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How Do You Register a Business in Malaysia?

While some is at home with the 9 to 5 life, others prefer to try their hands at being an entrepreneur. So you have your ideas (and probably) products ready, but hold on, have you registered your business?

If you're not sure on where and how you can register your business (or company) in Malaysia, check out our complete guide and start your registration process today!

What Types of Businesses Are Available in Malaysia?

First off, you need to decide on what type of business is suitable for you. There are 3 most common types of businesses that you can register for in Malaysia. They are:

1. Sole Proprietorship (i.e. Enterprise or Trading)
2. Partnership (e.g. Wandagal and Partners)
3. Sendirian Berhad (i.e. Sdn Bhd or Private Limited)

The first two options are easily the most popular business options among the new Small Medium Enterprise (SME) owners in Malaysia - simply because they're the cheapest options (we'll get to the fees later).

One thing that you do need to note is that a **Sole Proprietorship business** can only have **one registered owner**, while a **Partnership business** can be registered under **two owners** and can have as many as **twenty registered partners**.

On the contrary, a **Sdn Bhd** business needs to have a minimum of **one director** who do not have a bankruptcy status as well as a minimum of **one shareholder**. All business needs to be legally registered with the Companies Commission of Malaysia (SSM) here's a simple table of the differences of the three business types to help you understand them better:

	Sole Proprietor	Partnership	Sdn Bhd
Recommended For	Small businesses	Small businesses	Medium to large businesses
Registration Costs	RM100+	RM100+	Min RM1,160
Duration of Registration	1 hour	1 hour	Min 24 hours
Number of Owners	Max 1 person	Max 2 person and 20 partners	Min 1 director and 1 shareholder
Ability to Get Loan Approvals	Low to Medium Depends on the owner's financial strength and how well they keep track of income, payments, and important financial documents.	Medium Depends on both owner's financial strengths, capacity, and how well they keep track of income, payments, and important financial documents.	Medium to High Depends on company's cash flow, assets, and how well the company's accounts are kept.
Requirements	Malaysian citizen or a Permanent Resident Owner must be 18 years old and above Only owner can make application	Malaysian citizen or a Permanent Resident Owner must be 18 years old and above Only owner can make application	Malaysian citizen or a Permanent Resident Owner (director) must be 18 years old and above Only owner (director) can make application Must have at least 1 shareholder Must have at least 1 company secretary

Who is Companies Commission Malaysia (SSM)?

The SSM (also known as **Suruhanjaya Syarikat Malaysia**) is a statutory body that regulates the companies and businesses in Malaysia. They also help to provide company and business information to the public.

Once you've registered your business with the SSM, a **Business Registration Certificate** will be issued to you within **an hour** (if you register and make the payments at any one of the SSM branches). It's valid for between one to five years (depending on which you decide on) and can be renewed on an annual basis.

No matter how small your business is, it's advisable to register with the SSM before you operate to **avoid the legal consequences**. According to SSM, anyone who carries on with a business without a valid Business Registration Certificate (which can only be obtained from SSM) could potentially be looking at **a fine of up to RM50,000 or a maximum of two years of imprisonment.**

If you're not sure where the nearest SSM branch is, you can easily look it up on their **website**. There's at least one branch in every state in Malaysia, so you can be sure to find one closest to you. Alternatively, you can also register your business online through **SSM e-Lodgement**, although the waiting period may be slightly longer compared to a walk-in registration.

What Are the Documents I Need To Start a Business?

In general, the most basic documents you'll need are a photocopy of your (and the co-owner's) identification card (**NRIC**), your suggested **business name** (have several names prepared in case they're already taken by others) and complete **business registration forms**. Here's a list of the registration forms that you'll need to complete before you walk-into an SSM branch:

- [Business Name Approval Form \(Form PNA.42\)](#) (Only if you're not using your own name)
- [Business Registration Form \(Form A\)](#)

These two forms are the most basic forms that you need to complete if you're registering for either a Sole Proprietorship or Partnership business. As for a Sdn Bhd business, there are more forms that you'll need to complete and requirements that you'll need to fulfill (such as legally hiring a company secretary. For a complete guide on how to register a Sdb Bhd business, check out the [Local Company Incorporation Guidelines by SSM](#).

What Are The Fees I Need to Pay?

As it's mandatory to register a business with the SSM, they've made it affordable to the small business owners (a.k.a those who are registering for a Sole Proprietorship or Partnership business). Take a look at the fees table below and find out how much it really cost to register a business in Malaysia:

	Sole Proprietorship	Partnership	Sdn Bhd
Registration	Using own name (e.g. Ali Enterprise) - RM30 Using trade name (e.g. The Flash Trading) - RM60	RM60	Between RM1,000 to RM70,000 (depending on the share capital)
Branch	RM5 annually (per branch)	RM5 annually (per branch)	Not stated
Business Information	RM10.60 (GST included)	RM10.60 (GST included)	Not stated
Stamps	Not stated	Not stated	RM100
Request for Information of Name	None	None	RM30 (each)

Of course, the fees stated in the above table is not exhaustive. For more details on the fees and requirements needed to register a business in Malaysia, you can contact any one of the SSM branch or walk-in to get their assistance. You can also drop an email to them at enquiry@ssm.com.my.

Did you find this article helpful? Get more tips and advice on how to manage your business and other information on SME business at [RHB SME Knowledge Centre!](#)

This article was brought to you in collaboration with RHB SME Banking.