

Newsletter

February 2018



Bahrain regulations – update

Commercial registration fees

On 31 March 2018, the Ministry of Industry, Commerce and Tourism (MOICT) will increase fees for each commercial activity registered on a company's commercial registration (CR). The more activities a company has, the more fees it will be liable to pay when renewing its CR. The fees have not been fixed for all activities. However, the fees are expected to be between BD 100 – BD 1,000 per activity. The more technical in nature the activity, the higher the fee. Penalties are already levied for late renewals.

Changes to the Bahrain Commercial Companies Law (BCCL)

On 11 January 2018, His Majesty King Hamad bin Isa bin Salman Al Khalifa issued the first decree of 2018, the third amendment to the Bahrain Commercial Companies Law (Law 21 of 2001) (BCCL). Significant changes will impact companies registered with the Ministry of Industry, Commerce and Tourism (MOICT). The amendments are in line with Bahrain's business-friendly vision, building on a vision of strong corporate governance and forward-looking legislation which ensures transparency and accountability.



The new fees are separate from any licensing fee imposed by the principle regulator – such as an annual license fee imposed by the Central Bank of Bahrain.

If your CR lists commercial activities that are surplus to requirements, you may wish to remove the activities from the commercial registration and the constitutional documents.

Some of the key changes are:

- Shareholders' notice periods for General Assemblies have been increased to twenty-one (21) calendar days, up from fifteen (15) calendar days.
- Branches must now file the Bahraini entity's audited financial statements, not the head office's financial statements.
- Joint stock company (JSC) boards must include independent and non-executive directors
- The method of voting directors onto the board of a joint stock company has been clarified.
- Additional business matters can now be included in a JSC's AGM agenda after it has been issued.

Companies may need to update their memorandum and articles of association to reflect these changes.

Contact us:

Mohammed Ashraf
Senior Director
mohammed.ashraf@keypoint.com
+973 1720 6840

Sawsan Mohammed
Executive Manager
sawsan.mohammed@keypoint.com
+973 1720 6842

Please visit our website keypoint.com