

How an Indian Can Register/Incorporate a Company and Open a Bank Account in Nigeria from India (2026 Cost & Requirements)

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Description

Table of Contents

1. Introduction
2. Why Indians/Foreigners Incorporate in Nigeria
3. Legal Entity Options for Foreigners in Nigeria
4. Step-by-Step Overview: Incorporation + Bank Account Opening
5. Requirements: Documentation & Information Checklist
6. Incorporation Process in Nigeria (AI-Powered CAC Portal)
7. Post-Incorporation Steps & Compliance
8. Opening a Corporate Bank Account in Nigeria as a Foreigner

9. Role of STR Visa, Expatriate Quota & CERPAC in Effective Directorship
10. SCUML Certificate: Why It Matters for Bank Accounts
11. Cost & Timelines (Sample Costing for the Entire Process)
12. Common Misconceptions & Mistakes to Avoid
13. Frequently Asked Questions (FAQs)
14. Conclusion

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1. Introduction

Nigeria, Africa's largest economy, is a prime destination for Indian entrepreneurs seeking expansion into West Africa. With over **200 million people**, a rapidly growing tech sector, and diverse opportunities in oil & gas, agriculture, real estate, trade, and services, setting up a company in Nigeria is a strategic move.

Thanks to the **Corporate Affairs Commission (CAC) AI-powered company registration portal**, incorporation is now faster, simpler, and fully online. Foreigners, including Indians, can register a Nigerian company remotely and subsequently open a Nigerian bank account.

However, the process involves specific rules, especially concerning the **practical limitations of foreigners acting as directors** and the **banking requirements** that hinge on Nigerian residency and identification systems.

2. Why Indians/Foreigners Incorporate in Nigeria

- **Market size:** Over 200 million consumers.

- **Gateway to ECOWAS trade:** Duty-free access to 15 West African countries.
- **Diversified opportunities:** Tech, fintech, agriculture, logistics, oil & gas, and more.
- **Legal protection:** Incorporated companies enjoy corporate personality and limited liability.
- **Ease of doing business reforms:** CAC portal, online issuance of certificates, and improved banking procedures.

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3. Legal Entity Options for Foreigners in Nigeria

The most common and practical vehicle for foreign investors is a **Private Limited Liability Company (Ltd/LLC)**.

Key features:

- Separate legal personality.
- Limited liability for shareholders.
- Allows multiple shareholders and directors.
- Can engage in virtually all lawful business activities.

Other types of entities (like Public Companies and Business Names) exist but are less relevant for foreign commercial operations.

4. Step-by-Step Overview: Incorporation + Bank Account Opening

To incorporate a Nigerian company and open a bank account from India:

1. **Choose company name** and reserve it via the CAC portal.
2. **Prepare incorporation details** (directors, shareholders, business objects, shareholding structure, address).
3. **Upload all documents** on the CAC AI portal (no physical forms are required).
4. **Obtain CAC Certificate of Incorporation** (issued online only).
5. **Register for Tax Identification Number (TIN).**
6. **Apply for SCUML certificate** (mandatory for many sectors or for banking).
7. **Decide on director structure:** While a foreigner can be the sole director and shareholder, they will face **practical limitations without a CERPAC card**. Hence, it is advisable to appoint Nigerians as directors for smooth operations.
8. **Open a corporate bank account** in Nigeria using the approved documents.

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5. Requirements: Documentation & Information Checklist

Foreigners (Indians) will need to prepare the following:

Requirement	Details Needed
Proposed Company Names	At least two options for name reservation.
Directors (foreign or Nigerian)	Foreigners can serve as directors but will face operational challenges without CERPAC. Full details needed: name, address, DOB, nationality, phone, email.

Requirement	Details Needed
Shareholders	Will be Indian nationals. Provide ID (international passport), residential address, scanned signatures.
Shareholding Structure	Percentage breakdown of ownership.
Business Objects	Nature of business (e.g., trading, consulting, real estate).
Registered Office Address	A Nigerian address (service providers often provide this as part of incorporation packages).
Means of Identification	For shareholders: valid international passport. For Nigerian directors (if appointed): National ID, driver's license, or passport.
Scanned Signatures	For all shareholders and directors.
Bank Account Documents	CAC certificate, CAC forms, TIN, SCUML certificate, IDs, passport photos, and a board resolution.

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6. Incorporation Process in Nigeria (AI-Powered CAC Portal)

The **Corporate Affairs Commission (CAC)** has migrated its company registration to a new **AI-driven online portal**.

Step-by-Step Incorporation via CAC Portal

1. **Name Reservation** – Submit at least two proposed names on the CAC portal. AI suggests approval or conflicts.

2. **Data Input** – Enter director/shareholder information, shareholding structure, and business objectives.

3. **Document Upload** – Upload scanned IDs, signatures, and proof of address.

4. **Online Payment** – Pay official incorporation fees through the portal.

5. **AI Review & Approval** – The CAC AI engine checks compliance with CAMA and regulations.

6. **Certificate Issuance** – Upon approval, CAC issues the **Certificate of Incorporation digitally**. There are no more physical certificates or courier collections.

7. **Certified Extracts & Online Forms** – All statutory documents (CERTIFICATE, MEMART AND STATUS REPORT) are downloadable directly from the CAC portal.

This seamless digitalisation makes it possible for Indians to incorporate Nigerian companies **100% remotely**.

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7. Post-Incorporation Steps & Compliance

After incorporation:

- **Obtain TIN** from the Federal Inland Revenue Service (FIRS).
- **Apply for SCUML certificate** if required by your industry or bank.
- **File Annual Returns** with CAC to remain in good standing.
- **Tax Compliance:** Pay Company Income Tax (CIT), Withholding Tax, and VAT (if applicable).
- **Keep proper registers:** Directors, Shareholders, and Share Certificates.

8. Opening a Corporate Bank Account in Nigeria as a Foreigner

Here lies the critical challenge: while a foreigner can legally be the sole director and shareholder of a Nigerian company, **practical limitations make banking difficult without Nigerian residency status**.

The Practical Limitation:

- Banks require directors to have a **Bank Verification Number (BVN)** and **National Identification Number (NIN)**.
- Both BVN and NIN can only be processed with a **CERPAC card** (residency permit).
- Without BVN/NIN, banks cannot onboard you as a signatory or grant account access.

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Thus, even though foreigners may be directors, it is **advisable to appoint Nigerians as directors initially**, so that the company can successfully open a bank account and operate until the foreign shareholder formally relocates with the necessary immigration approvals.

9. Role of STR Visa, Expatriate Quota & CERPAC in Effective Directorship

For Indian investors who wish to actively serve as directors and manage operations in Nigeria:

1. **Expatriate Quota** – Approval granted by the **Minister of Interior** allowing your company to employ foreign nationals as directors or staff.
2. **STR Visa (Subject to Regularization Visa)** – Issued at the Nigerian consulate in India, permitting entry into Nigeria for employment or directorship.
3. **CERPAC Card (Combined Expatriate Residence Permit and Aliens Card)** – Issued by Nigerian Immigration Service upon entry and regularisation.

Only after obtaining a **CERPAC card** can a foreigner process **BVN and NIN**, which are required to operate bank accounts and comply with regulatory filings.

Until then, foreigners can **own shares and even hold director titles**, but for **practical efficiency** (banking, compliance, filings), appointing Nigerians as directors is strongly recommended.

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10. SCUML Certificate: Why It Matters for Bank Accounts

The **Special Control Unit Against Money Laundering (SCUML)** certificate is often mandatory for bank account opening, even if your company's sector is not a DNFI.

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- Banks require SCUML to ensure AML compliance.
- Issued by EFCC/SCUML after submission of CAC documents, TIN, and business details.
- Processing time: typically **5–7 working days**.

Without a SCUML certificate, many Nigerian banks will decline your account opening request.

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11. Cost & Timelines (Costing for the Entire Process)

Using practical service provider benchmarks, here's the cost estimate:

Service	Duration	Cost (USD)
LLC Incorporation (100M Share Capital)	7–14 working days	**$2,775**
SCUML Certificate	5–7 working days	**$60**
TIN & Tax Clearance Certificate	3–5 weeks	**$275**
Director Identification Verification	Same-day	**$150**

Service	Duration	Cost(USD)
Bank Account Opening Assistance	After TIN obtained	**$80**
Use of Registered Office Address (Nigeria) – 1 year	1 year	**$250**
Change of Director (post-incorporation and bank account opening)	2–4 working days	**$60**
Total (if all services selected)	≈ 35 working days	**$3,650**

Timeline: The entire process typically spans **≈ 35 working days** (5–6 weeks).

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12. Common Misconceptions & Mistakes to Avoid

Misconception	Reality
Foreigners cannot be directors in Nigerian companies.	False. Foreigners **can** be directors, even sole directors, but without **CERPAC → BVN/NIN**, they cannot efficiently operate or open bank accounts.
CAC issues physical certificates.	False. All CAC certificates are now issued **digitally only** through the CAC portal.
Bank account opening is automatic once you incorporate.	False. Banks will only activate accounts for directors with **BVN and NIN** (which foreigners cannot get without CERPAC).
You can skip SCUML registration.	Risky. Banks often require it even if your business is not a DNFI.
Government fees are the bulk of incorporation costs.	In practice, professional/legal/agent service fees make up most of the cost (≈ $3,650 for full process).

13. Frequently Asked Questions (FAQs)

Q1. Can an Indian register a Nigerian company from abroad?
Yes. The CAC AI portal allows full remote incorporation. All certificates and statutory documents are issued digitally.

Q2. Can foreigners be directors?
Yes. A foreigner can be the sole director and shareholder. However, they cannot efficiently operate the company until they obtain a **CERPAC card** to process BVN and NIN, which are essential for bank account operations and regulatory compliance.

Q3. Can foreigners be shareholders?
Yes. Indians can own 100% of shares in a Nigerian company, with or without being directors.

Q4. How long does the process take?
On average **5–6 weeks** for incorporation, TIN, SCUML, and successful bank account opening.

Q5. What happens if I appoint foreign directors without CERPAC?
The company will exist legally but face practical restrictions, as banking and regulatory tasks require BVN/NIN.

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Q6. Do I need to travel to Nigeria for incorporation or bank account opening?
Not necessarily. With Nigerian directors in place, the process can be completed remotely. But if you wish to personally act as a director, you will need to enter Nigeria with **Expatriate Quota + STR Visa → CERPAC card**.

14. Conclusion

Incorporating a company and opening a bank account in Nigeria from India is achievable, thanks to the **CAC AI-powered online portal** and digital issuance of incorporation certificates.

However, Indian entrepreneurs must understand key restrictions:

- You can be a **sole director and shareholder**, but without **CERPAC → BVN/NIN**, you cannot efficiently operate or open a bank account.
- It is therefore advisable to remain a **shareholder** initially, while appointing Nigerians as directors to manage operations.

- To function fully as a director, you must obtain an **Expatriate Quota, STR Visa, and CERPAC card**.
- **SCUML certificate and TIN** are mandatory for banking.
- Budget ≈ **$3,650** and allow ≈ **35 working days** for full incorporation and account setup.

With these steps followed correctly, Indian investors can confidently establish a compliant and operational Nigerian business, paving the way for expansion across West Africa

Category

1. Foreign Company Incorporation

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