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**Published on the website on May 2024**

**Ministry of Industry and Commerce**

**Decision No. (55) of 2015 amending certain provisions of the implementing regulation of the Commercial Companies Law promulgated by Decision No. (6) of 2002**

Minister of Industry and Commerce:

Having reviewed the Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001, as amended by Law No. (50) of 2014;

Law No. (3) of 2013, allowing Gulf companies to open their Branches in the Kingdom of Bahrain and Treating their Branches with the Prescribed Treatment of National Companies;

Implementing Regulation of the Commercial Companies Law promulgated by Decision No. (6) of 2002;

And upon the submission of the Undersecretary of the Ministry for Trade Affairs,

**Hereby Decides:**

**Article One**

Texts of Articles (3), (19), (36), (138), (148), (167), (184), (189), (234), (235), (239), and (242) of the implementing regulation of the Commercial Companies Law promulgated by Decision No. (6) of 2002 shall be replaced with the following texts:

**Article (3):**

Any natural person who meets the necessary qualifications, as well as any legal entity whose purposes include the establishment of such companies, may be a founding party in a joint-stock company.

The number of founding partners must not be less than two, except for companies exclusively established by the government under the provisions of Article (75/D) of the law.

**Article (19):**

After publishing the company's establishment decision in the official gazette, the founders initiate the subscription process for shares, whereby they subscribe to shares representing no less than 10% of the company's capital. Prior to the publication of the subscription statement, they must pay an amount equivalent to the required percentage to be paid by the public for each share upon subscription.

**Article (36):**

Without prejudice to the provisions of the relevant laws and regulations, the capital of the company shall be determined by the founding parties, and shall be sufficient to achieve its purposes, provided that its issued capital shall not be less than one million dinars.

The company's Statute shall determine the nominal value of the share, provided that it is not less than one hundred fils and not more than one hundred dinars, provided that the shares are issued at their nominal value, and they may not be issued at a lower value, and if they are issued at a higher value, the increase shall be allocated to meet the issuance expenses and then to the legal reserve.

**Article (138) The minimum capital for a closed joint-stock company:**

Without prejudice to the provisions of the relevant laws and regulations, the capital of the company shall be determined by the founding parties, and shall be sufficient to achieve its purposes, provided that its capital shall not be less than two hundred and fifty thousand dinars.

**Article (148): Company's Capital:**

Without prejudice to the provisions of the relevant laws and regulations, the capital of the company shall be determined by the founding parties and shall be sufficient to achieve its purposes, provided that its capital shall not be less than twenty thousand dinars.

**The capital of the company shall be divided into shares of equal value, negotiable and indivisible.**

**Article (167) The minimum limit of the capital of the liability company:**

Without prejudice to the provisions of the relevant laws and regulations, the capital of the company shall be determined by the partners and shall be sufficient to achieve its purposes.

The capital of the company shall be divided into shares of equal value, each of which is not less than fifty dinars.

**Article (184) Acquisition of legal personality by the company:**

The owner of the capital of the company or his authorized representative shall register the company in the Commercial Registry and publish it in the Official Gazette and in one of the local daily newspapers at the expense of the company.

**Article (189): Company's Capital:**

Without prejudice to the provisions of the relevant laws and regulations, the capital of the Company shall be determined by the founding party and shall be sufficient to achieve its purposes and shall be fully paid.

**Article (234):**

The application by a foreign company for a license to establish a branch, office, or agency in the Kingdom of Bahrain must include the following information:

**1)**The name of the company, its type, its head office, and the countries in which it operates.

**2)**The type of activity, specialization, or type of operations for which the establishment of a branch, office, or agency is requested in the Kingdom of Bahrain.

**3)** The main activities carried out by the company abroad and its previous experiences.

**4)** The name of the person entrusted with the management of the branch, regardless of their capacity.

**Article (235):**

The license application must be accompanied by the following documents:

**1)** An official certificate from the competent authorities in the country where the foreign company is registered, indicating that the company is established and registered in that country in accordance with the applicable laws. The certificate should include the legal form of the company, its capital, the names of responsible representatives, their positions, and the limits of their powers.

**2)** The decision of the competent authority of the company to open a branch, office, or agency in the Kingdom of Bahrain, along with the guarantee for this branch, office, or agency to fulfil its obligations, and the authorization issued in this regard for the representative of the company who is submitting the application. These documents should be authenticated by the competent authorities.

**3)** The notarized articles of association or statute of the company, as the case may be, along with any amendments thereto.

**4)** The most recent approved financial statements, accompanied by the auditor’s report, duly authenticated by the competent government authorities.

**Article (239):**

Each branch, office, or agency of a foreign company must have the full name of the foreign company, its address, and its principal place of business, printed on all its papers, documents, and printed materials. If applicable, the name of the agent should also be mentioned, along with the address and registration number of the branch, agency, or office in the commercial register of the Kingdom of Bahrain. All of this should be in either the Arabic or English language and in a legible format.

**Article (242):**

The branch, office, or agency is required to submit to the Ministry a copy of the audited financial statements of the principal place of business within six months from the end of the financial year.

**Article Two**

The definitions of the Minister and the Ministry contained in Article (1) of the implementing regulation of the Commercial Companies Law promulgated by Decision No. (6) of 2002 shall be replaced with the following definitions:

**Minister:** The Minister concerned with commerce affairs.

**Ministry:** The Ministry concerned with commerce affairs.

The phrase “fifteen days” shall also be replaced by the phrase “sixty days” mentioned in Article (211) of the same regulation.

The phrase “Bahrain Bourse Company” shall be replaced by the phrase “Bahrain Stock Exchange” wherever it appears in the implementing regulation of the Commercial Companies Law.

**Article Three**

Articles (98), (99) and (137) of the implementing regulation of the Commercial Companies Law promulgated by Decision No. (6) of 2002.

**Article Four**

The Undersecretary of the Ministry for Commerce Affairs shall implement this decision, and it shall come into force from the day following the date of its publication in the Official Gazette.

**Minister of Industry and Commerce**

**Zayed Bin Rashid Al Zayani**

Issued on: 7 Shaaban 1436 A.H.

Corresponding to: 25 May 2015