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The Structure of the Share Capital and the Interests of the Majority Shareholder

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ABSTRACT

Smoothing the contradictions between shareholders and managers - the main task of the members of the board of directors. That is why the board of directors lays down the task of developing a system of prevention and settlement of corporate conflicts. However, it should be noted that in order to solve this problem, the board should not be formal, but actually separated and independent from both the shareholders and managers of. The most "conflict" in the field of corporate law is the relationship, which is on the different interests of different stakeholders. Federal Law "On Joint Stock Companies" sets a sufficiently rigid canvas, within which can be built into the control system of a particular company. Based on this essential element of the concept of corporate legislation should be to identify the vectors improving the management model proposed by the Federal Law "On Joint Stock Companies" (Legislative Assembly, 1996; Legislative Assembly, 1995). Such analysis should be conducted for, firstly, the body of each company, and secondly, the distribution of competence between all bodies. Only such an analysis is twofold will create legal prerequisites for the creation of effective interaction of organ systems in Russian companies.

Keywords: Capital Structure, Majority Shareholder, Retail, Conflict of Interest
JEL Classifications: K20, D74, H70

1. INTRODUCTION

To date, none of the theories cannot give a full explanation why companies pay dividends. After work, Black this problem is called "dividend puzzle" (Black, 1976). Although subsequent studies have significantly complemented the theory of dividends, "dividend puzzle" is not recognized and resolved at the moment. Nevertheless, even in the work of Lintner a simple empirical model was proposed, which describes well the level of payments to companies that pay dividends (Lintner, 1956). In addition, in the course of the research it was formulated fairly comprehensive list of financial performance of companies that affect their dividend decisions. Non-fundamental factors, such as the protection of shareholders' rights at the state level, the quality of corporate governance within the company, the structure of its share capital, also have an impact on dividends. However, in the current study, there was some controversy as to how the ownership structure and the severity of the corresponding agency of the conflict, determines the choice of dividend companies.

Capital (from the Latin word "capital" - the main, main) - one of the fundamental economic categories, the essence of which scientific thought is trying to figure out over a number of centuries. The desire to explain the essence and significance of this economic resource demonstrated by representatives of the most prominent schools of thought. Countless definitions that are given by various economists, the concept of "capital," due to the fact that, until recently, have always tried to establish such a concept of "equity," which would immediately comprehends all the inherent properties at all (Galanov, 2010). The main approaches to the definition of "capital" of the concept proposed in Table 1.

Problems of formation and use of capital, including the management of problems of its cost and the structure examined the scientists - economists: Blank, Bocharov, Kovalev, Teplova, Fedotov and others. Among modern foreign researchers should be noted the work of Merton, Markowitz, Sharpe and others.

After analyzing the presented approach to the definition of the economic "capital" category, the following main characteristics of capital as an economic category:
1. Capital is accumulated value, certainly the product of past labor
2. Capital is the production or supply of goods, as opposed to stocks for immediate consumption
3. Capital is a source of income.

Based on the above, taking into account the characteristics of the above applications can be formulated as the most complete, in our opinion, the definition of "capital" concept, which will meet the goals and objectives of the thesis.

Thus, the capital - is any market assets, accumulated through savings from direct consumption, bringing income to its owner. In other words, capital is the expression of certain material, financial and intellectual resources to enable its owner to conduct business.

In modern conditions of capital owned by the individual - the private (individual) capital it is no longer able to provide the required level of income to its owner (Dontsova, 2015). Therefore the union of the individual capitals as part of a commercial organization - the most acceptable form of doing business. In this connection, it is appropriate to the study of such economic categories as the capital of the economic entity, as a whole, its individual varieties of its features. Go to the consideration of capital in respect of the property of the object leads us to the question of the need to understand the place and role of equity in the system of financial relations business entity incorporated as a joint stock company.

Consideration of the nature of the concept of "equity" will begin by studying the concept of "corporation." Under the Civil Code, a joint stock company is a commercial organization whose charter capital is divided into a certain number of shares certifying the liability rights of company participants (shareholders) in relation to society.

Joint stock companies are open and closed. Open joint-stock company has the right to conduct an open subscription for shares issued by it and implement free market, taking into account the requirements of legislation. The company, whose shares are distributed only among its founders or other previously determined group of persons is a closed society. Such a society may not conduct an open subscription for shares issued by it or otherwise offer them to an unlimited number of persons.

As already mentioned, the share capital of the company is divided into shares. In accordance with Russian legislation, action - an emissive security that fixes the right of its owner (shareholder) to receive part of the profit of the company in the form of dividends, to participate in the management of the company and on the part

Table 1: Main approaches to the definition of capital

Representative	Concept of "capital"	Characteristics of the concept "capital"
Thomas Mann Mercantilism	Commercial capital	The ability to generate income in the case of re-investment
William Petty, Pierre Boisguillebert, Richard Cantillon Physiocrats school	Industrial capital	The ability to generate income in the case of re-investment
David Ricardo Classical political economy	The resources that can be used to produce goods or services	The accumulated stock of capital goods intended for further manufacture of goods Source of income in the production process
Karl Marx Marxism	"Capital - a conversion to equity capital goods, which themselves are just as capital, as gold or silver in itself - money" (Black, 1976)	The ability to generate income in the case of investment. Used for subsequent production
Blank	Capital can be presented as accumulated by saving a stock of economic benefits in the form of cash and real capital goods, involved its owners in the economic process as an investment resource and factor of production for profit, the operation of which the economic system based on market principles and related factors time, risk and liquidity	The product of past labor. The accumulated stock of economic goods. Source of income in the process of entrepreneurship
Bulatov	Capital - the amount of material, financial and intellectual resources to enable its owner to conduct business	The ability to generate income
Kolchina	Capital - the cost, put into circulation for a profit	Used for subsequent productions. Source of income
Bocharov, Leontiev	Capital - wealth, used to increase his own (self-expansion) Entrepreneurial (real assets) and loan capital (monetary assets) (Dontsova, 2015)	The product of past labor. Used for subsequent production. Source of income

of the property remaining after its liquidation. The action is a registered security.

In world practice, the shares can be classified by various criteria, among which we can list the features of turnover, the presence of the nominal value, the target group of investors, the specific rights of shareholders and other signs of (Guizani and Kouki, 2012; Lang and Litzenberger, 1989). On the specifics of the rights of shareholders allocate common and preferred shares. This separation allows you to allocate equity in the broad and narrow senses. As a preference share in accordance with the current legislation is an equity security, then the broad interpretation of the concept of "equity," this financial instrument may be considered as its integral part. If we look through the prism of equity participation in the affairs of the company management, the full set of rights granted only to holders of common shares through equity participation.

It is worth noting that the essence of the share capital can be identified as a function of examining the shares constituting the share capital: Accumulating, the investment function and the distribution function of control.

The main purpose of the joint-stock form of organization - focusing scattered capitals under a single management (Shkurkin et al., 2016). Therefore, it is obvious that the economic function of the shares - technical maintenance of the possibility of such association. Among the objectives of the accumulation of capital as a fundamental realization is possible to designate large-scale projects within the productive use of capital raised. It must be stressed that the action, with the economic and legal nature, provides the shareholder the right to participate in the company's management, but not ownership of his property.

With the concept of "equity management" is closely related to the concept of "corporate governance." Corporate governance is commonly understood as a set of relationships between stakeholders (management of the corporation, the board of directors, shareholders and other stakeholders, such as unions, government, consumers, etc.).

The fundamental objective of corporate governance is to balance the interests of, one way or another connected with the activity of the joint:

- Ensuring accountability to shareholders the board of directors;
- Management - the board of directors;
- Owners of large blocks of shares - to minority shareholders;
- Corporation - to employees and customers, and society as a whole.

Meanwhile, the most important objective of corporate governance is to ensure that the interests of shareholders, avoiding infringement of their rights and combating abuses of management.

On the other hand, developed securities market, developed market for corporate control, confronts us with the fact that the accumulating function is not the sole or main. Equally important is the distribution function of the control. Meanwhile, in the conditions of Russian reality redistribution of property is not the same concept control distribution. It is obvious that the current practice of control over the companies provides a multi-level scheme, which is the possession of the target company by a group of various seemingly independent companies (a very popular scheme of ownership through offshore).

The third function of the economic action can rightly be considered the investment function with all its varieties: Savings, dividend, speculative.

The shareholders of any of the company are divided into two classes: The minority and majority shareholders. Although the law all are equal shareholder in the management of the company in receipt of income, but between the majority shareholders and minority shareholders is a significant difference.

Minorities have a lower number of shares, in contrast to majoritarian. If an investor has small stakes in several companies, it is not considered to be the majority shareholder. In modern society, these categories are called in the jargon: Major and minor. Initially, major (the majority shareholder) was regarded as a shareholder, who owned 51% of all shares, so his opinion was decisive, because it is the owner of a controlling stake. Thus, the share capital - a capital at the disposal of the shareholders after the claims of all other creditors. Numerically it is equal to net assets: Total assets minus total liabilities. As part of this review, the accounting approach is used.

The material for the study is based on the issuers "Veropharm" - the Russian pharmaceutical company that produces generic drugs, cancer drugs, and medical plasters. The company includes Voronezh chemical-pharmaceutical factory, Belgorod enterprise for manufacturing finished dosage form and Pokrovsky factory finished dosage forms. The company's portfolio includes more than 300 products used in different areas of medicine. The company entered the IPO in April 2006, the market capitalization at the end of 2012 was 265 million US dollars. Gross profit for the first 9 months of 2012 amounted to 2979.9 million rubles. In terms of sales the company occupied the fourth place in the ranking of domestic corporations in the pharmaceutical market of Russia for 2012.

June 11, 2014 the company's shares on the Moscow stock exchange worth 1070 rubles per share (Veropharm, 2015; Moscow Exchange, 2016; Moscow Exchange, 2015; BCS Express, 2016; RBC Newspaper, 2016).

2. HISTORY OF FORMATION AND DEVELOPMENT OF THE COMPANY

1997 - The company was founded January 21, 2007, 1997 shareholders pharmacy network "36.6." Under the management of the company passed the Voronezh chemical-pharmaceutical factory, as part of the company "Veropharm" Belgorod entered the company for the manufacture of finished dosage forms.

2002 - The company won in the pharmaceutical competition "Platinum Ounce" in the nomination "Breakthrough of the year."

2003 - The company is certified in accordance with GMP standards committee of the World Health Organization. Patches companies were awarded gold and silver marks "100 best goods of Russia."

2005 - The company won the competition in the pharmaceutical "recipe of the year."

2007 - Belgorod branch of the company has successfully passed the audit for compliance with EU GMP production standards.

2010 - Production of the company acquired a total capacity of 2.5 billion tablets and capsules, 578 million ampoules, 396 million patches and 38 million bottles annually.

2013 - The company's shares fell in the first half by 14.3%, net profit under RAS in the first quarter of 2013 decreased by 11 times, to 34.1 million rubles.

In September 2013 the pharmacy chain "36.6" has sold 52% of the affiliated company. The buyer was the company "GardenHills" beneficial owner is entrepreneur Roman Avdeev, the owner of the Moscow Credit Bank.

2014 - May 28, 2014 the company said it will buy back shares from its shareholders at the price of 1050 rubles per share.

June 24, 2014 it was reported that the US pharmaceutical company Abbot buys from the main co-owner of "Veropharm" Roman Avdeev its stake in the company for around 17 billion rubles. This message caused the growth of the company's shares by 40% (BCS Express, 2016).

"Veropharm" company became the winner in the nomination "Importer of the Year in Russia" by the results of the All-Russian rating, which is based on official statements for 2012-2013 (Moscow Exchange, 2015).

The company ranked first in the oncology segment of the Russian pharmaceutical market and in the adhesives segment among Russian manufacturers.

OSC "Veropharm" demonstrates stable development indicators both in absolute terms (the volume of production and sales) and in relative terms. According to IMS Health on the results of 2013 compared to the same period last year in the ranking of Russian producers on the pharmaceutical market of Russia (by sales volume):

1. Total market "Veropharm" are still among the top 10 producers and ranks 6th; share among Russian producers of 2.9%;
2. In the hospital sector the "Veropharm" is on the 3rd place; share among Russian producers of 5.3%;
3. Retail sector the "Veropharm" ranks 9th; share among Russian producers of 2.2%;
4. In the beneficiary drug coverage segment "Veropharm" ranked 7th; share among Russian producers of 4.2%.

In the ranking of oncology drugs producers "Veropharm" takes the following places:

1. In monetary terms, 2nd place; share among Russian manufacturers of this segment of 25.7%;
2. 1st place in physical terms (retains its leading position); share among Russian manufacturers in this segment 50.7% (Moscow Exchange, 2015).

According to the company IMS Health on the results of 2013 compared to the same period last year in the ranking of all the (Russian and foreign) manufacturers in the pharmaceutical market of Russia (by sales volume):

1. Total Market "Veropharm" takes place 34; share among all manufacturers 0.7%;
2. In the hospital sector the "Veropharm" occupies 22 place; share among all vendors in this sector of 1.2%;
3. Retail sector the "Veropharm" occupies 37 place; share among all vendors in this sector of 0.5%;
4. In the beneficiary drug coverage segment the "Veropharm" takes place 31; share among all vendors in this segment of 0.5%.

In the ranking of oncology drugs producers "Veropharm" takes the following places:

1. In monetary terms, 7th place; share among all vendors in this segment of 2.4%;
2. 1st place in physical terms (retains its leading position); share among all vendors in this segment 16.0%.

In the ranking of all the (Russian and foreign) manufacturers in the Russian market of adhesives "Veropharm" takes the following places:

1. 1st place in terms of money (retains its leading position); share among all vendors in this segment of 24.6%;
2. 1st place in physical terms (retains its leading position); share among all vendors in this segment 52.5%.

Since April 2006, the company's shares included in quotation list B RTS (VRPH). MICEX (VFRM) shares admitted to trading to include in the list of non-listed securities.

Currently, shares of the Company are included in the quotation list of the Second level of CJSC "MICEX Stock Exchange" (VRPH) (Table 2).

3. DISCUSSION

Issue of ordinary shares and preferred shares during the existence of OSC "Veropharm" (Table 3).

June 2, 2006 Order number 1290 of the Regional Branch of the Federal Financial Markets Service in the Central Federal District of the individual number (code) of the additional issue of securities 001 D was annulled (Moscow Exchange, 2016). Number of additional shares being offered (number of additional shares in respect of which no state registration of the placement report): 0 items.

The number of authorized shares: 10, 000, 000 shares.

Number of shares on the issuer's balance: 0 pieces.

Cancellation date previously assigned state registration number: December 15, 1997 (as a result of the conversion (crushing) the previously registered securities issue).

Documentary registered preferred shares - the date of state registration of the securities issue: Report on the results of the issue is not recorded in the statement of the issuer of the non-deployment of a single share.

The company has placed 48% of the common shares at the price of 28 dollars per share (4800000 pcs of shares at a cost of $134,400,000).

The dividend yield of the shares is calculated as the ratio of total annual dividend payment for the shares purchase price.

Dividend yield 2010 = 19 * 100/1172.84 = 1.62%

Dividend yield 2011 = 19 * 100/931.37 = 2.04%

Dividend yield ratio = Dividend per share/earnings per share

1 Earnings per share = (Net income − dividends on PA)/number of ordinary shares

Earnings per share in 2010 1 = 378520000/10000000 = 37.852

Earnings per share in 2011 1 = 301571000/10000000 = 30.1571

Dividend yield ratio in 2010 = 19/37.852 = 0.50

Dividend yield ratio in 2011 = 19/0.63 = 30.1571

Table 2: Information on the registered legal entity

Full name of the applicant specified in the charter "transliteration"	Otkrytoe akcionernoe obshchestvo "VEROFARM" (transliteration)
Full name of the issuer specified in the constitution (in Russian [transliteration] and English)	Otkrytoe akcionernoe obshchestvo "VEROFARM" (transliteration) Open Stock Company "VEROPHARM"
Membership Applicant NP "RTS Stock Exchange"	No
Person in charge of the Applicant	Marina Vladimirovna Penkova

In 2010 - in the amount of RUR 19 ($0.68) per share - after many years of practice of reinvesting profits. Dividend share in the consolidated net profit of the company amounted to 16% (50% of net profit under RAS), the dividend yield - 1.6%. The reason for the payment of dividends was an indication of the main shareholder - Pharmacy Chain 36.6, which suffered losses due to the high financial debt and accounts payable. The company has no formal dividend policy, dividends paid, rather in favor of the controlling shareholder, and not with the aim of increasing the attractiveness of the company's shares on the market. In 2013, the funds are reinvested in equity seems OSC "Veropharm" returns to the dividend policy in the 2006-2009 year (Figure 1 and Table 4).

The nominal holder is NGO "national settlement depository." Number of ordinary shares registered in the shareholders register of the nominal holder: 9999,950 preferred shares are not available.

We calculate the free-float factor. The value of free-float ratio is defined as the ratio of the amount of the issuer's shares in free float on the organized market, the total number of outstanding shares of the Issuer, set the date of the last published quarterly report of the issuer or of the material facts (events, actions) or other information and information, if such communication is made later than the date of making the last quarterly report contains information on the owners of shares and/or owners to the issuer's shares (hereinafter - the total number of shares) (Table 5).

Free-float indicator = 100

Free-float index is 7%. This means that if we exclude the equity stake held by the owners of the company and strategic investors in the free float will be 7% of the shares that will be available to individuals.

This figure is not high, which means that individuals possess a small number of shares, then they will make few transactions. This means that the low liquidity of the shares. Companies with

Figure 1: Changing of authorized capital in OSC "Veropharm"

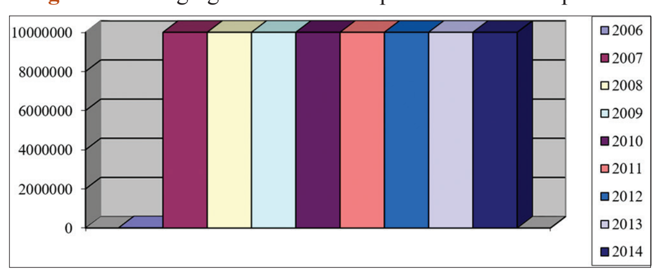

Table 3: Issue of ordinary shares and preferred shares

Event	Date	Code	Number of shares in issue		Nominal cost	Method of placement
			Ordinary shares	Preferred shares		
The primary issue cancelled	23.10.1997	1-01-00575-H	100	0	100000	Placed among the shareholders
The second issue*	15.11.1997	1-02-00575-H	10 000	0	1	Closed subscription
The third issue cancelled	10.02.1998	2-01-00575-H	0	1 167	1000	Conversion
Additional issue*	18.01.2006	1-02-00575-H	9990000	0	1	
The total number of shares outstanding			10000000	0		

*Category of shares: Ordinary registered uncertified a low free-float index is much more difficult to attract investors, speculators, too afraid to invest because of the high risk.

In the case of the consolidation of shares of the purpose of this procedure is to increase the investment attractiveness of the securities to investors who eschew impaired securities (impaired securities are not always inherently undervalued), and in this case, consolidation can contribute to a more favorable opinion of investors about the company's stock market. In fact, the decision to consolidate adopted for convenience of shareholders. However, up until 2002 legislation allowed the majority shareholder to get rid of unwanted minority spending consolidation, because the law required mandatory redemption of fractional shares resulting from the consolidation at a price determined in accordance with Art. 77 of the Companies Act: The market price, approved by the board of directors. Thus, it was possible for the majority shareholders, owning 50% plus one share, with the help of several successive consolidations did get rid of the other shareholders. Currently, however, the obligation to repurchase of fractional shares no legislation that protects the rights of minority shareholders.

Let us analyze the changes in turnover on the Moscow Stock Exchange for the last year. Taken the time interval 11/26/2013-11/26/2014 years.

The turnover of shares - total volume of transactions with the shares committed to the Stock Exchange for the period. It determines the value of all sold shares (Figure 2). Changing the price and volume of transactions on the shares of OSC "Veropharm" 1-week increments.

The maximum price is fixed 08.31.2014 and amounted to 1450 rubles, in this volume is equal to 1,34,059 billion rubles. The maximum turnover recorded during this time was 3,15,363 billion rubles (08.12.2013) at the price of 942 rubles.

Shares of Russian pharmaceutical company "Veropharm" increased sharply in value on news of approval of the application by the government commission for the purchase of the US Company Abbot.

Table 4: Majority and the estimate of the proportion of tradable shares in the authorized capital of the issuer (a measure of free-float)

Name of the registered person	The share of the registered person in the authorized capital of the issuer	The share of the registered person in ordinary shares	Shareholder type
Limited liability company "GardenHills"	81.19%	81.19%	Strategic investor

Results dividend of "Veropharm" following on the basis of the Annual General Meeting of Shareholders on 06.30.2014.

Date and time of fixing the list of persons entitled to participate in the meeting: 05.14.2014 (close of business). Event Type: Annual.

3.1. Decisions

1. To approve the annual accounts and annual report of OJSC "Veropharm" for 2013, including the profit and loss account.
2. Profit for the financial year be distributed as follows:
   - In the amount of 15,000.000 million spent on the payment of targeted donations to public and religious organizations, charitable foundations, as well as humanitarian aid health and education at the discretion of the Director General of the Company;
   - In the amount of 15,000,000 million spent on social development;
   - The payment of remuneration and compensation to members of the board of directors, chairmen and members of the committees of the board of directors for the performance of their duties during the period from 01.07.2014 till the next Annual General meeting of the shareholders in the amount of up to 1,950,000 rubles;
   - To accumulate the remaining retained earnings in order to ensure economic growth and development of the company.
3. Dividends for 2013 were not paid.
4. The Company shall be responsible to the Bank: OJSC "Sberbank of Russia" for the performance of the Borrower: LLC "LENS-Pharm," all obligations under the Agreement on revolving credit line №957113248 from 23 December 2013, concluded between the Bank and the Borrower, with a limit in the amount of 600,000,000.
   - The Company shall be responsible to the Bank: OJSC "Sberbank of Russia" for the performance of the Borrower:

Figure 2: Changing the price and volume of transactions on the shares of OSC "Veropharm"

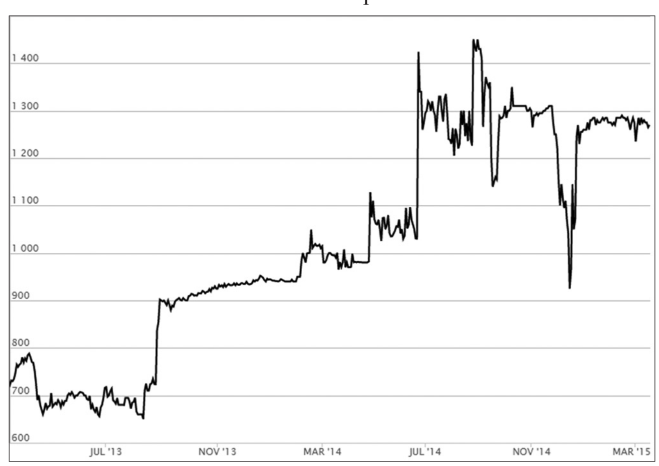

Table 5: Free-float indicator

Code	Name	Number of issued shares	The factor takes into account the free-float	The factor limiting the weight of shares	Weight of share
VRPH	OSC "Veropharm"	10000000	7%	1	2.61

LLC "LENS-Pharm," all obligations under the Agreement on revolving line of credit number 957114104 from 16 April 2014, concluded between the Bank and the Borrower, with limit in the amount of 300,000,000 to finance ongoing operations.

OSC "Veropharm" demonstrates stable development indicators both in absolute terms (the volume of production and sales) and in relative terms.

4. RESULTS

On the payment of dividends may be affected by the fact that these payments affect the capital structure:
- Retained earnings increased the ratio of equity to debt;
- Financing from retained earnings is cheaper than to attract additional equity financing.

Russian companies have only recently begun to approach Western standards of corporate governance, but it is mainly in "blue chips" and the companies entering into foreign stock markets. In foreign practice, the best situation is when the payment of dividends is of the order of 40-50% of the profits (Lambrecht and Myers, 2012). This is considered good manners to fixing the statute percent of the net profit to be distributed as dividends.

Thus, the dividend policy in general economic sense determines the specificity of the reproductive processes of the company and affect the efficiency of equity management (Gugler and Yurtoglu, 2003). But other than that, it reflects the specific approaches to relations with investors in the company, corporate governance, and the specificity of long-term goals.

Since the existing system of agency creates a conflict of interest, it is clear that we need a system of indicators and concepts quantify equity management results. Tools such an analysis can be divided into two groups:
1. The system of indicators based on the return on investment (ROI);
2. The business value management concept.

The system of indicators on the basis of profitability, in fact, not a tool to assess the effectiveness of control by the share capital, and basically reflects the operating results of the company for a certain reporting period, and also reflects the basic principles and objectives of the corporate governance system. In particular, the following factors are recommended for monitoring the financial directors (Lang and Litzenberger, 1989; Chueva et al., 2016; Chuev et al., 2016).

The carrying value per share = (Total equity − Cost of liquidation preference shares)/Total number of ordinary shares outstanding.

The rate of equity growth = (Net income − Dividends on common shares − Dividends on preferred shares)

The share capital in ordinary shares at beginning of period. The index of financial leverage = Return on equity/return on assets.

Percentage change in earnings per share = Change in profit per share/Earnings per share in the previous period.

However, these factors do not allow to assess the functioning of business, business management from the point of view of equity and efficiency of the control of management, which is reflected in the cash flow to shareholders. Table 6 shows the evolution of the indicators and efficiency concepts that have been applied to the assessment of the company.

As can be seen from the Table 6 listed factors and indicators allow to some extent to evaluate the profitability of the business in comparison with a specific base or estimate the value of newly created. It is important that on the basis of modern business management concepts can be assessed not only some specific values of the profit to the shareholders, but also to estimate the cost of equity in general.

As you know, one of the main causes of data property evaluation and management concepts had the opportunity to manipulate the value of individual indicators. Indeed, if we consider factors such as P/E, earnings per share (EPS), ROA, ROI, and so on, it becomes clear that the operation made, to increase or decrease the numerator the numerator and denominator, led to an adjustment in the more favorable direction. How to adjust the P/E figures or EPS? In fact, enough to repurchase shares of the company, respectively, as the increase in the market price and the net income per share (EPS). On the other hand, EPS The figure, for example, does not reflect the change in market value of securities. Concept of the same which are based on cash flow, value added, despite the fact that not without their disadvantages, inaccuracies possible errors protected from such relatively simple manipulations.

Consider the concept of total shareholder return (TSR), which is directly related to the management of equity in the background, for example, the shareholder value added and economic value added.

TSR (total shareholder profits, the TSR) represents the change in the value of fixed capital listed company for a certain period (usually one year or more), plus dividends, expressed as a percentage, plus or minus to the initial value. Thus, the total yield of the shareholders expressed as a percentage, and includes only received their "value" in the form of dividends and the increase (or decrease) the share price. At the same time dividends include

Table 6: Evolution of the indicators of the efficiency of capital management

1920s	Dupont Model. Return on investment (ROI)
1970s	Net earnings per share (EPS). Factor shares/price earnings (P/E)
1980s	The ratio of market and book value of the share (P/BV). Return on equity (ROE). Return on net assets (RONA). Cash flow
1990s	Economic value added (EVA). Earnings before interest, taxes, depreciation and amortization (EBITDA). Market value added (MVA). Shareholder value added (SVA). Balanced scorecard (BSC). Indicator total shareholder yield (TSR). Cash-flow return on investment (CFROI)

not only regular dividend payments, but all cash payments to shareholders, as well as special or one-time dividends and share buybacks.

The main advantage of this model is reflected as a change in prices for shares and investment income (dividend payment to shareholders).

If EPS captures only internally generated value that TSR is considered to be an external meter "value" (external value creation). According to many researchers and analysts, it takes into account the paper profit entity (an ominous reminder that disasters are Enron, WorldCom) (Mezentsev, 2014; Guizani and Kouki, 2012).

Another popular approach is total business return (TBR). According to it, total return measures the business income of changes in the cost of capital and dividend income business unit as if it were a public corporation.

The total profitability of the business = Business cost or part there of (units) at end of period - Business value at beginning of period + Free cash flow for the period.

That is, the indicator shows a change in the business TBR value (capitalization growth) and income from operations (expressed in terms of cash flows).

- The following indicators are used for the analysis of dividend payments:
- Dividend coverage ratio (dividend cover), which is calculated as the ratio of net income per share to the EPS/D dividend);
- Dividend yield factor - the value of the inverse (D/EPS); payout ratio. Calculated as the ratio of cash flow to total dividends;
- Dividend yield ratio - the ratio of dividends paid to the value of shares on the record date.

Thus, the share capital is equity capital of the company and is numerically equal to the net assets, i.e., this equity attributable to shareholders. The company may manage capital through its formation, increase and decrease, the structural change of its basic components, as well as through the formation and change of the dividend policy of the company. Since the management of equity aims to optimize the financing structure, cost of capital and the creation of shareholder value, the whole process of money management should approach these goals. For shareholders (investors) increase in cost may mean both directly increase the value of the company and an increase in dividend payments.

Gugler and Guizani examined the dividend decision in Germany, where the ownership structure is highly concentrated and the main agency conflict occurs between majority and minority shareholders (Gugler et al., 2008; Guizani and Kouki, 2012).

The presence of a large owner (more than 50% of the shares, but was checked and at lower thresholds, up to 25%) negatively affect the dividend payout ratio, and the presence of a second major owner with at least 5% of the shares - is positive. Market reaction to the change of dividends is strongest for shares in companies in which there is only one major owner. Also revealed a positive effect O/C ratio for dividends that are not consistent with the results Faccio, Lang and Young (Faccio et al., 2001; Lang and Litzenberger, 1989) obtained for companies that have a shareholder with at least 20% of the control rights. The authors conclude that the presence of the owner of a large capacity really wants to withdraw the welfare of other shareholders. The stronger agency conflict, the lower the dividend, and the higher they are valued. Regarding the second largest owner is successfully using its influence and forces the company to pay more dividends, reducing agency problems and limiting the possibility for other shareholders disadvantageous use of the majority shareholder.

5. CONCLUSIONS

As a possible equity management tool can also be considered a combination of crushing and consolidation of shares. For example, a stock split in order to simplify procedures for the merger, and then share consolidation to maintain the investment attractiveness among the investment community.

One of the buyback option is compulsory redemption of shares, or a squeeze-out. All this creates the need to develop innovative tools for creating motivation for shareholders of different levels (Chuev et al., 2016; Karepova et al., 2015; Lintner, 1956; Shkurkin et al., 2016). At first glance, this instrument should be classified as to reduce the share capital measures. However, let us explain the lawfulness of attributing to the squeeze-out measures for the structuring of capital. This procedure is provided for by the legislation of a number of countries and involves the mandatory sale of shares of the minority shareholders without their consent, the largest shareholder. Compulsory redemption mechanism allows major shareholders to complete the consolidation carried out by means of a voluntary or mandatory offer procedure. The threshold value for the squeeze-out is established the presence of a package of 90-98% of the share capital - specific values are set by the legislation of the country, employing this tool. For Germany, the threshold rate is set at 95% of the shares. E. A group of shareholders holding at least 95% of the company, has the right to buy the remaining shares of the minority shareholders by paying them adequate compensation (Bondaletov et al., 2014).

In Russia, this procedure was introduced in July 2006 and allows owners of 95% of the voting shares of the company to buy back from the shareholders - owners of shares of the open society, as well as the owners of equity securities convertible into such shares, such securities.

Thus, the forced redemption of shares leads to changes in the structure of the share capital, therefore consider it legitimate policy assignment to the structuring of the share capital.

The purpose of introducing the procedure of compulsory redemption of shares is to protect the rights of minority shareholders. In terms of having a very large block of shares from one shareholder of the stock market loses liquidity and, consequently, the shareholders deprived of the opportunity to realize their shares at a reasonable price for them in the public market (Li and Lie, 2006). The interest of the majority shareholder is to obtain complete control over the enterprise. This legal norm requires strict control over the prices and terms of repayment, which should be as beneficial to a minority shareholder.

The opposite of a squeeze-out equity management tool is the right requirements for the mandatory major shareholder redemption of shares of minority shareholders if the latter wishes (sell-out). A claim granted to minority shareholders under the same conditions under which the right to squeeze-out occurs in the major shareholders.

Since the formation and distribution of profit is, in fact, the final stage of the turnover of capital, dividend policy can be considered one of the most important equity management tools. Indeed, as will be shown in further consideration, and the determination of the frequency of dividend payments suggests withdrawal of money from circulation, which contributes to a change in the value of the share capital. Therefore, the dividend policy will be prominently when considering issues equity management in Russia.

Why the dividend policy is so important? The fact that the payment of dividends, as the fact of payment and the total amount per share and reflects the dynamics of development and the situation in the company (if we consider the ideal situation).

In the US, some companies have established a dividend reinvestment program, which allow shareholders to use dividends to systematically buy a small number of shares, usually without commissions and with a small discount, and the shareholder may be exempt from taxation of reinvested dividends, although in most cases this does not happen.

Why do companies tend to not pay dividends? Management and the board of directors may consider that the best way to use profit - its reinvestment: In research and development - design work in capital construction, in business expansion. The defenders of this thesis believe that management prefers to distribute profits, less able to generate new ideas for the future of the company. Companies can often hide behind the double taxation of income, which significantly reduces the amount of money flowing to shareholders. A number of investment companies in the US offer their clients - owners of shares to avoid or minimize taxation.

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