

**NATIONAL SHIPYARDS AND STEEL CORPORATION (NASSCO),
PETITIONER, VS. COURT OF INDUSTRIAL RELATIONS (CIR),
NATIONAL SHIPYARDS EMPLOYEES & WORKERS ASSOCIATION
(NASEWA) AND/OR MELANI...**

G.R. No. L-31852. November 20, 1974

Ponente: TEEHANKEE, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/e50f90f0d787/>

TEEHANKEE, J.:

The Court rendered its decision of June 28, 1974 in the cases at bar in response to private respondent Melanio Capillan's successive petitions to expedite decision filed on October 23, 1972, April 14, 1973, May 25, 1973 and as late as May 23, 1974. These petitions for early decision were joined by petitioner through counsel, Atty. M.C. Virata, through his pleadings of May 14, 1973 and as late as June 4, 1974 wherein (while opposing respondent's motion for execution during the pendency of the cases at bar of the industrial court's additional backwages award of P2,868.00) said counsel joined respondent in his prayer for "immediate resolution of the issues in the two cases."

After the Court did resolve (per its decision of June 28, 1974) the issues in the cases at bar by affirming the industrial court's actions and upholding petitioner's right to reinstatement and the backwages award, Atty. Virata for petitioner (contrary to his previous manifestations joining respondent's petitions to expedite decision) filed a manifestation dated July 9, 1974 stating in effect that the issues in the two cases had become moot and academic since December 1, 1970 (re reinstatement) and since February 23, 1971 (re backwages award) in that (1) the backwages subject of the case at bar have been paid respondent Capillan since February 23, 1971; (2) Capillan had been reinstated "as early as December 1, 1970"; and (3) Capillan applied on April 18, 1974 for voluntary retirement which was approved by petitioner on April 19, 1974 and he was paid on June 10, 1974 "his gratuity, his earned leaves and one month termination pay in the total amount of P6,774.21."

The Court per its resolution of July 19, 1974 therefore required both Atty. Virata and respondent Capillan to explain "WHY they so urged and misled the Court into rendering its decision of June 28, 1974 on cases that were already moot and settled, thus causing it to needlessly expend time, attention and effort which could have well been devoted to the adjudication of meritorious cases."

Atty. Virata submitted long and tortuous explanations from which it may be gleaned that although he is the chief legal officer of petitioner, "(he) was not aware of the payments made by the petitioner of the backwages of Mr. Capillan on February 23, 1971" as he took over the cases after the resignation of Atty. Eduardo S. Rodriguez of petitioner's legal office (who was in charge thereof);[1] and that the reinstatement of respondent Capillan was effected due to writs of execution issued by respondent court "during the pendency of the appeal." [2] Atty. Virata submitted that it was his "honest belief" that the issues were not rendered academic by the industrial court's issuance of writs of execution for the payment of the backwages award and for reinstatement of respondent during the pendency of the appeal and "with humility and a promise to be more diligent in his work as an officer of the

court" prayed to be "exonerated and excused from the charge." [3]

Respondent Capillan, in turn, (who is not a lawyer but who has submitted and signed in his own behalf the pleadings in the cases at bar) filed a pleading entitled "Opposition Urging Punishment" dated August 4, 1974 wherein he denied (contrary to the documents submitted by petitioner) the payments made to him for backwages and by way of gratuity, etc. in the amount of P6,774.21 by virtue of his voluntary retirement, claiming that "(he) had been coerced and threatened to file his 'voluntary retirement' "and praying inter alia that petitioner and counsel "be held in contempt of court", and that petitioner "be ordered to pay sixteen years attorney's fees (P50,000) and litigation expenses suffered by (him)."

It is readily seen, then, that both petitioner's counsel and respondent Capillan were equally at fault in not apprising the Court of the payments made petitioner to respondent and received by the latter as well as of the fact of respondent's reinstatement during the pendency of the appeal.

Atty. Virata is particularly to be held more responsible in this regard, since as a member of the bar and an officer of the court, it was his duty both to the Court as well as to his client (petitioner) to inform the Court of these factual developments (allegedly in pursuance of writs of execution issued by respondent court during the pendency of the appeal) and to apply to the Court for injunctive relief, if warranted, and otherwise to bring the cases to an end if the Court determined that execution of judgment was proper and the cases thereby rendered moot. If indeed execution of respondent court's award and reinstatement order was in order, as ultimately determined by the Court, then the Court need not have been urged and misled (by suppression of the facts) to needlessly expend time, attention and effort in preparing and rendering its extended judgment of June 28, 1974 (which it considered as of a preferential character involving the rights of a worker to reinstatement and backwages) and could well have more gainfully devoted its efforts to the study and adjudication of meritorious controversies pending decision. It would further be noted that with the voluntary retirement of respondent on April 19, 1974 and the payment of all sums due him on June 10, 1974, the cases had indeed become moot by virtue of such settlement.

As to respondent Capillan, he is hereby admonished that the fact that he is not a lawyer and is without apparent grasp of the pertinent and relevant legal issues involved is not a warrant for making extravagant claims to the Court nor for sidetracking the documented facts of record. His hazy denials of the fact of reinstatement and of having been paid his backwages and retirement gratuity, etc. border on misrepresentation if not falsehood, for which he may be held in contempt of Court and subjected to criminal prosecution.

Accordingly, the Court administers a reprimand to Atty. M.C. Virata for his failure to apprise the Court of pertinent factual developments in the cases and for having instead urged and misled the Court into rendering its decision on cases that were already moot and settled, with the warning that the repetition of the same or other similar acts will be severely dealt with. Let a copy hereof be entered in his personal record.

Makalintal, C.J., Castro, Esguerra, and Munoz Palma, JJ., concur.

Makasiar, J., took no part.

[1] Atty. Virata's explanation dated July 31, 1974, at pages 2-3.

[2] Idem, at page 5.

[3] Idem, at page 5 and Compliance dated August 30, 1974, at page 9.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.