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**Legislative Decree No. (20) of 2021 amending some Provisions of Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001**

We, Hamad bin Isa Al Khalifa, King of the Kingdom of Bahrain.

Having reviewed the Constitution, especially Article (38) thereof;

Legislative Decree No. (14) of 1971 regarding notarization, as amended by Legislative Decree No. (37) of 2017,

And Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001, as amended;

And upon the submission of the Prime Minister;

And after the approval of the Council of Ministers,

**Hereby Decree the following Law:**

**Article One:**

The texts of Articles (6) first paragraph, (188), (244 bis) , and (286) paragraph (c), of Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001 shall be replaced with the following texts:

**Article (6) First Paragraph:**

Except for joint venture companies, the company's articles of association and every amendment thereto shall be written in Arabic or English and documented before a public notary, otherwise the articles of association or amendment are null and void.

**Article (188):**

The company’s statute shall specify the method for specifying the remunerations of the chairman and members of the board of directors. The total of these remunerations shall not be estimated at more than 10% of the net profit after deducting the legal reserves and distributing a profit of not less than 5% of the company’s paid-up capital. The general assembly may also decide to pay an annual remuneration to the chairman and members of the Board of Directors in the years in which the company does not make profits or the years in which it does not distribute profits to the shareholders, provided that the Minister responsible for commerce affairs approves this.

The report of the board of directors to the general assembly shall include a comprehensive statement of all the remunerations received by the chairman and members of the board of directors, each separately, during the financial year, including any benefits, privileges, profit share, attendance allowance, representation allowance, expenses, etc., and a statement of what they received as employees or administrators or for technical, administrative, consulting, or any other works.

The aforementioned report shall also include a statement of all the remunerations received by the executive directorate during the financial year, including any salaries, benefits, privileges, shares, and any share in the profits, in accordance with the controls specified by the implementing regulation.

**Article (244 bis):**

Taking into account the provisions of the Central Bank of Bahrain and Financial Institutions Law promulgated by Law No. (64) of 2006, the Board of Directors shall send to the Ministry concerned with commercial affairs, within six months from the date of the end of the financial year, a copy of the balance sheet, profit and loss statement, annual report, and the auditor's report, signed and stamped by the auditor, or any other data specified by a decision of the Minister, in order to verify the company’s compliance with the provisions of the law, the integrity of its financial status and the extent of its cooperation with the competent authorities regarding tax compliance at the national or international level.

The Ministry may request for any financial information, documents, reports or any additional information it may deem necessary.

**Article (286 ) Paragraph (c):**

c - The directors shall send to the Ministry concerned with commercial affairs, within six months from the end of the financial year, a copy of the balance sheet, profit and loss statement, annual report, the auditor's report, signed and stamped by the auditor, or any data specified by a decision of the Minister, in order to verify the company's compliance with the provisions of the law, the integrity of its financial status and the extent of its cooperation with the competent authorities regarding tax compliance at the national or international level.

In all cases, the Ministry concerned with commercial affairs may request for any financial information, documents, reports or any additional information it may deem necessary.

**Article Two**

A new paragraph (d) shall be added to Article (265) of Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001, with the following text:

"d- The company's establishment document shall be subject to the provisions relating to establishing companies' articles of associations stipulated in this law, in a manner that does not contradict its nature."

**Article Three**

The phrase (included in the company’s document) shall replace the phrase (included in the company’s articles of associations) mentioned in Article (261), the phrase (the company's establishment document includes) shall replace the phrase (the company’s articles of association include) mentioned in Article (265), the phrase (the company’s establishment document decides) shall replace the phrase (the company’s articles of association decide) mentioned in Article (276), the phrase (and the document specifies) shall replace the phrase (and the articles of association specify) mentioned in Article (277), the phrase (the establishment document) shall replace the phrase (the articles of association), the phrase (the company’s document requires) shall replace the phrase (the company's articles of association require) mentioned in Article (280) of Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001.

The phrase (the company’s document stipulates) shall replace the phrase (the company’s articles of association stipulate), the phrase (the company’s establishment document stipulates) shall replace the phrase (the company’s articles of association stipulate), the phrase (the establishment document stipulates) shall replace the phrase (the articles of association stipulate), the phrase (the company's establishment document) shall replace the phrase (the company’s articles of association), the phrase (company's document) shall replace the phrase (company’s articles of association) wherever it appears in Chapter Seven of Commercial Companies Law promulgated by Legislative Decree No. (21) of 2001.

**Article Four**

The Prime Minister and the ministers- each within his jurisdiction- shall implement this Law, and it shall come into force from the day following the date of its publication in the Official Gazette.

**King of Kingdom of Bahrain**

**Hamad bin Isa Al Khalifa**

**Prime Minister**

**Salman bin Hamad Al Khalifa**

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