



Republic of the Philippines
Supreme Court
Manila

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Wilfredo V. Lapitan
WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

FEB 12 2018

THIRD DIVISION

BEN LINE AGENCIES
PHILIPPINES, INC., rep. by
RICARDO J. JAMANDRE,
Petitioner,

G.R. No. 195887

Present:
VELASCO, JR., J.,
Chairperson,

BERSAMIN,
LEONEN,
MARTIRES, and
GESMUNDO, JJ.

- versus -

CHARLES M.C. MADSON AND
ALFREDO P. AMORADO,
Respondents.

Promulgated:

January 10, 2018

X ----- *Wilfredo V. Lapitan* ----- X

DECISION

MARTIRES, J.:

This petition for review on certiorari seeks to reverse and set aside the 14 December 2010 Decision¹ and 25 February 2011 Resolution² of the Court of Appeals (CA) in CA-G.R. SP No. 115492 which affirmed the 15 February 2010³ and 11 June 2010⁴ Resolution of the Department of Justice (DOJ) in I.S. No. 08B-02516.

THE FACTS

Petitioner Ben Line Agencies Philippines, Inc. (*Ben Line*) is a domestic corporation engaged in maritime business. On 19 September 2006,

¹ *Rollo*, pp. 43-48; penned by Associate Justice Amy C. Lazaro-Javier and concurred in by Associate Justices Sesonando E. Villon and Normandie B. Pizarro.
² *Id.* at 50.
³ *CA rollo*, pp. 42-44; issued by Assistant Chief State Prosecutor Severino H. Gaña, Jr. for the Secretary of Justice.
⁴ *Id.* at 45; issued by Acting Secretary Alberto C. Agra.

the vessel M/V Ho Feng 7, owned and operated by Ben Line's foreign principal, had to discharge shipment consigned to La Farge Cement Services Philippines, Inc. (*La Farge*). As such, it needed to hire a crane capable of lifting heavy shipment of approximately 70 metric tons.⁵

Ben Line inquired with AALTAFIL Incorporated whether the latter had the necessary machinery to handle the unloading of the former's shipment. Through its president, respondent Charles M.C. Madson (*Madson*), AALTAFIL offered its 300-ton crane and stated that it was capable of lifting the shipment from M/V Ho Feng 7. The equipment was initially offered for ₱1,150,000.00.⁶

On 25 September 2006, Ben Line confirmed with AALTAFIL its intention to hire the crane. Madson, however, informed that the equipment had been leased to ACE Logistics, Inc. Due to the urgency of the situation, Ben Line contacted respondent Alfredo Amorado (*Amorado*), president of ACE Logistics, who said that the crane was available for sub-leasing for the amount of ₱1,995,000.00 with an additional ₱400,000.00 to be paid directly to AALTAFIL should the radius be more than 16 meters. Thus, a crane rental contract was executed between Ben Line and ACE Logistics, and the former paid the full amount of ₱2,395,000.00 in consonance with the payment terms agreed upon.⁷

When Ben Line informed Madson that it had another small piece of cargo to be lifted, the latter demanded an additional ₱200,000.00 because the previously agreed amount covered only the lifting of a single heavy cargo. Thus, the total consideration for the use of the crane amounted to ₱2,595,000.00: ₱1,995,000.00 was paid to ACE Logistics and ₱600,000.00 was paid directly to AALTAFIL.⁸

On 1 October 2006, the vessel was ready to discharge the cargo. Due to problems with the crane operator and the crane itself, however, Ben Line was constrained to look for their substitutes. It hired Renato Escarpe of Asian Terminals, Inc. (*ATI*) as a crane operator and it leased ATI's floating crane barge.⁹

Thereafter, Ben Line repeatedly made demands for a refund from AALTAFIL and ACE Logistics but respondents refused to do so. Believing it was deceived into renting a less worthy crane, Ben Line filed a complaint-affidavit against respondents before the National Bureau of Investigation

⁵ *Rollo*, pp. 12-14.

⁶ *Id.* at 14-15.

⁷ *Id.* at 15.

⁸ *Id.* at 16.

⁹ *Id.* at 17-18.



(NBI). On 11 January 2008, the NBI issued a resolution recommending the prosecution of respondents for estafa under Article 315(2) of the Revised Penal Code.¹⁰ The case was forwarded to the Office of the Prosecutor (OCP) of Manila.

Proceedings before the OCP and the DOJ

In its 23 May 2008 Resolution,¹¹ the OCP issued a resolution recommending the dismissal of the complaint for insufficiency of evidence. It opined that there was no misrepresentation in Madson's claim that AALTAFIL owned the required crane. In addition, the OCP found that respondents neither conspired nor employed machinations against Ben Line in increasing the amount the latter would have to pay to lease its desired equipment. The resolution reads:

Wherefore, from the foregoing the undersigned respectfully recommends the dismissal of the instant case due to insufficiency of evidence.¹²

Aggrieved, Ben Line filed a petition for review before the DOJ.

In its 25 February 2010 resolution, the DOJ denied Ben Line's petition for review. It noted that the petition for review failed to attach clear copies of the assailed resolution. It opined that Ben Line lost its right to appeal because of its failure to comply with the prevailing rules. The resolution reads:

WHEREFORE, the petition for review is hereby DISMISSED.¹³

Ben Line moved for reconsideration but it was denied by the DOJ in its 11 June 2010 resolution. Undeterred, it filed a petition for certiorari before the CA.

The CA Ruling

In its 14 December 2015 decision, the CA dismissed Ben Line's petition for certiorari. The appellate court explained that the DOJ did not act with grave abuse of discretion because it merely applied the rules when it dismissed Ben Line's petition. It noted that Ben Line failed to comply with

¹⁰ Id. at 19-20.

¹¹ CA *rollo*, pp. 47-55.

¹² Id. at 55.

¹³ Id. at 43.



Sections 5 and 6 of the 2000 NPS Rules on Appeal after failing to attach clear and legible copies of the resolutions sought to be reviewed. The CA posited that the circumstances did not warrant the relaxation of the rules of procedure. It ruled:

ACCORDINGLY, the petition is DISMISSED for lack of merit.¹⁴

Ben Line moved for reconsideration, but the same was denied by the CA in its assailed 25 February 2011 resolution.

Hence, this present petition raising the following:

ISSUES

I

WHETHER THE HONORABLE COURT OF APPEALS SERIOUSLY ERRED IN DISMISSING THE PETITION FOR CERTIORARI DATED 20 AUGUST 2010 AND IN DENYING THE MOTION FOR RECONSIDERATION DATED 6 JANUARY 2011 OF PETITIONER BEN LINE AGENCIES PHILIPPINES, INC.; AND

II

WHETHER THE HONORABLE COURT OF APPEALS SERIOUSLY ERRED IN RULING THAT THE PETITION FOR REVIEW DATED 26 MARCH 2009 IS NOT MERITORIOUS ON ITS FACE.¹⁵

OUR RULING

The petition is meritorious.

Principally, the issues under the present petition for review before the Court are whether the DOJ acted with grave abuse of discretion in dismissing Ben Line's appeal only on procedural grounds.

Relevant to the issue is Section 5 of the 2000 NPS Rule on Appeal, which reads:

Section 5. Contents of the petition. – The petition shall contain or state: (a) the names and addresses of the parties; (b) the investigation Slip

¹⁴ *Rollo*, p. 47.

¹⁵ *Id.* at 23-24.



Number (I.S. No.) and criminal case number, if any, and title of the case, including the offense charged in the complaint; (c) the venue of the preliminary investigation; (d) the specific material dates showing that it was filed on time; (e) a clear and concise statement of the facts, the assignment of errors, and the reasons or arguments relied upon for the allowance of the appeal; and (f) proof of service of a copy of the petition to the adverse party and the Prosecution Office concerned.

The petition shall be accompanied by legible duplicate original or certified true copies of the complaint, affidavit/sworn statements and other evidence submitted by the parties during the preliminary investigation/reinvestigation.

In the case at bar, it is undisputed that Ben Line initially failed to submit clear and legible copies of the resolutions of the OCP when it filed its petition for review before the DOJ. Under Section 6 of the 2000 NPS rules, failure to comply with the requirements of Section 5 constitutes sufficient ground to dismiss the petition. Thus, the DOJ decided to dismiss Ben Line's complaint for failure to comply with Section 5.

It must be remembered, however, that rules of procedure are designed to facilitate the attainment of justice and that their rigid application resulting in technicalities tending to delay or frustrate rather than promote substantial justice must be avoided.¹⁶ In other words, procedural rules are set in place to ensure that the proceedings are in order and to avoid unnecessary delays, but are never intended to prevent tribunals or administrative agencies from resolving the substantive issues at hand.

In *Air Philippines Corporation v. Zamora (Air Philippines)*,¹⁷ the Court elucidated that mere failure to attach legible copies does not *ipso facto* warrant the dismissal of a complaint or a petition, to wit:

As a general rule, a petition lacking copies of essential pleadings and portions of the case record may be dismissed. This rule, however, is not petrified. As the exact nature of the pleadings and parts of the case record which must accompany a petition is not specified, much discretion is left to the appellate court to determine the necessity for copies of pleading and other documents. There are, however, guideposts it must follow.

First, not all pleadings and parts of case records are required to be attached to the petition. Only those which are relevant and pertinent must accompany it. The test of relevancy is whether the document in question will support the material allegations in the petition, whether said document



¹⁶ *Peñoso v. Dona*, 549 Phil. 39, 46 (2007).

¹⁷ 529 Phil. 718 (2006), cited in *Wenceslao et. al. v. Makati Development Corporation*, G.R. No. 230696, August 30, 2017.

will make out a *prima facie* case of grave abuse of discretion as to convince the court to give due course to the petition.

Second, even if a document is relevant and pertinent to the petition, it need not be appended if it is shown that the contents thereof can also be found in another document already attached to the petition. Thus, if the material allegations in a position paper are summarized in a questioned judgment, it will suffice that only a certified true copy of the judgment is attached.

Third, a petition lacking an essential pleading or part of the case record may still be given due course or reinstated (if earlier dismissed) upon showing that petitioner later submitted the documents required, or that it will serve the higher interests of justice that the case be decided on the merits. [emphases and underscoring supplied]

Lest it be misunderstood, the Court does not belittle the compliance with the rules of procedure. It recognizes that zealous observance of the rules is still the general course of action as it serves to guarantee the orderly, just, and speedy dispensation of cases.¹⁸ Nevertheless, the Court finds that the CA erred when it did not find the DOJ to have acted with grave abuse of discretion in dismissing Ben Line's petition for review.

Initially, the DOJ correctly acted when it dismissed Ben Line's petition for failure to attach clear and legible copies of the appealed resolution of the OCP. However, it was remiss in its duty to ensure that cases before it should be resolved on its merits when it denied Ben Line's motion for reconsideration. In accordance with the pronouncements of the Court in *Air Philippines* and in order that the substantial issues of the case be fully ventilated, the DOJ should have reinstated Ben Line's petition for review. It is noteworthy that in its motion, Ben Line had already attached clear and legible copies of the resolutions appealed from. Further, it pointed out that the copies it initially attached in its petition for review before the DOJ were provided by the OCP.

The present case is comparable with *Manila Electric Company v. Atilano (MERALCO)*¹⁹ where the Court ruled:

In dismissing MERALCO's petition for review of the resolution of the Office of the City Prosecutor of Pasig City, the Secretary of Justice ruled that after carefully examining the petition and its attachments, no error on the part of the handling prosecutor was found to have been committed which would warrant a reversal of the challenged resolution. **Thus, the December 17, 2002 DOJ resolution concluded that the**



¹⁸ *Asia United Bank v. Goodland Company, Inc.*, 650 Phil. 174, 183 (2010).

¹⁹ 689 Phil. 394 (2012).

challenged resolution was in accord with the evidence and the law on the matter.

x x x

We rule, therefore, that the DOJ resolution satisfactorily complied with constitutional and legal requirements when it stated its legal basis for denying MERALCO's petition for review which is Section 7 of Department Circular No. 70, which authorizes the Secretary of Justice to dismiss a petition outright if he finds it to be patently without merit or manifestly intended for delay, or when the issues raised therein are too insubstantial to require consideration. IaHCAD

The DOJ resolution noted that MERALCO failed to submit a legible true copy of the confirmation of sale dated May 30, 2000 and considered the omission in violation of Section 5 of Department Circular No. 70. **MERALCO assails the dismissal on this ground as an overly technical application of the rules and claims that it frustrated the ends of substantial justice. We note, however, that the failure to attach the document was not the sole reason of the DOJ's denial of MERALCO's petition for review. As mentioned, the DOJ resolution dismissed the petition primarily because the prosecutor's resolution is in accord with the evidence and the law on the matter.** [Emphases and underscoring supplied]

In *MERALCO*, the DOJ did not only dismiss the petition for review on purely technical grounds but also found that the resolution of the prosecution were in accord with the evidence and the law. As such, the issues in the said case were fully ventilated at the DOJ level because not only did it rule on procedural grounds, but it likewise addressed substantive matters. In the case at bar, however, the DOJ imprudently dismissed Ben Line's petition for review merely on procedural or technical grounds. It did not resolve the substantive or factual matters even after Ben Line had substantially complied with the rule on appeal when it filed its motion for reconsideration.

Nonetheless, respondents assail that the ruling of the Court in *Lao v. Co, et al. (Lao)*²⁰ should be applied in this case. They highlight that the circumstances are similar in *Lao* where the Court upheld the dismissal by the CA of the petition for certiorari filed therein for failure of the petitioner to attach clear and legible duplicate original or certified true copy of the judgment, order, resolution or ruling subject thereof.

A closer scrutiny of *Lao*, however, reveals that its factual circumstances are not at par with the present controversy. In the case relied upon by respondents, there was no showing that petitioner attempted to remedy its failure to attach clear and legible copies of the required documents. In contrast, Ben Line attached clear and legible copies of the

²⁰ 585 Phil. 134 (2008).

assailed OCP resolution after its petition for review was initially dismissed by the DOJ. Thus, the guidelines outlined in *Air Philippines* are more applicable in that a petition dismissed earlier, due to lack of an essential pleading or part of the case record, may still be given due course or reinstated upon showing that petitioner had later submitted the documents required, i.e., when such documents required are part of a subsequent motion for reconsideration.

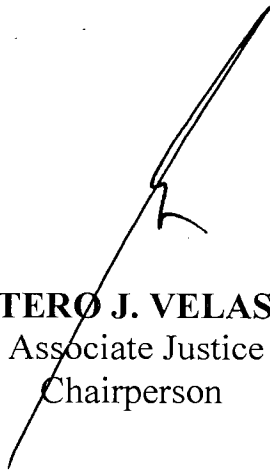
In finding for herein petitioner, the Court does not necessarily rule on whether its version of events or legal arguments deserve more consideration than that of the respondents. It simply corrects the DOJ's inordinate dismissal of Ben Line's petition for review where precisely these issues could have been adequately and appropriately resolved.

WHEREFORE, the petition is GRANTED. The 14 December 2010 Decision and 25 February 2011 Resolution of the Court of Appeals in CA-G.R. SP No. 115492 are **REVERSED** and **SET ASIDE**. The case is **REMANDED** to the Department of Justice for further review.

SO ORDERED.

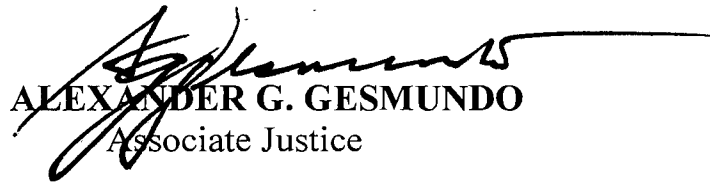

SAMUEL R. MARTIRES
Associate Justice

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

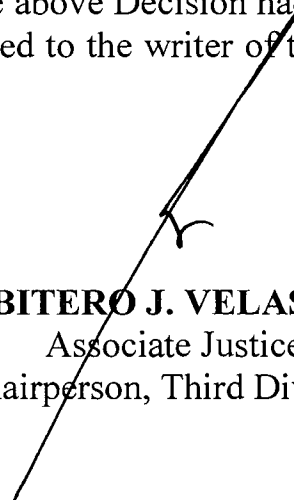

LUCAS P. BERSAMIN
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice


ALEXANDER G. GESMUNDO
 Associate Justice


ATTESTATION

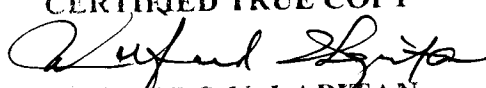
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


PRESBITERO J. VELASCO, JR.
 Associate Justice
 Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARIA LOURDES P. A. SERENO
 Chief Justice

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WILFREDO V. LAPITAN
 Division Clerk of Court
 Third Division
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