

LIGAYA S. NOVICIO, PETITIONER, VS. ALMA AGGABAO, RESPONDENT.

G.R. No. 141332. December 11, 2003

Ponente: CORONA, J.

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CORONA, J.:

Before us is a petition for review on certiorari seeking the reversal of the decision[1] of the Court of Appeals dated June 10, 1999 and its resolution dated December 28, 1999 in CA-G.R. SP No. 46777.

The facts follow.

On April 20, 1995, petitioner Ligaya Novicio, stockholder and treasurer of Philippine International Life Insurance Company (Philinterlife), sent a letter to Philinterlife's depository banks, namely, Far East Bank and Trust Company, China Banking Corporation and First Bank, informing these banks that several stockholders of Philinterlife, including respondent Alma Aggabao, had been restrained by the Court of Appeals' Twelfth Division, in a separate action for annulment of sale of the company's shares, from exercising their rights as shareholders of Philinterlife.

Upon learning of the petitioner's letter, respondent filed a complaint-affidavit in the Prosecutor's Office of Quezon City charging petitioner with libel. Respondent claimed that the letter injured her reputation and credibility as the corporate secretary and chief accountant of Philinterlife. The city prosecutor, however, dismissed respondent's complaint. Respondent filed a petition for review in the Department of Justice. On April 15, 1997, Chief State Prosecutor Jovencito R. Zuño granted the petition and directed the city prosecutor to file informations for three counts of libel against Novicio. Consequently, on June 9, 1997, the city prosecutor filed three informations for libel pursuant to the directive of the Chief State Prosecutor, as follows:

The undersigned accuses LIGAYA NOVICIO of the crime of Libel, committed as follows:

That on or about the 21[st] day of April, 1995, in Quezon City, Philippines, the above-named accused, did then and there wilfully, unlawfully and feloniously write a letter to Far East Bank, which purport to be an official act of the officers of Philinterlife, pertinent portions of which reads as follows:

Please be informed that the Court of Appeals (12[th] Division) has issued a Resolution dated April 10, 1995 restraining Jose C. Lee, Carlos Lee, Carmencita V. Tan, Angel Ong, Benjamin C. Lee, Alma Aggabao and Ma. Paz C. Lee from, among others, exercising their rights and privileges (sic) as shareholders of Philippine International Life Insurance Company until further orders from said Court. A copy of such Resolution is hereto attached for your immediate reference.

In pursuance of the subject Resolution, the remaining members of the Board of Directors of Philinterlife who were duly constituted prior to the controversy, had decided to change the bank signatories of its corporate account in your bank. The new signatories are any two of the following:

(a)

Ms. Ligaya Novicio; (b) Mr. Jose Gatchalian; and/or Mr. Jose Ortañez. Enclosed please find the requisite Secretary's Certificate attesting to such change.

You are therefore, put on notice not to deal with the afore-mentioned persons who were restrained by the Court of Appeals from exercising their rights as Shareholders of Philinterlife. The company shall not honor any transaction that may be entered into by said persons for and its behalf.

and other words of similar import, when in truth and in fact, as the accused very well know, the same are entirely false and untrue but were publicly made for no other purpose than to convey to all those whoever read it an imputation on Alma Aggabao injurious to her position as Corporate Secretary and Chief Accountant of Philinterlife as an impostor and without authority to act for and in behalf of Philinterlife, thereby exposing her to public ridicule, casting dishonor, discredit and contempt upon the person of the said offended party, to her damage and prejudice.[2]

The three informations, identically worded except as to the names of the depository banks, were docketed as criminal case nos. Q-97-71379, Q-97-71380 and Q-97-71381, and raffled to the Regional Trial Court of Quezon City, Branch 92[3].

Before arraignment, Novicio moved to quash the informations alleging that the facts charged therein did not constitute libel. The trial court, in an order dated October 7, 1997, denied the motion to quash on the ground that the allegations therein were evidentiary in nature and should thus be presented, proved and resolved in a full-blown trial. Novicio moved for reconsideration but it was denied by the trial court.

Novicio then filed a petition for certiorari under Rule 65 in the Court of Appeals. On September 21, 1998, the Office of the Solicitor-General filed a manifestation recommending the dismissal of the criminal cases against petitioner.

On June 10, 1999, however, the Court of Appeals rendered its assailed decision dismissing Novicio's petition, finding that the trial court committed no grave abuse of discretion in denying her motion to quash. Novicio's subsequent motion for reconsideration was likewise denied by the appellate court.

Hence, Novicio brought the instant petition for review on certiorari, arguing that the Court of Appeals erred in ruling that the facts alleged in the informations constituted libel.

In fine, the only issue here is whether or not the letter written by petitioner Novicio was libelous.

The provisions of law applicable to the instant case are Articles 353 and 354 of the Revised Penal Code:

Art. 353. Definition of libel.— A libel is a public and malicious imputation of a crime, or of a vice or defect, real or imaginary, or any act, omission, condition, status, or circumstance tending to cause the dishonor, discredit, or contempt of a natural or juridical person, or to blacken the memory of one who is dead.

Art. 354. Requirement for publicity.— Every defamatory imputation is presumed to be malicious, even if it be true, if no good intention and justifiable motive for making it is shown, except in the following cases:

- A private communication made by any person to another in the performance of any legal, moral or social duty; and
- A fair and true report, made in good faith, without any comments or remarks, of any judicial, legislative or other official proceedings which are not of confidential nature, or of any statement, report or speech delivered in said proceedings, or of any other act performed by public officers in the exercise of their functions.

For an imputation to be libelous, the following requisites must concur: (a) it must be defamatory; (b) it must be

malicious; (c) it must be given publicity and (d) the victim must be identifiable.[4]

At the outset, it should be stressed that, except for the element of identification, the informations filed against petitioner failed to establish the three other elements of libel.

In determining whether a statement is defamatory, the words used are to be construed in their entirety and should be taken in their plain, natural and ordinary meaning as they would naturally be understood by persons reading them, unless it appears that they were used and understood in another sense.[5] In this case, the words used by petitioner in her letter did not cast aspersion on respondent's character, integrity and reputation. They were intended merely to notify the banks concerned of the change of bank signatories of Philinterlife as a consequence of the resolution of the Court of Appeals. No veiled and malicious suggestion or innuendo could be inferred from the fact that respondent, who used to be an authorized signatory of the company, was being replaced as such. The letter did not in any way convey the idea that respondent was guilty of any offense which besmirched her integrity and reputation. On the contrary, the language used by petitioner was plain, simple, direct and factual. The words could not be interpreted to mean other than what they intend to say — that respondent had ceased to be a bank signatory and all transactions entered into by her were no longer going to be honored by Philinterlife.

More importantly, the informations failed to allege the existence of malice. There is malice when the author is prompted by personal ill will or spite and speaks not in response to a duty but merely to injure the reputation of the person who claims to have been defamed.[6] In this case, however, petitioner's letter was written to inform the banks in which Philinterlife maintained its corporate accounts of the court's resolution and the corresponding change of bank signatories. It is, thus, a qualified privileged communication under Article 354(1) of the Revised Penal Code.

The rule on privileged communication means that a communication made in good faith on any subject matter in which the communicator has an interest, or concerning which he has a duty, is privileged if made to a person having a corresponding duty. Petitioner's letter was clearly a private communication made in the performance of her duty as the treasurer of Philinterlife. In this capacity, petitioner was primarily tasked to hold and safeguard the company's finances, monitor its bank accounts and deposits, and carry out company rules and policies pertaining to financial matters. Clearly, the letter was an official act done in good faith and constituted an honest narration of the events that transpired within the company. It emanated from a moral and legal obligation which petitioner certainly owed Philinterlife in the performance of her duties. Thus, she cannot be said to have been prompted by malice or by a desire to inflict unjustifiable harm on respondent's reputation.

Likewise, the element of publication was not present in this case. In libel, publication means making the defamatory matter, after it is written, known to someone other than the person against whom it has been written.[7] Petitioner sent the letter only to the branch managers of the banks concerned. She did not disseminate the letter and its contents to third persons, nor was the letter published and circulated to the public. Doubtlessly, there was no publicity and the matter fell within the ambit of Article 354(1) of the Revised Penal Code.

Where it appears from the allegations in the information that the person accused of libel acted in good faith and for justifiable ends in making the allegedly libelous imputations, there is no need to prolong the proceedings to the prejudice of the accused.[8] Ligaya Novicio is certainly entitled to the dismissal of the case against her. She has suffered enough. There is no point in proceeding with a defective information that can never be the basis of a valid conviction. In this case, the facts alleged in the informations did not constitute libel. The court a quo should have granted the motion to quash filed by petitioner.

WHEREFORE, the petition is hereby GRANTED. The decision of the Court of Appeals dated June 10, 1999 and its resolution dated December 28, 1999 are hereby REVERSED and SET ASIDE, and criminal case nos.

Q-97-71379, Q-97-71380 and Q-97-71381 are ordered DISMISSED.

SO ORDERED.

Vitug, (Chairman), Sandoval-Gutierrez, and Carpio-Morales, JJ., concur.

[1] Penned by Associate Justice Corona Ibay-Somera, concurred in by Associate Justices Oswaldo D. Agcaoili and Bernardo P. Abesamis of the Tenth Division.

[2] Rollo, pp. 65-66.

[3] Judge Juan Q. Enriquez.

[4] Alonzo vs. Court of Appeals, 241 SCRA 51 [1995].

[5] Gonzales vs. Arcilla, 203 SCRA 609 [1991].

[6] Alonzo vs. Court of Appeals, *supra*.

[7] Ledesma vs. Court of Appeals, 278 SCRA 656 [1997].

[8] People vs. Andres, 107 Phil. 1046 [1960].

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