

Incorporating or Registering a Company in Nigeria: Requirements, Procedure, and Cost

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Description

Incorporating a company in Nigeria is a crucial step for entrepreneurs looking to establish their businesses legally.

This guide provides a comprehensive overview of the requirements, process, procedure, and costs associated with company registration in Nigeria, emphasising the entirely online nature of the process.

Requirements for Incorporating a Company in Nigeria

To incorporate a company in Nigeria, the following requirements must be met:

1. **Company Name:** Choose a unique name for the company, ensuring it is not already in use.
2. **Type of Company:** Decide the type of company to register (e.g., Private Limited Company, Public Limited Company, Company Limited by Guarantee, or Unlimited Company).
3. **Shareholders and Directors:** According to the Companies and Allied Matters Act (CAMA) 2020, a single individual can be both the sole shareholder and director for a private company.
4. **Secretary:** Appointment of a company secretary is mandatory for public companies.

5. **Registered Address:** A physical address in Nigeria where the company will be registered.
6. **Objects of the Company:** Clearly defined objectives and scope of operations.
7. **Identification Documents:** Valid identification documents for directors and shareholders, such as a national ID card, international passport, or driver's license.
8. **Share Capital:** Minimum share capital requirement (typically N10,000 for small companies and N1,000,000 for others).

Online Registration Process

The Corporate Affairs Commission (CAC) of Nigeria facilitates the entire registration process online. Here is a step-by-step guide:

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1. **Create an Account on the CAC Portal:**

- Visit the CAC website (www.cac.gov.ng) and create an account.
- Provide a valid email address and phone number to receive updates.

2. **Name Reservation:**

- Log in to the CAC portal and submit a request for name availability.
- The name reservation costs N1500 and is valid for 60 days.

3. **Complete Pre-incorporation Forms:**

- Fill out the necessary online Pre-incorporation forms, indicating company type, share structure, and personal details of shareholders and directors.

4. **Upload Required Documents:**

- Upload scanned copies of identification documents, signatures, and passport-sized photographs of directors and shareholders.
- Memorandum and Articles of Association, prepared by a legal practitioner.

5. **Payment of Filing Fees:**

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- Pay the required fees online via the CAC portal using a credit card or other electronic payment methods.
- Fees vary based on share capital and type of company.

6. **Submission and Processing:**

- Submit the completed forms and documents online.
- The CAC will review the submission, and if all requirements are met, the company will be registered.

7. **Certificate of Incorporation:**

- Once approved, the CAC will issue a Certificate of Incorporation, along with a unique company registration number.

Procedure for Incorporating a Company

1. **Obtain Digital Signature:**

- Directors and shareholders must obtain a digital signature for signing electronic documents.

2. **Filing of Incorporation Documents:**

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- Ensure all forms and documents are accurately filled and uploaded to avoid rejections.

3. **Compliance with Regulatory Requirements:**

- Adhere to all regulatory requirements, such as tax registration with the Federal Inland Revenue Service (FIRS).

Cost Summary of Incorporating a Company in Nigeria

Service	Cost (Naira)
Name Reservation	1,500
Registration of Private Company (N1 million share capital)	10,000
Registration of Public Company (N1 million share capital)	20,000

Stamp Duty (approx. 0.75% of share capital)	7,500 (First 1m shares is N 8,500)
Professional Fees (Legal practitioner)	Varies (approx. 80,000 – 150,000)
Total Estimated Cost for Private Company Incorporation	100,000 – 170,000 (For a Million share capital company

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Registering a company in Nigeria is a streamlined process facilitated entirely online by the Corporate Affairs Commission.

By following the outlined steps and meeting all requirements, entrepreneurs can successfully incorporate their companies and commence business operations legally. The requirements and cost, however, vary if you want to **register a foreign company in Nigeria**.

The cost summary provides a clear overview of the expected expenses, ensuring transparency and ease of planning for prospective business owners.

Incorporating a company not only establishes legal recognition but also enhances business credibility, opens up opportunities for funding, and promotes overall business growth in Nigeria’s vibrant economy.

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