# Sam Altman’s warning highlights AI’s growing role in mutual fund distribution



Sam Altman, the CEO of OpenAI, once remarked that artificial intelligence (AI) "will probably most likely lead to the end of the world, but in the meantime, there will be great companies". This observation resonates with the expanding role of AI across various business sectors, notably within the financial intermediary industry. Cafemutual recently engaged with Ashish Ingle, Founder of Mulyankan GPT, to explore how mutual fund distributors (MFDs) can harness AI tools to enhance their business growth.

The conversation emphasised the critical importance of research and analytics in the distribution business. The primary role of MFDs is to bring capital into the market, while the secondary role involves allocating this capital to maximise client returns with minimal risk. Traditionally, capital allocation relied heavily on client risk profiling. However, Ashish pointed out that this approach neglects the profiling of asset classes and categories for risk assessment. He explained that asset class risk profiling involves analysing risks and opportunities within specific asset classes, taking into account market cycles such as value, earnings, and interest rate cycles. This analysis enables a more informed determination of whether an asset class is favourable or unfavourable given current market conditions.

Discussing the transformative potential of AI in the financial distribution business, Ashish highlighted that investment decisions have typically been based on gut feelings and personal experience of advisors, which has led to inconsistent decision-making. AI, he believes, can introduce systematic and data-driven strategies to this sphere. He likened AI tools to diagnostic instruments used by doctors, capable of analysing vast and complex datasets beyond manual processing. As the Indian financial market evolves and becomes more complex, the data volume advisors must interpret will increase, making AI an essential aid to reduce manual workload. This will allow MFDs to concentrate more on building client relationships and expanding their business.

Addressing why MFDs should consider external AI-powered research tools like Mulyankan GPT amid the availability of SEBI-registered research analysts and in-house research departments, Ashish explained that existing research predominantly focuses on fund and AMC fundamentals. Often overlooked are broader market dynamics, such as the relative suitability of systematic investment plans (SIP) versus lump sum investments or the timing of investments in particular asset classes. AI tools can bridge this gap by assisting MFDs in identifying optimal timing for investments, including entry and exit points in the market. This facilitates a move beyond a ‘one size fits all’ model towards personalised, data-driven decision-making complemented by the advisor’s own experience.

Mulyankan GPT, Ashish described, is an AI-powered platform tailored specifically for financial distribution professionals, trained on finance-related datasets relevant to Indian markets. Distinct from general AI models, it supports portfolio structuring and strategic investment decisions by blending AI analytics with inputs from financial professionals. The platform does not provide direct fund recommendations but offers data-backed trends and rationales, aiming to ensure transparency and allowing users to validate or challenge the findings before acting.

Among its unique features, Mulyankan GPT offers flexibility, allowing users to either utilise AI-generated analyses along with the underlying rationale or create their own analytical frameworks by selecting metrics and assigning personal weightages. The platform assists MFDs in evaluating lumpsum versus systematic transfer plan (STP) investments, determining appropriate timings for initiating or halting STPs, making asset class, category, and sub-category allocations, and conducting investor profiling inclusive of risk tolerance assessment.

Regarding the platform’s adoption and pricing, over 700 users have engaged with Mulyankan GPT during its 18 months of development. The company has set a target to double this number to 1,500 users by the end of 2025. The subscription is priced at Rs. 60,000 for three years.

The Cafemutual publication also highlighted the upcoming Cafemutual Passive Conference scheduled for 23 May at the Taj Santacruz, which focuses on advancements in passive investing. This event is positioned as an opportunity for professionals to stay updated amidst the passive investment revolution.

Source: [Noah Wire Services](https://www.noahwire.com)

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