

## GENERAL GUIDELINES FOR THESIS WRITING

1. No hard and fast rule regarding page no (about 50-60 pages) excluding appendices
2. Page number: Top right
3. Times New Roman Font 12 points text; (May be reduced in tables if required).
4. Margins-left 1.25 inch & 1 inch other all
5. Line spacing–1.5 spacing, throughout the report. (May be reduced in tables if required).
6. Alignment: text: Justified
7. But Title page & Chapter heading: centered; sub headings: left aligned
8. Between Paragraphs vertical gap 12 points as appropriate
9. Never underline throughout the thesis report, use italics instead if you want to highlight
10. Never use bullets but use (i), (ii), (iii), and (iv) in sub points of.....
11. Use commas when you have to present numbers having more than 3 digits (e.g. Rs. 10,000).
12. Use body note; never use footnote; Print one side only
13. In body note: for direct quote (i.e. “.....”), provide page no. (Shrestha, 2014, pp.122-123);  
For indirect quote no page no. is required. (Davis & Whalen, 2001).
14. Use words to write number less than 10; use words to express number beginning the sentence
15. Define the abbreviation when used for the first time.
16. The research should contain accurate and factual information.
17. Use English Language. Use formal business English (flawless) not colloquial (ii) Use simple and short sentences & paragraphs (iii) Use present tense or past tense; do not use future tense unless necessary or in project research proposal.
18. Use A4 size white paper; Page layout size A4.
19. Four (4) hard copies and a soft copy in CD of the finalized report submitted to the Research Committee of Dibyajyoti Multiple campus.

## GUIDELINES FOR PROPOSAL WRITING

- i. Using present and future tense is recommended
- ii. Only in specialization area
- iii. Proposal must be based on an international research article.

The proposal should contain the following 3 components.

- (a) Title page: title font times new roman 14 all caps block; other 12

**PREVENTION TOOLS FOR MONEY LAUNDERING &  
FINANCING TERRORISM BY NEPALESE COMMERCIAL  
BANKS**

**(With Reference to NIC Asia Bank Ltd in Nawalpur District)**

A Dissertation proposal

submitted to

the Office of the Dean,

Faculty of Management

In partial fulfilment of the requirements for the Master's Degree

By

Khem Bahadur Rahu Magar

Exam Roll No: 8783/18

T.U. Reg. No. 7-2-568-99-2012

Dibyajyoti Multiple Campus

Bardaghat, Nawalparasi

November, 2021

(b) Body

1. Background of the study
2. Problem statement and research questions
3. Objectives of the study
4. Conceptual Framework (Optional, only if required)
5. Significance of the Study
6. Limitations of the Study
7. Literature Review (briefly reviewing latest available literature)
8. Methodology (briefly explained in future tense)
  - 8.1 Research design
  - 8.2 Population and sample
  - 8.3 Sources of data
  - 8.4 Data collection & processing procedure
  - 8.5 Data analysis tools and techniques  
(Statistical, financial, mathematical tools, software packages to be used in the research)
9. Chapter Plan

(c) References

Note:

# Page No. begins from “Background of the Study” and continues for “References” also.

# **3 International research** article must be attached to the proposal.

## GUIDELINES FOR THESIS REPORT WRITING

1. Three (3) hard copies (black bounded) and a soft copy of the finalized report submitted to the Research Committee of the Central Department of Management.
2. The thesis report consists of 3 sections: (a) Preliminary (b) Body (c) Supplementary

### (a) PRELIMINARY

Pagination: for preliminary pages: roman numbers (i.e. ii, iii, ..) before chapter 1.

#### 1. Title Page

- Counted as page “i” but does not appear; centered

**PREVENTION TOOLS FOR MONEY LAUNDERING &  
FINANCING TERRORISM BY NEPALESE COMMERCIAL  
BANKS**

**(With Reference to NIC Asia Bank Ltd in Nawalpur District)**

A Dissertation

submitted to

the Office of the Dean,

Faculty of Management

In partial fulfilment of the requirements for the Master's Degree

By

Khem Bahadur Rahu Magar

Exam Roll No: 8783/18

T.U. Reg. No. 7-2-568-99-2012

Dibyajyoti Multiple Campus

Bardaghat, Nawalparasi

November, 2021

### **Certification of Authorship**

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled PREVENTION TOOLS FOR MONEY LAUNDERING & FINANCING TERRORISM BY NEPALESE COMMERCIAL BANKS(With Reference to NIC Asia Bank Ltd. In Nawalpur District). The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

Khem Bahadur Rahu Magar

Signature:

Date: 19.11.2021

## IN CAMPUS LETTER HEAD

### Report of Research Committee

Mr. Khem Bahadur Rahu Magar has defended research proposal entitled PREVENTION TOOLS FOR MONEY LAUNDERING & FINANCING TERRORISM BY NEPALESE COMMERCIAL BANKS (WITH REFERENCE TO NIC ASIA BANK LTD IN NAWALPUR DISTRICT”successfully. The research committee has registered the dissertation for further progress. It has recommended to carry out the work as per suggestions and guidance of supervisor Mr. Tank Prasad Subedi and submit the thesis for evaluation and viva voce examination.

Mr. Tank Prasad Subedi

Supervisor

Signature: -

**Dissertation Proposal Defended**  
**Date: -**

Head of Research Committee

Mr. Tank Prasad Subedi

Signature: -

**Dissertation Submitted**  
**Date: -**

Date: - November, 2021

**Dissertation Viva Voce**  
**Date: -**



## IN CAMPUS LETTER HEAD

### Approval Sheet

We have examined the dissertation entitled PREVENTION TOOLS FOR MONEY LAUNDERING & FINANCING TERRORISM BY NEPALESE COMMERCIAL BANKS (WITH REFERENCE TO NIC ASIA BANK LTD IN NAWALPUR DISTRICT presented by Mr. Khem Bahadur Rahu Magar for the degree of Master of Business Studies (MBS). We hereby certify that the dissertation is acceptable for the award of degree.

(.....)

Mr. Tank Prasad Subedi

Thesis Supervisor, Chairperson, Research Committee

(.....)

External

(.....)

Campus Chief

(Associate Prof. Bishnu Lamsal)

Date: November, 2021

## **ACKNOWLEDGEMENTS**

I am pleased to present this thesis entitled “PREVENTION TOOLS FOR MONEY LAUNDERING & FINANCING TERRORISM BY NEPALESE COMMERCIAL BANKS” (With Reference to NIC Asia Bank Ltd. In Nawalpur District) in partial fulfillment of requirement for the Master’s Degree in Business Studies (M.B.S.). I am thankful to Tribhuvan University for providing me such an opportunity to explore my subject from a practical perspective. While preparing this thesis, I encountered different realities and facts of the business world in real terms. This work is based on research models involving the use of quantitative as well as qualitative aspects of prevention tools for ML/FT using by Nepalese commercial banks.

My foremost expression of gratitude goes to my thesis supervisors Mr. Tank Prasad Subedi, Faculty Co-Ordinator Badrinath Khanal, Campus chief Bishnu Lamsal of Dibyajyoti Multiple Campus who expended his valuable time in implanting the basic ideologies required to prepare this research. The tireless co-operation of the entire teaching faculty of Dibyajyoti Multiple Campus will never be forgotten.

I must not forget to thank all my other acquaintances including senior managers and the entire staffs of Nepalese commercial banks and my acquaintances for their valuable advice and support in collecting and presenting the necessary data and journals and applying their effort in making access to research data and literature.

I hope this study will be helpful those who want to gain knowledge related to the revenue plan of banking sector, academicians, students, researchers and other interested person.

I am indebted to those who have directly and indirectly assisted me to make thesis study worthwhile.

Thanking you.

Khem Bahadur Rahu Magar  
Dibyajyoti Multiple Campus

## **Table of Contents**

Title page	i
Certification of Authorship	ii
Research Report Committee	iii
Approval Sheet	iv
Acknowledgements	v
Table of Contents	vi
List of Tables	ix
List of Figures	xi
Abbreviations	xii
Abstracts	xiii

### **Chapter I: Introduction**

### **Page No.**

Background of the Study	1
Problem Statement	4
Objectives of the Study	5
Significance of the Study	6
Limitations of the Study	7
Organization of the Study	7

### **Chapter II: Literature Review**

Conceptual Review	9
Know Your Customer (KYC)	11
Auditing & Training	13
Role of Compliance or Money Laundering Reporting Officers (MLRs)	14
Transaction Monitoring	16
Legal Provision	20
Research Gap	23

### **Chapter III: Research Methodology**

Research Design	24
Population, Sample & Sampling design	24
Nature and Source of Data, and the Instrument of the Data Collection	25
Method of Data Analysis	25
Research Framework	26
<b>Chapter IV: Results and Discussion</b>	
Demographic Profile of the Respondent	27
Descriptive Statistics	28
Know Your Customer (KYC)	28
Auditing & Training	35
Role of Compliance/Money Laundering Reporting Officer (MLRO)	38
Legal Provision (National & International)	41
Transaction Monitoring	44
Major Finding of the Study	45
<b>Chapter V: Summary &amp; Conclusion</b>	
Summary	50
Conclusion	50
Implications	51
References	
Appendices	

## List of Table

<b>Table No.</b>	<b>Title of Table</b>	<b>Page No.</b>
1	Threshold Transaction Limit	18
2	Numbers of TTRs Received from Reporting Entities	19
3	Numbers of SARs/STRs received from Reporting Institutions	19
4	Age Wise Distribution of the Respondents	27
5	Educational Level Wise Distribution of the Respondents	28
6	Existence of Money Laundering	28
7	Source of Money Laundering	29
8	Most Important tools for prevent of ML/FT	29
9	KYC helps for prevent of ML/FT	30
10	Monitoring as Per Customer Classification	30
11	KYC Identifying Bank Systems	31
12	KYC use in Nepalese Commercial Banks	31
13	Difference Between High Risk & Low Risk Customers	32
14	KYC and AML Both are Same	32
15	Customers Identification	33
16	Nature of Customer Identification	33
17	Necessary of Due Diligence	34
18	Effect of Money Laundering	34
19	Types of Risk Creates	35
20	Staffs Training	36
21	Audit Required	36
22	Internal Audit	37
23	Trainings Required	37

24	Skill Assessment Test	38
25	Employee Aware	38
26	Organization Structure	39
27	AML Implementing Officer & Compliance Officer	39
28	AML Implementing Officer	40
29	Bank Control Risk	40
30	Legal Provision	41
31	Money Laundering Prevention Act Exist in Nepal	42
32	Money Laundering Prevention Act follow by Nepalese commercial banks	42
33	Prevention Act & Policies	43
34	Prudential Regulation and Assessment of Customer	43
35	Normal & Expected Transaction	44
36	Required ID Card	44
37	Transaction Monitoring Methods	45

## **List of Figures**

<b>Figure no.</b>	<b>Name of Figure</b>	<b>Page No.</b>
1	Conceptual Framework	11
2	Organization Structure	16

# Abbreviations

ALPA	=	Assets (Money) Laundering Prevention Act
AML	=	Anti Money Laundering
APG	=	Asia Pacific Group on Money Laundering
ASP	=	Asia Pacific Group on Money Laundering
BCBS	=	Basel Committee for Banking Supervision
BAFIs	=	Bank and Financial Institution
CAP	=	Customer Acceptance Policy
CBS	=	Core Banking Software
CDC	=	Customer Due Diligence
CFT	=	Combating Financing Terrorism
FATF	=	Financial Action Task Force
FT	=	Financial Terrorism
FIU	=	Financial Information Unit
KYC	=	Know Your Customer
ML	=	Money Laundering
NRB	=	Nepal Rastra Bank
STR	=	Suspicious Transaction Report
TTR	=	Threshold Transaction Report



## **Abstract**

This Study analyzes the prevention tools which influences the Money Laundering & Financing Terrorism. The focus of the study is to examine the influence of Know Your Customer (KYC), Auditing & Training, Role of Compliance/Money Laundering Reporting Officer, Legal Provisions & Transaction Monitoring. This study helps to understand about the money laundering /financing terrorism and also identify that how to Nepalese commercial bank are use the prevention tools of Money Laundering/Financing Terrorism (With reference to NIC Asia Bank Ltd in Nawalpur district). This study uses descriptive analysis, casual comparative research design, frequency and percentage model to test the theory. This research is based on a survey among the Nepalese commercial bankers to know what kind of prevention tools uses by Nepalese commercial banks for Money Laundering/Financing Terrorism. Through this survey and analysis, all the prevention tools are equally important to prevent & monitor the Money Laundering/Financing Terrorism.

**Keywords:** Know Your Customer, Money Laundering, Terrorism Financing, Customer Due Diligence, Anti-Money Laundering, Suspicious Transaction Report, Threshold Transaction Report.

- Title, all CAPITALIZED and bold; title, not more than 3 lines
- Spell out all acronyms in full; never use abbreviation in the title of the thesis
- Write only current month and year, not the day

## 2. Certificate of Authorship

- Signed by the Researcher that this is his/her original research not published anywhere
- Counted as page ii and appears.

## 3. Approval Sheet

- In the “Central Department of Management” Letter Head
- No page no appears, but counted as page (iii)
- In the Department’s letter head.

## 4. Acknowledgements

- Page no. appears as “iv”

Not more than one page; giving credit & gratitude to the concerned people who helped you in

your thesis work.

Name of the student at the end only (but no signature is required)

## 5. Table of Contents

Page no. appears as “v” and “vi”.

## 6. List of Tables

Page no. appears as “vii”

## 7. List of Figures

Page no. appears as “viii”

## 8. Abbreviations

Page no. appears as “ix”

## 9. Abstracts

Page no counted as “x” and appears

should be up to 350 words (approximately 1-2 pages)

Abstract should be: concise, objective, and specific summary of most important points of the

Whole paper without your evaluation or opinion. It may contain objective, research

Methodology, and conclusion.

## (b). BODY

1. Be coherent (art of storytelling) for easy reading; all relevant information must be organized

In logical & orderly manner. Present the evidence with pertinent chart, graphs, data, pictures etc.

2. Use 1, 2, 3, etc. from chapter 1 till the end including references, including appendices.

3. Title of the chapter: chaptered, bold, and New Times Roman font sized 12 all caps bold.

4. Do not present statistical or financial computation in the report.

5. Start each chapter of the thesis on new page.

6. There are 5 chapters in the project report typically

(1) Introduction (2) Literature Review (3) Methodology (4) Results (5) Conclusions

Chapter 1: Introduction

Background of the study

Problem statement and research questions

Purpose of the study

Significance of the study

Limitations of the study

Chapter plan

Note: “Conceptual framework” and “Hypothesis” are optional. If you want to include them,

Include them in 1.4 & 1.5 just after “Purpose of the Study” or before “Significance of the Study”.

Chapter 2: Literature Review

Conceptual review

Review of journal articles

Review of previous theses

Research gap

Chapter 3: Methodology

No theory on research methodology is to be explained but methodology actually used by the

Researcher should be explained, i.e. specific aspect of your research not generalized definitive

Statements. Should not use future tense but either past or present tense.

Research design

Population and sample (Explain sampling method used & rationale behind using the method)

Sources of data

Data collection procedure

Data processing procedure

Data analysis tools and techniques

-Variables (to be defined); Measurement (scale); Statistical, financial, mathematical tools,

Software packages used in the research

Chapter 4: Results

## Data Presentation and Analysis

- Data are presented and analyzed. Use tables to describe your results. Only 2 digits after Decimal (e.g. 2.96). Do not describe each data but only special and critical ones.
- Explain the trend or tendency of the data presented.
- Do not write “above table or below table” instead write table no. 4.1.
- Keep tables from breaking across pages unless the table is too large for a single page.

## Major findings

Findings/gist/sum up of results; it must be supported with data.

## Discussion

-interpret and explain your results, i.e. the reasons of (whys); explain why you found what you Did in your study. State whether or not your hypotheses were supported; explain why the Hypotheses were or were not supported; Is it what you predicted? If not, why? How do your Findings fit in with previous theory and literature? Are your results consistent or inconsistent? with findings in the past? If they are inconsistent, how can you explain this?

## Chapter 5: Conclusions

### Conclusion

(of / based on discussion)

### Implications

General implication and specific action plan (if applicable)

### Implication for future studies

- Implications of conclusion for practical application or future studies/researchers /research Ideas/additional directions for future research (due to limitation on the present research)
- what you would do different next time if you conducted a similar study.
- implications of your findings to theory and practice
- Implication should be present research based (i.e. not swapping statements.), i.e. based on results and conclusion.

(c) SUPPLEMENTARY

□ Page no. continues throughout references including appendices

## 1. References

(Contains only the literature that is cited in the project work, not referred during research)

Book / Report by a Corporate Author, e. g. Organization, Association, Government  
Department

Surname, Name Middle Name. (Year of Publication). Name of Book in Italics. City of  
Publication: Name of Publisher.

Shrestha, S.K. (2014). *Business Strategy*. Second Edition. Kathmandu: Icon Nepal  
Infotainment.

International Labor Organization. (2007). *Equality at Work: Tackling Challenges*  
(International Labor Conference report). Geneva, Switzerland: Author.

### Journal Article

Lustig, R. H. (2012). Public health: The Toxic Truth about Sugar. *Nature and Environment*  
482 (7383), 27-29.

### Magazine/Newspaper Article – Popular/Trade/General Interest

Goodwin, D. K. (2002, February 4). How I Caused that Story. *Time*, 159(5), 69.

### Thesis-Institutional or Personal Webpage - Outside the US

Liu, G. (2014). *Improving Corporate Internet Reporting in China* (Doctoral Thesis,  
University of Waikato, Hamilton, New Zealand). Retrieved from  
<http://researchcommons.waikato.ac.nz/handle/10289/2241>

### Webpage

New Zealand Trade and Enterprise. (n.d.). *Agribusiness*. Retrieved from  
<https://www.nzte.govt.nz/en/export/market-research/agribusiness/>

## 2. Appendices

Contains Tables, Charts, Figures, and Calculations, Master Schedule, Consolidated Balance

Sheet, Consolidated Profit and Loss Account, Questionnaire if any

#### GUIDELINES FOR POWER POINT PRESENTATION OF THESIS

1. The recommended font size for power point presentation is Times New Roman 32 or above.
2. The power point slide should not contain paragraphs & long sentences but should contain Words, phrases, or few very short sentences.
3. The researcher is allowed about 5-7 minutes to complete his presentation.
4. About 13 slides would be sufficient. The slides must be signed by the supervisor and Research head.
5. The presenter is expected to be well prepared for the viva voce and has to be precise and to the point during the presentation.
6. The power point slides must contain the following titles and contents.  
Slide 1: Title of thesis along with the name of the researcher & supervisor  
Slide 2: Statement of the problem & research questions  
Slide 3: Purpose of the study  
Slide 4: Limitations of the study  
Slide 5: Research gap  
Slide 6: Research Methodology (including research design, population & sample, sampling Technique, data sources, data collection, research tools)  
Slide 7 and slide 8: Results (in summarized master tables)  
Slide 9 and slide 10: Major findings (with data evidences)  
Slide 11: Discussion  
Slide 12: Conclusion  
Slide 13: Implication
7. After the viva voce, the researcher is expected to make needful correction as per the (i) Internal expert's comments and viva voce expert's comments and voce expert and thereafter has to be approved from research head in loose binding. And 5 hard bound copies later.
8. The presenter should speak loud enough, have eye contact, and have presence of mind.

9. The presenter should be confident and confidence is built up after thorough preparation & Understanding, prior to presentation.