

**CORPORATE
OWNERSHIP & CONTROL**

**КОРПОРАТИВНАЯ
СОБСТВЕННОСТЬ И КОНТРОЛЬ**

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EDITORIAL

Dear readers!

This issue of the journal is devoted to several issues of corporate governance.

Stefano Bonini, Vincenzo Capizzi, Maurizio Lombardi, Roberto Mazzei have shown in their paper that share buybacks have experienced a tremendous growth, but people still don't have a clear understanding of this phenomenon, also because of limited samples available on these corporate decisions. The authors aims at testing the main hypotheses on buybacks drivers and effects by analysing the impact of share repurchase announcements on the performance of companies listed on the Italian Stock Exchange, conditional and unconditional on the 1998 introduction of the Capital Market Reform.

Imed Chkir, Saadi Samir found out two important changes in the Canadian taxation of capital gains in Canada to examine the interaction between taxation and corporate dividend policy. Firms with high level of control concentration tend to pay fewer dividends. Authors suggest taxation does influence corporate dividend policy. First, taxation has an impact on corporate dividend policy. Second, the dividend policy adjustment of the firms following the changes in the tax reform proves the existence of a dividend clientele.

Dr. Mohammed Hossain examined the extent of mandatory corporate governance disclosure and the relationship between various corporate attributes and with the level of that mandatory disclosure of the banking companies of India. The findings of the study revealed that Indian banking companies have high level of compliance to the mandatory corporate governance disclosure and the variables of size, ownership, board composition, and profitability, have significant impact in the corporate governance disclosure which is consistent with other results of previous studies. However, the inclusion of the separate section of 'Corporate Governance Reporting' in the Annual reports is a milestone for India and would be a model for other Asian and developing countries. At least, the results presented may contain seeds of concern for the future in implementing corporate governance in the banks.

Dr. Mohammed Hossain, Dr. Mohmood Ahmed Momin provides the level of corporate social

responsibility disclosure of the Indian banking sector. The result shows that Indian banks are disclosing considerable amount of social information in the annual reports. The study also reveals that almost 90 per cent of sample banks disclose human resource development, staff training and social/community services information. The study at least has given a scenario of the position of corporate social responsibility in Indian and especially in banking sector which is practicing as a voluntarily and acted as corporate citizen.

Gustav Johed reported from a field-level study of 67 annual general meetings conducted between 2004 and 2008. The focus is on private shareholders and the questions they pose to company representatives at the annual general meetings. By comparing these results with earlier research, the study concludes that this group of investors asks questions mostly about the company's operations followed by questions concerning the income statement and corporate governance. The latter finding is not consistent with earlier studies showing a low interest in financial accounting and corporate governance.

Dr. A. Seetharaman, M. Krishna Moorthy, A.S. Saravanan researched the various aspects of the internal audit process as well as the impact and independence of external auditors who perform internal audit.

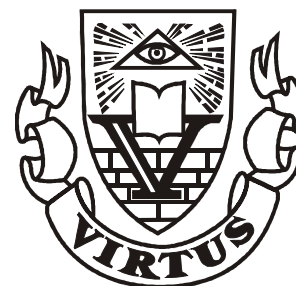
Alessio M. Paces analysed stock of the weaknesses of the standard account of how law 'matters' for separation of ownership and control. Author shows that protection and exchange of corporate control is at least as important and so are the legal institutions that support them. This result is derived by introducing a third category of private benefits of control (idiosyncratic PBC), which supplements the more traditional specifications as inefficient consumption of control perquisites (distortory PBC) or outright expropriation of shareholder value (diversionary PBC).

Imene LAMIRI, Hasna CHAIBI, Houcine KHEMIRI studied the reverse causality between different characteristics of board and performance. Instead looking at one simple mechanism separately, we use a system of simultaneous equations in order to detect a possible endogeneity. In a panel of 36 traded firms at Tunis Stock Exchange between 2004 and 2006, our results show a significant interdependence between board size, board independence and firm performance. In addition, the 3SLS estimator allows us to conclude that board influences performance.

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