State agricultural companies in Russia: characteristic and legal status

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Abstract. Modern Russian economy has many problems. In last decades country lost a significant part of its economic potential. Nowadays Russia has only a few strong sectors. One of them is agriculture. This sector consists of companies with state and private participation. Most of Russian agricultural companies are private. In some parts of the country and in certain sectors state companies dominate. The biggest agricultural companies with the participation of the Russian Federation are JSC "Head center for reproduction of agricultural animals", JSC "United grain company", JSC "Foreign economic corporation "Prodintorg", JSC "Russian hippodromes", JSC "Rosagroleasing". Almost every Russian region has not less then one agricultural company with regional participation. The legal status of state agricultural companies is similar from region to region. Some Russian regions may have there own features.

1. Introduction
The public sector of the Russian economy has passed a difficult evolutionary path. Three decades ago the state was a monopolist in all areas. Among state monopolistic possessions was the agro-industrial complex.

Nowadays the state has lost dominance in agriculture. The ownership of the Russian Federation and Russian regions left a relatively small number of economic entities. A big part of them are state unitary enterprises. Some are budgetary institutions [1-2] and joint-stock companies [3-4]. Due to the fact that the largest legal entities have the legal form of joint stock companies this work will be devoted to them.

The number of state joint stock companies is decreasing. But still state companies aren’t uncommon [5]. There are about a thousand companies with the participation of the Russian Federation and near 2 thousand companies with regional participation.

Currently in the ownership of the Russian Federation a significant proportion make industrial companies [6]. Among them PJSC "Gazprom", JSC "Transneft", PJSC "Zarubezhneft", PJSC "Goznak", PJSC "United Aircraft Corporation", JSC Tactical Missile Corporation, JSC "United Shipbuilding Corporation", JSC "ALROSA", etc.

Agricultural companies are less known, but also extremely important for the economy and security of the country. That is one of the reasons why the state agricultural companies will be discussed in this article.
2. Materials and methods

The stated theme doesn’t often become a subject of researches in the Russian Federation. More often local researches pay attention to different problems of economics [7-8] company management [9-11] and law [12-14]. Also it’s possible to find articles on the agricultural theme [15-17]. Some Russian others work on the problem of state companies procurement [18-19] and public-private partnership [20]. Foreign researches more often fine the theme of corporate governance and functioning of business entities interesting [21-24].

That is why the main research task is too close the gap and to alleviate the shortage in scientific works on the theme of state agricultural companies.

To achieve current research goal the author has chosen the methodology based on general scientific methods. Historically joint stock companies has concentrated in the federal property. Newer the less, almost every Russian region has agricultural company with its participation. Some of them are quiet big. One of the examples is Ulyanovsk region. The regional government pays enough attention to stock ownership. In the region retains different agricultural organizations. For example JSC "Ulyanovsk agricultural plant" with a registered capital of more than 1 billion rubles and JSC "Novomalykinsky agrotechnashnab". It is operating with high profitability despite being located in a remote area with a small population.

3. Results and discussion

As we mentioned, huge and the most important state agricultural companies belong to the Russian Federation.

Let’s take a closer look at them.

Table 1. The biggest agricultural companies with the participation of the Russian Federation.

| Company name | Main activities | Region          | Holding type | Share, % |
|--------------|-----------------|-----------------|--------------|----------|
| JSC "Head centre for reproduction of agricultural animals" | Seed production of high value bulls and artificial insemination | Moscow region | +          | 100      |
| JSC "United grain company" | Purchase, storage and sale of grain | Moscow city | +          | 50+1 stock |
| JSC "Foreign economic corporation "Prodintorg" | Export and import operations with food products | Moscow city | -          | 100      |
| JSC "Russian hippodromes" | Development of hippodromes and breeding studs | Moscow city | +          | 100      |
| JSC "Rosagroleasing" | Lease equipment to agricultural companies | Moscow city | -          | 100      |

Elaborated by the author.

As we can see the Russian Federation is an owner of different joint stock companies: in seed production, sale of grain, export and import of food production, development of hippodromes and leasing equipment. Most of these companies situated in the capital of Russia. One of them is in Moscow region. In 4 of 5 companies the Russian Federation is the only shareholder. Among them 3 have holding type. The biggest holding JSC "Head centre for reproduction of agricultural animals". It has 25 subsidiaries.

Table 2. Structure of JSC "Head centre for reproduction of agricultural animals".

| Company name             | Region | Federal district |
|--------------------------|--------|-----------------|
| JSC "Barnaul breeding enterprise" | Altai reg. | Siberian         |
| JSC "Bashkir breeding enterprise" | Rep. of Bashkortostan | Volga (Privolzhsky) |
| JSC "Voronezh breeding enterprise" | Voronezh reg. | Central |
| JSC "Kemerovoplem" | Kemerovo reg. | Siberian |
| JSC "Kirovskoe breeding enterprise" | Kirov reg. | Volga (Privolzhsky) |
| JSC "Krasnodar artificial insemination of farm animals" | Krasnodar reg. | Southern |
| JSC "Krasnoyarskagroplem" | Krasnoyarsk reg. | Siberian |
| JSC "Mordoviaagosplem" | Rep. of Mordovia | Volga (Privolzhsky) |
| JSC "Moscow breeding enterprise" | Moscow reg. | Central |
| JSC "Nevskoye breeding enterprise" | St. Petersburg | Northwestern |
| JSC "Novosibirskagroplem" | Novosibirsk reg. | Siberian |
| JSC "Samarskoye breeding enterprise" | Samara reg. | Volga (Privolzhsky) |
| JSC "Smolenskoye breeding enterprise" | Smolensk reg. | Central |
| JSC "Stavropolplem" | Stavropol reg. | North Caucasian |
| JSC "Tyumengosplem" | Tyumen reg. | Ural |
| JSC "Udmurtplemcentr" | Udmurt Rep. | Volga (Privolzhsky) |
| JSC "Creepovetskoe breeding enterprise" | Vologda reg. | Northwestern |
| JSC "Kursk breeding enterprise" | Kursk reg. | Central |
| JSC "Lipetsk breeding enterprise" | Lipetsk reg. | Central |
| JSC "Omsk breeding enterprise" | Omsk reg. | Siberian |
| JSC "Penza artificial insemination and sale of farm animals" | Penza reg. | Volga (Privolzhsky) |

Elaborated by the author.

The table clearly illustrates the extent of the Russian Federation territory coverage by the subsidiaries of JSC "Head centre for reproduction of agricultural animals". Company has subsidiaries in all federal districts. Most of them are in Central and Volga (Privolzhsky). There is only one subsidiary each in Far Eastern, North Caucasian and Southern federal districts.

In all subsidiaries JSC "Head centre for reproduction of agricultural animals" has 100% minus one stock.

From the characteristic of state agricultural companies let’s move to the legal aspects. Russian civil law don’t consist a category "state agricultural company", "agricultural company with state participation" or even "state company" ("company with state participation"). Federal acts (Tax Code of the Russian Federation, Federal Law "On the development of agriculture" and some other) help to understand what organization can be added in category "agricultural company". Russian region have there own acts devoted to this issue.

Unfortunately, there is no code or a federal law which reveals the concept we are looking for. References to something close to category "company with state participation" can be found in federal laws and acts of the Government of the Russian Federation. For example in decree "On the management of federally owned shares of open joint-stock companies..." (2004) or in decree "On the organization of project activities by the Government of the Russian Federation" (2016).

There are also regional acts with something close to our concept of interest. Among them the Law of the city of Moscow "On the basics of property management in the city of Moscow" (2007), the Law
of the Moscow region "On the Management of shares and shares in the authorized capital of business entities owned by the Moscow region" (2011).

The Russian Federation and Russian regions also adopt acts regulating issues of state company governance.

4. Conclusion
In Russia state agricultural companies play an important role in the economy. The biggest state agricultural companies are in the federal property. One of them is JSC "Head centre for reproduction of agricultural animals". This holding company has subsidiaries in all Russian federal districts.

There is no clear legal fixing of category "state agricultural company" or "agricultural company with state participation" in Russia.

But the absence in Russian legislation of the concept "agricultural company with state participation" does not mean that there is a more or less well-established understanding of what is meant by it and in which cases it is acceptable to use it.

The conducted study shows how extensive the topic is. The author will continue to study the raised topic in his future works.

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