

****Title:****

Leonardo M. Andres, et al. vs. Justice Secretary Serafin R. Cuevas, et al., G.R. No. 145488

****Facts:****

1. ****Initial SEC Case****: On June 11, 1992, petitioners Leonardo M. Andres and others, majority stockholders of the Rural Bank of Pandi, filed a petition with the Securities and Exchange Commission (SEC) against Mercedes Coloma, Belen Santos, Jesus Santos, and other minority stockholders, alleging mismanagement, fraud, and conflict of interest by the respondents.
2. ****Complaint of Perjury****: Following the SEC petition, on September 15, 1992, the private respondents filed a complaint before the City Prosecutor of Mandaluyong charging the petitioners with perjury, docketed as I.S. No. 95-674, alleging that petitioners made false statements in their SEC petition.
3. ****Filing of Information****: The City Prosecutor's Office found probable cause and filed an Information for perjury against the petitioners in the Metropolitan Trial Court of Mandaluyong, docketed as Criminal Case No. 57794.
4. ****DOJ Appeal****: Petitioners appealed the City Prosecutor's resolution to the Department of Justice (DOJ). Initially, Assistant Chief State Prosecutor Apolinario G. Exevea dismissed the petition (Resolution of August 16, 1996).
5. ****Resolution by Justice Secretary****: Petitioners appealed to the Secretary of Justice. Secretary Silvestre H. Bello III reversed the initial DOJ resolution and directed the withdrawal of the Information for perjury (Resolution of February 18, 1998). On private respondents' motion, Secretary Serafin R. Cuevas reversed this decision, directing the refiling of the Information (Resolution of January 20, 1999 and reaffirmed on January 26, 2000).
6. ****CA Proceedings****: Petitioners sought certiorari with the Court of Appeals (CA). The CA dismissed the petition for having an insufficient verification and certification of non-forum shopping as it was signed only by one petitioner. A subsequent amended petition with proper verification was filed but the CA dismissed it as well, citing technicalities and lack of merit in the main petition's substance (Resolution of April 7, 2000, and denied reconsideration on November 14, 2001).

****Issues:****

1. ****Procedural Issue****: Whether the CA erred in dismissing the petition for certiorari based on procedural grounds despite subsequent compliance with verification requirements.
2. ****Substantive Issue****: Whether the CA erred in affirming the DOJ's reversal (by Secretary Cuevas) which directed the refiling of the Information for perjury against the petitioners.

****Court's Decision:****

1. ****Procedural Compliance****: The Supreme Court found that petitioners filed the Amended Petition with proper verification within the 60-day reglementary period allowed for certiorari under Rule 65 of the Rules of Court. Thus, the CA's dismissal based on subsequent compliance was incorrect as it was not a "subsequent compliance" but an amendment as a matter of right.
2. ****Substantive Merits****: Despite the procedural error by the CA, the Supreme Court affirmed the CA's decision on the substantive merits. The Court emphasized the general rule against enjoining criminal prosecutions and highlighted that none of the exceptional circumstances were present that would justify halting the criminal proceedings for perjury.

****Doctrine:****

- ****Err on Procedural Dismissals****: Allow liberal amendments to pleadings within the prescribed period to promote justice. Strict adherence to technical rules should not override substantive rights.
- ****Non-interference in Criminal Prosecutions****: Courts generally do not interfere in ongoing criminal prosecutions unless one of the exceptional circumstances clearly applies, ensuring that matters are resolved within the confines of standard judicial proceedings.

****Class Notes:****

- ****Verification and Certification of Non-Forum Shopping****: Must be strictly complied with but amendments within the reglementary period are allowed as a matter of right (Sec. 2, Rule 10, and Sec. 4, Rule 65, Rules of Court).
- ****Exceptions to General Rule of Non-interference****: Recognize exceptions to non-interference in criminal prosecutions, e.g., constitutional violations, oppressive actions, or

manifestly false charges.

- ****Preliminary Investigation and Probable Cause****: Prosecutorial discretion in finding probable cause should generally not be disturbed unless there is clear evidence of abuse of discretion.

- ****Jurisdiction of SEC vs. Criminal Cases****: The SEC's jurisdiction in intra-corporate disputes does not extend to criminal cases such as perjury.

****Historical Background:****

This case highlights a period of administrative and judicial struggle in the Philippines to balance procedural propriety with substantive justice. It reflects the judiciary's evolving stance on procedural liberalism and judicial restraint in criminal prosecutions amid administrative reforms such as the implementation of the Securities Regulation Code, which significantly altered the jurisdictional landscape of securities regulation.