



Business Setup in Pakistan

Establishing a business in Pakistan involves several steps, depending on the type of legal entity being formed.

The common types of legal entities include sole proprietorships, partnerships, private limited companies, and public limited companies. However, the most popular form for foreign investors is the private limited company.

The Securities and Exchange Commission of Pakistan (SECP) is the relevant authority responsible for overseeing the incorporation and regulation of such companies.

To establish a private limited company, the business must meet certain requirements, including a minimum of two shareholders and two directors. The company's memorandum and articles of association must be submitted to SECP for approval, along with several other documents.

Additionally, any foreign nationals serving as shareholders or directors, including French nationals, must obtain security clearance from the Ministry of Interior. This requires the submission of multiple physical, notarized and legalized or apostilled documents to the SECP.

The process of incorporating a private limited company in Pakistan typically takes between 7 to 10 working days, depending on the timely submission of required documents and completion of security clearances for foreign nationals. The incorporation timeline can be extended if additional approvals or documentation are required.

In terms of cost, the SECP charges a fee based on the company's authorized share capital, with incorporation fees starting from approximately PKR 1,500 (EUR 5) for companies with minimal share capital, and increasing as the share capital grows.

Other costs may include legal fees for document preparation and translation services (if necessary). We can assist in streamlining this process, providing a clear breakdown of costs and timelines to ensure smooth incorporation.