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SECOND DIVISION

[G.R. No. 143132. September 23, 2003]

VAN MELLE PHILS., INC., VAN MELLE ASIA PACIFIC, PAUL T. BARNES and NIELS H. B. HAVE, *petitioners, vs.* **VICTOR M. ENDAYA,** *respondent.*

SYNOPSIS

Petitioners filed with the Court of Appeals (CA) a petition for *certiorari* by claiming that the labor arbiter committed a grave abuse of discretion in assuming jurisdiction over the complaint for illegal dismissal/constructive dismissal filed by the President/General Manager of petitioner Van Melle Phils. Inc. which clearly involved an intracorporate controversy. They appended thereto a certified copy of the assailed Order of the labor arbiter and plain copies of other relevant documents. The CA, however, dismissed the said petition for failure of petitioners to comply with Section 3, Rule 46 of the 1997 Rules of Civil Procedure. Thus, petitioner filed a Manifestation and Motion to admit certified copies of the documents attached to the petition for *certiorari* appended thereto. They also filed a motion for reconsideration of the said resolution by contending that under the above-stated rule and Section 3(c) and (d), Rule 7 of the 1999 Internal Rules of the Court of Appeals (IRCA), only the copy of the judgment, order, resolution or ruling subject of the petition should be certified as a true copy. But, the CA still denied the petitioners' motion for reconsideration. Hence, this petition for review.

The petition was granted. The Court held that while a petition for *certiorari* must be accompanied by a duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof, there is no requirement that all other relevant documents attached to the petition should be certified true copies as well.

In any event, the Court agreed with the petitioners that even assuming that the Rules require all attachments to a petition for *certiorari* to be certified true copies, the CA should have nevertheless taken cognizance of the petition. It has been the

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consistent holding of this Court that cases should be determined on the merits, after full opportunity to all parties for ventilation of their causes and defenses, rather than on technicality or some procedural imperfections. In so doing, the ends of justice would be better served. Rules of procedure are mere tools designed to expedite the decision or resolution of cases and other matters pending in court. A strict and rigid application of the rules that would result in technicalities that tend to frustrate rather than promote substantial justice must be avoided. Thus, in dismissing the petition before it, the appellate court clearly put a premium on technicalities and simply brushed aside the issue posed by the petitioners.

SYLLABUS

1. **REMEDIAL LAW; SPECIAL CIVIL ACTIONS; *CERTIORARI*; ONLY THE JUDGMENT, ORDER, RESOLUTION OR RULING SUBJECT THEREOF MUST BE THE DUPLICATE ORIGINAL OR CERTIFIED TRUE COPY.** — In a case of recent vintage, we held that while a petition for *certiorari* must be accompanied by a duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof, there is no requirement that all other relevant documents attached to the petition should be certified true copies as well.

2. **STATUTORY CONSTRUCTION; STRICT AND RIGID APPLICATION OF THE RULES THAT WOULD RESULT IN TECHNICALITIES THAT TEND TO FRUSTRATE RATHER THAN PROMOTE SUBSTANTIAL JUSTICE MUST BE AVOIDED.** — In any event, we agree with the petitioners that even assuming that the Rules require all attachments to a petition for *certiorari* to be certified true copies, the CA should have nevertheless taken cognizance of the petition. It has been the consistent holding of this Court that cases should be determined on the merits, after full opportunity to all parties for ventilation of their causes and defenses, rather than on technicality or some procedural imperfections. In so doing, the ends of justice would be better served. Rules of procedure are mere tools designed to expedite the decision or resolution of cases and other matters pending in court. A strict and rigid application of the rules that would result in technicalities that tend to frustrate rather than promote substantial justice must be avoided.

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APPEARANCES OF COUNSEL

Abello Concepcion Regala and Cruz for petitioners.
Belo Gozon Parel Asuncion and Lucila Law Office for respondent.

R E S O L U T I O N

CALLEJO, SR., *J.*:

This is a petition for review on *certiorari*, under Rule 45 of the 1997 Rules of Civil Procedure of the January 26, 2000 Resolution[1] of the Court of Appeals in CA-G.R. SP No. 56264 which dismissed outright the petition for *certiorari* for the petitioners' alleged failure to comply with Section 3, Rule 46 of the said Rules, and its April 27, 2000 Resolution, denying the petitioners' motion for reconsideration.

The factual antecedents, as culled from the pleadings, are as follows:

On July 1, 1999, Victor Endaya filed a Complaint with the National Labor Relations Commission (NLRC) against Van Melle Phils., Inc. (VMPI), Van Melle Asia Pacific (VMAP), Paul Barnes, Regional Vice-President of VMAP and Director of VMPI, and Niels H. B. Have, President of VMPI, docketed as NLRC-NCR Case No. 00-07-07048-99 for Illegal Dismissal/ Constructive Dismissal. The complaint is quoted hereunder as follows:

PARTIES

1. Name of Complainant: *VICTOR M. ENDAYA* Age: 50 Status: Married.
2. Address: c/o *Belo Gozon Parel Asuncion & Lucila Law Offices*, 15th Floor, Sagittarius Condominium, H.V. dela Costa Street, Salcedo Village, Makati City.

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[1] Penned by Associate Justice Mariano M. Umali with Justices Salome A. Montoya and Bernardo Ll. Salas, concurring.

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3. Name of respondent companies: *Van Melle Phils., Inc. (VMPI) and Van Melle Asia Pacific (VMAP).*

4 Address: 16th Floor Octagon Building, San Miguel Ave., Pasig City

5. Owner/President: Paul T. Barnes, Regional Vice-President (VMAP) and Director (VMPI) and Niels Have, President (VMPI). They are impleaded in their official and personal capacities.

6. Nature of business: Confectionery manufacturing and sales.

7. Date Employed: June 24, 1991 Date of Termination: August 31, 1997.

8. Nature of work or position: President and General Manager Work Schedule: 8:00 a.m. to 5:00 p.m. — 5-day workweek

9. Place of work: Mandaluyong City

Have you filed a similar case elsewhere? No.

10. Current salary rate : ₱1,048,833.00/month

Basic : ₱600,000.00/month
Fringe benefits : ₱448,833.00/month

Frequency of payment: monthly

CAUSE OF ACTION

A. Illegal Dismissal/Constructive Dismissal

B. Non-payment of:

1. backwages
2. fringes benefit
3. bonus
4. separation pay/retirement benefits if reinstatement is not possible

C. Damages

1. Moral damages (Racial discrimination)
2. Exemplary damages

D. Interests

E. Attorney's Fees.[2]

[2] Records, pp. 1-2.

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The complainant prayed that after due proceedings, judgment be rendered in his favor, to wit:

PRAYER

WHEREFORE, it is respectfully prayed of this Honorable Office that after proceedings thereon, judgment be rendered in favor of complainant and against respondents, and an order issue declaring complainant's dismissal as illegal, and directing respondents, *jointly and severally*, to pay complainant the sums mentioned above.

Complainant prays for such other reliefs and remedies as may be deemed just and equitable under the premises.[3]

Instead of filing an Answer to the complaint, the respondents therein (petitioners in this case) filed a motion to dismiss the same on the ground that the Securities and Exchange Commission (SEC), and not the labor arbiter, had jurisdiction over the complaint pursuant to Section 5 of P.D. No. 902-A.[4] They claimed that the controversy between the complainant and the respondents was an *intra*-corporate controversy, involving as it was the election of a corporate officer of the respondent VMPI. The complainant opposed the motion to dismiss, insisting that the NLRC, not the SEC, had exclusive jurisdiction over the complaint

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[3] *Id.* at 2-3.

[4] The Commission's jurisdiction over all cases enumerated under Section 5 of P.D. No. 902-A had been transferred to the RTC under Republic Act No. 7899, thus:

5.2. The Commission's jurisdiction over all cases enumerated under Section 5 of Presidential Decree No. 902-A is hereby transferred to the Courts of general jurisdiction or the appropriate Regional Trial Court: *Provided*, That the Supreme Court in the exercise of its authority may designate the Regional Trial Court branches that shall exercise jurisdiction over these cases. The Commission shall retain jurisdiction over pending cases involving intra-corporate disputes submitted for final resolution which should be resolved within one (1) year from the enactment of this Code. The Commission shall retain jurisdiction over pending suspension of payments/rehabilitation cases filed as of 30 June 2000 until finally disposed.

On November 21, 2002, this Court issued a Resolution in A.M. No. 00-11-03-SC designating branches of the RTC to try and decide SEC cases enumerated in Section 5 of P.D. No. 902-A.

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because his dismissal as president and general manager of the respondent VMPI was not effected through a resolution of the Board of Directors and, therefore, was not a corporate act. He averred that his dismissal could not be considered as an *intra*-corporate controversy because no such election or appointment of Niels Have or his representative took place. According to the complainant, he was inveigled into accepting an assignment with the respondent VMAP in China only to discover that his job thereat was clerical in nature. This offer was apparently a mere ruse to replace him as president/general manager of VMPI. He also averred that he was constructively dismissed by his immediate superior because of racial discrimination. He insisted that the dispute between him and the respondents was a labor dispute, within the context of Article 212, Paragraph 1 of the Labor Code of the Philippines; hence, the case was within the exclusive jurisdiction of the NLRC.

Subsequently, the respondents therein filed with the labor arbiter on September 28, 1999 a Manifestation and Motion, appending thereto a Secretary's Certification dated August 27, 1999 to the effect that during the stockholders meeting of respondent VMPI, the acting chairman of the board announced that the qualified share of the complainant had been transferred to the said acting chairman, and that the latter was the nominee of the Van Melle International B. V. to the VMPI board of directors in lieu of the complainant. The election of the members of the board of directors ensued. Respondent Niels H. B. Have was elected as a member of the board. The respondents also appended another Secretary's Certificate to the effect that during the organizational meeting of the board of directors held on December 12, 1997, respondent Have was elected president/general manager of the respondent corporation for the year 1997–1998, in place of the complainant.

On September 6, 1999, Labor Arbiter Manuel P. Asuncion issued an order stating that the ground invoked by the respondents therein in their motion to dismiss was treated as a matter of defense considering that the intricate issues involved in the said motion were legal and factual, necessitating the presentation

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of the respective contentions of the parties in evidence. The labor arbiter held the resolution of the motion in abeyance until after the parties submitted their respective position papers.

The respondents therein, now the petitioners, forthwith filed with the Court of Appeals (CA) a petition for *certiorari* with a prayer for injunctive relief against the complainant and the labor arbiter, docketed as CA-G.R. SP No. 56264, alleging that the latter committed a grave abuse of his discretion amounting to lack or excess of jurisdiction in assuming jurisdiction over the complaint which involved a clearly *intra*-corporate controversy because of the following:

A. PRIVATE RESPONDENT ENDAYA HIMSELF ALLEGED IN HIS COMPLAINT THAT HE IS QUESTIONING HIS DISMISSAL AS *PRESIDENT* AND GENERAL MANAGER OF PETITIONER VAN MELLE PHILS., INC.;

B. AS THE ALLEGED DISMISSAL INVOLVED NO LESS THAN THE PRESIDENT, A CORPORATE OFFICER, NECESSITATING AN ACTION OF THE BOARD OF DIRECTORS, PURSUANT TO THE CORPORATION CODE, THE DISPUTE IS CLEARLY AN INTRA-CORPORATE CONTROVERSY BEYOND THE JURISDICTION OF THE LABOR ARBITER AND THE NLRC.[5]

Appended to the petition was a certified copy of the Order of the labor arbiter dated September 6, 1999, and plain copies of the Comment of private respondent, the Manifestation of the respondents dated October 28, 1999, the complaint before the labor arbiter, the petitioners' Motion to Dismiss, their Manifestation and Motion, its appendages, as well as their Reply to the private respondent's opposition.

On January 26, 2000, the CA issued a Resolution denying due course and dismissing the petition for failure of the petitioners to comply with Section 3, Rule 46 of the 1997 Rules of Civil Procedure. The petitioners filed a motion for reconsideration of the CA resolution.

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[5] CA *Rollo*, pp. 8-9.

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On March 17, 2000, the petitioners filed with the CA a Manifestation and Motion to admit certified copies of the documents attached to the petition for *certiorari* appended thereto. The petitioners filed a motion for reconsideration of the resolution contending that:

UNDER SECTION 3, RULE 46 OF THE 1997 RULES OF CIVIL PROCEDURE AND SECTION 3 (c) AND (d), RULE 7 OF THE 1999 INTERNAL RULES OF THE COURT OF APPEALS (IRCA), ONLY THE COPY OF THE JUDGMENT, ORDER, RESOLUTION OR RULING SUBJECT OF THE PETITION SHOULD BE CERTIFIED AS A TRUE COPY.[6]

Nevertheless, on April 27, 2000, the CA denied the petitioners' motion for reconsideration. They forthwith filed with this Court a petition for review under Rule 45 of the 1997 Rules of Civil Procedure, as amended, for the reversal of the resolution of the CA on the following grounds:

I

THE RULES OF COURT AND THE INTERNAL RULES OF THE COURT OF APPEALS (IRCA) DO NOT REQUIRE THAT ALL THE ATTACHMENTS TO A PETITION FOR *CERTIORARI* FILED WITH THE COURT OF APPEALS SHOULD BE CERTIFIED AS TRUE COPIES; ONLY THE JUDGMENT, ORDER OR RESOLUTION SUBJECT OF THE PETITION IS REQUIRED TO BE CERTIFIED AS A TRUE COPY.

II

EVEN ASSUMING, WITHOUT CONCEDING, THAT THE RULES REQUIRE ALL ATTACHMENTS TO THE PETITION FOR *CERTIORARI* TO BE CERTIFIED AS TRUE COPIES, THE HONORABLE COURT OF APPEALS SHOULD NEVERTHELESS HAVE TAKEN COGNIZANCE OF THE PETITION CONSIDERING THAT:

1. THE DISPENSATION OF JUSTICE SHOULD NOT BE BARRED BY TECHNICALITIES.
2. THE PETITION RAISES GOOD AND VALID GROUNDS.[7]

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[6] *Id.* at 50.

[7] *Rollo*, p. 11.

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The petitioners argue that the issue posed in their petition is a substantial one, namely, whether the labor arbiter had exclusive jurisdiction over a complaint involving the election of a member of the board of directors and a corporate officer, patently an *intra*-corporate controversy between the private respondent and the petitioners, and a matter within the exclusive jurisdiction of the SEC as provided for in Sec. 5 of Presidential Decree No. 902-A.

In his Comment, the private respondent avers that the petitioners failed to comply with Sec. 3, Rule 46 of the Revised Rules of Court, as amended, as correctly ruled by the CA. Moreover, the petition in the CA is bereft of merit, considering that the dispute between the petitioners on the one hand, and the respondent on the other, is a labor dispute and not an *intra*-corporate controversy.

The petition is meritorious.

Section 3, Rule 46 of the 1997 Rules of Civil Procedure provides:

SEC. 3. *Contents and filing of petition; effect of non-compliance with requirements.* — The petition shall contain the full names and actual addresses of all the petitioners and respondents, a concise statement of the matters involved, the factual background of the case, and the grounds relied upon for the relief prayed for.

It shall be filed in seven (7) clearly legible copies together with proof of service thereof on the respondent with the original copy intended for the court indicated as such by the petitioner, and shall be accompanied by a clearly legible duplicate original or certified true copy of the judgment, order, resolution, or ruling subject thereof, such material portions of the record as are referred to therein, and other documents relevant or pertinent thereto. The certification shall be accomplished by the proper clerk of court or by his duly authorized representative, or by the proper officer of the court, tribunal, agency or office involved or by his duly authorized representative. The other requisite number of copies of the petition shall be accompanied by clearly legible plain copies of all documents attached to the original.

The petitioner shall also submit together with the petition a sworn certification that he has not theretofore commenced any other action

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involving the same issues in the Supreme Court, the Court of Appeals or different divisions thereof, or any other tribunal or agency; if there is such other action or proceeding, he must state the status of the same; and if he should thereafter learn that a similar action or proceeding has been filed or is pending before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, he undertakes to promptly inform the aforesaid courts and other tribunal or agency thereof within five (5) days therefrom.

The petitioner shall pay the corresponding docket and other lawful fees to the clerk of court and deposit the amount of ₱500.00 for costs at the time of the filing of the petition.

The failure of the petitioner to comply with any of the foregoing requirements shall be sufficient ground for the dismissal of the petition.

The second paragraph of Section 1, Rule 65 of said Rule reads:

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification of non-forum shopping as provided in the third paragraph of Section 3, Rule 46.

In a case of recent vintage, we held that while a petition for *certiorari* must be accompanied by a duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof, there is no requirement that all other relevant documents attached to the petition should be certified true copies as well.[8] The CA nevertheless outrightly dismissed the petition on account of the petitioners' failure to append certified true copies of certain relevant documents referred to therein.

In any event, we agree with the petitioners that even assuming that the Rules require all attachments to a petition for *certiorari* to be certified true copies, the CA should have nevertheless taken cognizance of the petition. It has been the consistent holding of this Court that cases should be determined on the

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[8] *Cadayona v. Court of Appeals*, 324 SCRA 619 (2000).

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merits, after full opportunity to all parties for ventilation of their causes and defenses, rather than on technicality or some procedural imperfections. In so doing, the ends of justice would be better served. Rules of procedure are mere tools designed to expedite the decision or resolution of cases and other matters pending in court. A strict and rigid application of the rules that would result in technicalities that tend to frustrate rather than promote substantial justice must be avoided.[9]

Thus, in dismissing the petition before it, the appellate court clearly put a premium on technicalities and simply brushed aside the issue posed by the petitioners — whether the labor arbiter committed a grave abuse of his discretion amounting to lack or excess of jurisdiction in denying the respondent's motion to dismiss on the ground that the SEC (now the RTC) had exclusive jurisdiction over the said complaint.

WHEREFORE, the petition is *GRANTED*. The January 26, 2000 and April 27, 2000 Resolutions of the Court of Appeals in CA-G.R. SP No. 56264 are *NULLIFIED* and *SET ASIDE*. The petition of the petitioners with the Court of Appeals is *REINSTATED*.

SO ORDERED.

Bellosillo (Chairman), Quisumbing, Austria-Martinez, and *Tinga, JJ.,* concur.

THIRD DIVISION

[G.R. No. 144533. September 23, 2003]

JIMMY L. BARNES a.k.a. JAMES L. BARNES, *petitioner, vs.* **TERESITA C. REYES, ELIZABETH C. PASION, MA. ELSA C. GARCIA, IMELDA C. TRILLO, MA. ELENA C. DINGLASAN and RICARDO P. CRISOSTOMO,** *respondents.*

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[9] *Cusi-Hernandez v. Diaz*, 336 SCRA 113 (2000).