-making that require a certain degree of expertise and judgement.

Financial institutions in India are constituted with a purpose of lending industrial loans, keeping in view of Government's specific economic and monetary policies for overall growth and development. They differ from private lending firms of economically developed countries, in that the overall objective is not just 'maximising firm's wealth' but also broader socio-economic developmental aspects. Thus not only decision-making parameters are different but also weightages given to them in arriving at final decision.

In this work, a prototype expert support system is developed, demonstrating the basic domain knowledge for term-loan lending purpose with object-oriented design and a model, analytic hierarchy process (AHP) is used to validate and

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quantify final decision that is arrived at. The prototype has been validated for consistency of knowledge it represents, using real-life cases in the Indian context.