

SHOPPING CENTER MANAGEMENT CORPORATION, PETITIONER, VS. NELLY A. GALUTERA, RESPONDENT.

G.R. No. E-02121, April 23, 2026

Ponente: GAERLAN, J.

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GAERLAN, J.:

Before the Court is a Petition for Review on Certiorari[1] filed by petitioner Shopping Center Management Corporation (SCMC), assailing the Decision[2] dated October 28, 2024 and the Resolution[3] dated May 27, 2025 of the Court of Appeals (CA) in CA-G.R. SP No. 180611. The CA granted the Petition for Certiorari[4] filed by respondent Nelly A. Galutera (Galutera) and set aside the Decision[5] dated June 29, 2023 of the Department of Trade and Industry (DTI). The said Decision affirmed the Decision[6] dated September 9, 2022 of the DTI Adjudication Officer in DTI-R02 ADM Case No. VII-ISA-CC22-03, which dismissed Galutera's complaint.

The Facts

In April 2022, SCMC conducted a raffle promotion in SM City Cauayan. Galutera was proclaimed the grand prize-winner, entitling her to a brand-new Suzuki S-Presso Special Edition MT.[7]

SCMC, however, withheld the turnover of the prize on the ground that Galutera is disqualified under Promo Mechanics No. 22, which provides:

Not qualified to participate in this raffle promotion: Non-Filipino citizens, employees of SCMC, its affiliates, mall tenants of SM City Cauayan, agencies, service providers, respective officer and the relatives of the employees up to the second degree of consanguinity or affinity.[8] (Emphasis in the original)

SCMC asserted that Galutera is disqualified because she is the wife of Rodel Alejo Galutera (Rodel), a security guard deployed at the Banco de Oro (BDO) branch inside SM City Cauayan. Rodel is employed by Ranniag Security Services, Inc. (Ranniag Security), the security agency engaged by BDO.[9]

Aggrieved, Galutera filed a complaint before the DTI Regional Office for violation of Republic Act No. 7394, or the Consumer Act of the Philippines.[10]

Ruling of the DTI Adjudication Officer

On September 9, 2022, the DTI Adjudication Officer disposed as follows:

WHEREFORE, in view of the foregoing, the Complaint is hereby DISMISSED. This is without prejudice to whatever action [Galutera] may have against [SCMC] it may deem proper in the foregoing circumstances.

SO ORDERED.[11]

The DTI Adjudication Officer held that Galutera is disqualified as a relative within the second degree of affinity of an employee of a service provider and mall tenant of SM City Cauayan.[12]

Galutera filed a Notice and Memorandum of Appeal.[13]

Ruling of the DTI Secretary

On appeal, the DTI Secretary, in a Decision dated June 29, 2023, affirmed the DTI Adjudication Officer. The DTI Secretary reasoned that Galutera's husband is a security guard employed by a service provider of BDO. which is a mall tenant and affiliate of SM City Cauayan.[14]

The dispositive portion reads:

WHEREFORE, premises considered, the assailed Decision is hereby AFFIRMED, and the Appeal [is] DISMISSED for lack of merit.

SO ORDERED.[15]

Galutera then filed a Petition for Certiorari[16] before the CA.

Ruling of the CA

In its Decision dated October 28, 2024, the CA granted the petition and found that the DTI committed grave abuse of discretion, thus:

WHEREFORE, the petition is GRANTED. Consequently, the Decision dated June 29, 2023 of the public respondent Department of Trade and Industry in Appeal Case No. 2022-85 and the Decision dated September 9, 2022 of the DTI Adjudication Officer in DTI-RO2 ADM Case No. VII-ISA-CC22-03, are ANNULLED and SET ASIDE. Private respondent Shopping Center Management Corp-SM Cauayan is ordered to deliver to petitioner Nelly A. Galutera the Suzuki S-Presso MT Special Edition car or its current price in cash.

SO ORDERED.[17]

Applying Article 1370 of the Civil Code, the CA ruled that Promo Mechanics No. 22 is clear and unambiguous and must be interpreted according to its literal terms. It held that Galutera does not fall under any of the enumerated disqualified categories.[18]

The CA emphasized that Galutera's husband is an employee of Ranniag Security, which is neither an affiliate, mall tenant, agency, nor service provider of SCMC. Ranniag Security is the service provider of BDO, not of SCMC.[19]

SCMC filed a Motion for Reconsideration, which was denied by the CA in its Resolution dated May 27, 2025.[20]

Thus, SCMC filed before the Court the present Petition for Review on Certiorari.[21]

Issues

For resolution of the Court are the following issues: (1) whether the findings of the DTI are conclusive upon the courts under the doctrine of primary jurisdiction;[22] (2) whether Galutera is disqualified from litigating as an indigent party;[23] and (3) whether Promo Mechanics No. 22 disqualifies Galutera from the raffle promotion.[24]

Ruling of the Court

The Petition is bereft of merit.

On the Doctrine of Primary Jurisdiction

At the outset, the doctrine of primary jurisdiction teaches that courts cannot and will not resolve a controversy involving a question that is within the jurisdiction of an administrative tribunal, especially where the questions

demands the exercise of sound administrative discretion requiring the special knowledge, experience, and services of the administrative tribunal to determine technical and intricate matters of fact. By reason of the specialized competence and expertise of administrative agencies over matters falling within their jurisdiction, their findings of fact are generally accorded great respect, if not finality, by the courts.[25]

In the present case, however, while the doctrine of primary jurisdiction remains applicable, the findings of the DTI cannot be deemed conclusive upon the Court.

The issue presented does not involve technical or intricate matters of fact requiring the specialized knowledge or expertise of the administrative agency. The material facts are not disputed: Galutera was proclaimed the grand prize-winner. She is the wife of Rodel. Rodel is a security guard deployed at BDO SM City Cauayan. He is employed by Ranniag Security, which is the service provider of BDO. BDO is a tenant and affiliate of SM City Cauayan.[26]

The controversy does not hinge on factual determinations within the specialized competence of the DTI. It involves a question of law-specifically, the proper interpretation of Promo Mechanics No. 22 pursuant to Article 1370 of the Civil Code.[27]

Moreover, although Republic Act No. 7394 vests the DTI with original and exclusive jurisdiction over consumer complaints, the law itself recognizes that such jurisdiction does not foreclose judicial recourse. Article 159 of the Consumer Act provides:

Article 159. Consumer Complaints. — The concerned department may commence an investigation upon petition or upon letter-complaint from any consumer: Provided, That, upon a finding by the department of a prima facie violation of any provisions of this Act or any rule or regulation promulgated under its authority, it may motu proprio or upon verified complaint commence formal administrative action against any person who appears responsible therefor. The department shall establish procedures for systematically logging in, investigating and responding to consumer complaints into the development of consumer policies, rules and regulations, assuring as far as practicable simple and easy access on the part of the consumer to seek redress for his grievances.

Similarly, Article 162 states:

ARTICLE 162. Arbitration Officers; Jurisdiction. — The consumer arbitration officers shall have original and exclusive jurisdiction to mediate, conciliate, hear and adjudicate all consumer complaints, Provided, however, That this does not preclude the parties from pursuing the proper judicial action.

Thus, while the Court accords due respect to the findings of the DTI, such findings are not conclusive where the resolution of the controversy rests on a legal question that does not require the exercise of administrative expertise.

On Galutera's status as an indigent litigant

The contention of SCMC that Galutera is not entitled to litigate as an indigent is unavailing.[28]

Rule 3, Section 21 of the Rules of Court, in relation to Section 19, Rule 141, prescribes specific income and property thresholds for indigent litigants. The relevant provisions provide as follows:

Rule3
Parties to Civil Actions

Section 21. Indigent party. – A party may be authorized to litigate his action, claim or defense as an indigent if the court, upon an ex parte application and hearing, is satisfied that the party is one who has no money or property sufficient and available for food, shelter and basic necessities for himself and his family.

Such authority shall include an exemption from payment of docket and other lawful fees, and of transcripts of stenographic notes which the court may order to be furnished him. The amount of the docket and other lawful fees which the indigent was exempted from paying shall be a lien on any judgment rendered in the case favorable to the indigent, unless the court otherwise provides.

Any adverse party may contest the grant of such authority at any time before judgment is rendered by the trial court. If the court should determine after hearing that the party declared as an indigent is in fact a person with sufficient income or property, the proper docket and other lawful fees shall be assessed and collected by the clerk of court. If payment is not made within the time fixed by the court, execution shall issue or the payment thereof, without prejudice to such other sanctions as the court may impose. (22a)

Rule 141

Legal Fees

Section 19. Indigent litigants exempt from payment of legal fees. Indigent litigants (a) whose gross income and that of their immediate family do not exceed an amount double the monthly minimum wage of an employee and (b) who do not own real property with a fair market value as stated in the current tax declaration of more than Three Hundred Thousand ([PHP] 300,000.00) Pesos shall be exempt from the payment of legal fees.

The legal fees shall be a lien on any judgment rendered in the case favorable to the indigent unless the court otherwise provides.

To be entitled to the exemption herein provided, the litigant shall execute an affidavit that he and his immediate family do not earn a gross income abovementioned, nor they own any real property with the fair value aforementioned, supported by an affidavit of a disinterested person attesting to the truth of the litigant's affidavit.

Any falsity in the affidavit of the litigant or disinterested person shall be sufficient cause to dismiss the complaint or action or to strike out the pleading of that party, without prejudice to whatever criminal liability may have been incurred.

To qualify, the litigant must show that his or her income does not exceed twice the monthly minimum wage and that he or she does not own real property exceeding PHP 300,000.00 in value.

Galutera's ability to obtain raffle entries through purchases does not establish compliance or non-compliance with these thresholds. Such circumstance, standing alone, does not prove that her income exceeds the prescribed limit or that she owns real property beyond the allowable value.[29] Absent competent evidence to the contrary, Galutera's status as an indigent litigant cannot be set aside on the basis of mere inference.

Further, an adverse party may contest the grant of indigent status before judgment is rendered by the trial court. SCMC failed to timely raise the issue before the CA and now raises it only before the Court. This procedural lapse militates against its position.[30]

On the proper interpretation of Promo Mechanics No. 22

Finally, the Court adopts the interpretation of the CA of Promo Mechanics No. 22.

Article 1370 of the Civil Code provides:

ART. 1370. If the terms of a contract are clear and leave no doubt upon the intention of the contracting parties,

the literal meaning of its stipulations shall control.

If the words appear to be contrary to the evident intention of the parties, the latter shall prevail over the former.
(1281)

Promo Mechanics No. 22 enumerates, in clear and categorical terms, the classes of persons disqualified from the raffle promotion. These include employees of SCMC, its affiliates, mall tenants, agencies, and service providers, as well as their respective officers and relatives within the second degree of consanguinity or affinity.[31]

The phrase "respective officers and the relatives of employees up to the second degree of consanguinity or affinity" refers only to employees of SCMC, its affiliates, mall tenants, agencies, and service providers. Rodel is not an employee of SCMC, nor of its affiliate, tenant, agency, or service provider. He is an employee of Ranniag Security, which is merely the service provider of BDO, not of SCMC.[32]

It is settled that security guards are employees of their security agency and not of the entity to which they are assigned.[33] To treat Galutera as disqualified on the basis of her husband's employment would require an unwarranted expansion of the employer-employee relationship, the distinct juridical relationships among SCMC, BDO, and Ranniag Security, and a strained interpretation of the promo mechanics.

Such interpretation has no basis in law. It would not only be inconsistent with Article 1370 of the Civil Code, but would also result in an unjust and unwarranted denial of Galutera's rightful prize.

Ultimately, even assuming ambiguity, the same must be construed against SCMC, which drafted the promo mechanics. To rule otherwise would allow the drafter to benefit from vague language and exclude participants after they have already been declared winners.[34]

The Court cannot sustain an interpretation that deprives a declared winner of her prize based on a strained reading of the disqualification clause. Promo mechanics bind the promoter. They create enforceable rights in favor of participants who comply with their terms.

More than the resolution of a private dispute, this case underscores the role of the Court in safeguarding access to justice. Consumers who participate in promotional activities do so in reliance on the representations made to them. When a winner is declared, the right to the prize becomes concrete and enforceable. Courts must remain vigilant against attempts to defeat such rights through strained or expansive interpretations of contractual terms.

The law does not permit form to prevail over fairness. Access to justice demands that clear entitlements be protected, and that remedies remain available to those who seek the faithful enforcement of their rights.

In fine, Galutera is not disqualified under Promo Mechanics No. 22.

ACCORDINGLY, the Petition for Review on Certiorari is DENIED. The Decision dated October 28, 2024 and the Resolution dated May 27, 2025 of the Court of Appeals in CA-G.R. SP No. 180611 are AFFIRMED.

Petitioner Shopping Center Management Corporation is ORDERED to deliver to respondent Nelly A. Galutera the Suzuki S-Presso Special Edition MT awarded to her, or, in lieu thereof, to pay her the equivalent value of the prize.

SO ORDERED.

Caguioa (Chairperson), Inting, Dimaampao, and Singh, JJ., concur.

[1] Rollo, pp. 11-22.

[2] Id. at 28-35. Penned by Associate Justice Alfonso C. Ruiz II and concurred in by Associate Justices Germano Francisco D. Legaspi and Marietta S. Brawner-Cualing of the Sixteenth Division, Court of Appeals, Manila.

[3] Id. at 37-38.

[4] Id. at 57-65.

[5] Id. at 48-56.

[6] Id. at 42-47.

[7] Id. at 49.

[8] Id.

[9] Id.

[10] Id. at 50.

[11] Id. at 47.

[12] Id. at 46.

[13] Id. at 14.

[14] Id. at 54.

[15] Id. at 55.

[16] Id. at 57-69.

[17] Id. at 35.

[18] Id. at 33.

[19] Id. at 33-35.

[20] Id. at 37-38.

[21] Id. at 11-26.

[22] Id. at 15-17.

[23] Id. at 17-19.

[24] Id. at 19-21.

[25] *Villaflor v. Court of Appeals*, 345 Phil. 524, 559 (1997) [Per J. Panganiban, Third Division]; *Javier v. Court of Appeals*, 289 Phil. 179, 184 (1992) [Per J. Nocon, Second Division].

[26] Rollo, pp. 29-30.

[27] Id. at 19-21.

[28] Id. at 17-19.

[29] See *Ababon v. RNL Food Concept, Inc.*, G.R. No. 250952, October 2, 2023 [Notice, Third Division].

[30] RULES OF COURT, Rule 3, sec. 21.

[31] Rollo, p. 33

[32] Id. at 33-34.

[33] Manila Electric Company v. Benamira, 501 Phil. 621, 639 (2005) [Per J. Austria-Martinez, Second Division].

[34] Rollo, pp. 34-35.

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