

BANGKO SENTRAL NG PILIPINAS AND THE MEMBERS OF THE MONETARY BOARD, PETITIONERS, VS. RURAL BANK OF SAN MIGUEL (BULACAN), INC., REPRESENTED BY HILARIO P. SORIANO, PRESIDENT AND PR...

G.R. NO. 154356. April 11, 2007

Ponente: AZCUNA, J.

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AZCUNA, J.:

This is a petition for review on certiorari assailing the Decision[1] and Resolution[2] of the Court of Appeals (CA) dated December 14, 2001 and July 29, 2002, respectively, in CA-G.R. SP No. 60184 entitled "Rural Bank of San Miguel (Bulacan), Inc., represented by Hilario P. Soriano, President and Principal Stockholder v. Alberto V. Reyes, Wilfredo B. Domo-Ong, Herminio C. Principio, the Bangko Sentral ng Pilipinas, and Members of the Monetary Board."

The case arose from a letter-complaint[3] dated May 19, 1999 filed by Hilario P. Soriano, the president and principal stockholder of private respondent Rural Bank of San Miguel (Bulacan), Inc. (RBSM) charging Deputy Governor Alberto V. Reyes, Director Wilfredo B. Domo-Ong, and bank examiner Herminio C. Principio, all officials of petitioner Bangko Sentral ng Pilipinas (BSP), with unprofessionalism in violation of Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act) and Republic Act No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees).

An Ad-Hoc Committee was created by the Monetary Board[4] of petitioner BSP on May 26, 1999 to investigate the complaint. After due proceedings, the Committee issued a resolution[5] dated February 16, 2000 recommending the dismissal of the complaint for lack of merit. The Monetary Board adopted the findings of the Committee and accordingly absolved the BSP officials from any administrative liability in its Resolution No. 257[6] dated February 18, 2000.

After private respondent RBSM's motion for reconsideration of the Monetary Board resolution was similarly dismissed in a letter[7] dated July 31, 2000, it appealed to the CA via a petition for review under Rule 43 of the Rules of Court impleading as public respondents petitioners BSP and the members of the Monetary Board in addition to naming BSP officials Reyes, Domo-Ong and Principio as private respondents.

Petitioners filed in the CA a separate comment[8] from that of Reyes, Domo-Ong and Principio, arguing that the petition should be dismissed on the following grounds:

I

THE BSP AND "MEMBERS OF THE MONETARY BOARD" SHOULD BE DROPPED AS PARTIES-RESPONDENTS TO THE PRESENT CASE IN COMPLIANCE WITH SECTION 6, RULE 43 OF THE 1997 RULES OF PROCEDURE.

II

RBSM HAS NO LEGAL/JUDICIAL REMEDY FROM THE DISMISSAL OF ITS COMPLAINT AGAINST RESPONDENTS [Reyes, Domo-Ong and Principio].

III

RBSM FAILED TO EXHAUST ADMINISTRATIVE REMEDIES.

IV

SECTION 1, RULE 43 DOES NOT AUTHORIZE APPEAL FROM THE DECISION OF THE BSP AND MONETARY BOARD.

V

HILARIO P. SORIANO HAS NO AUTHORITY TO FILE RBSM'S PETITION.[9]

Reyes, Domo-Ong and Principio, on the other hand, raised the following issues in their Joint Comment (On the Petition for Review) dated June 1, 2001:

(1) Whether or not the x x x Ad Hoc Committee and the Monetary Board have maliciously or negligently failed to appreciate facts and to apply the law and rules thereto in dismissing the complaint against x x x Reyes, et al.; and

(2) Whether or not under the facts and applicable law, x x x Reyes, et al. should be found guilty of the administrative charges filed against them by [RBSM].[10]

After all the parties filed their respective pleadings, the CA rendered the assailed Decision and Resolution which reversed and set aside the resolution of the Monetary Board that dismissed the administrative complaints against the above BSP officials.

Petitioners thereafter filed the present petition, ascribing error to the CA and reiterating the arguments raised in their comment, namely, that 1) Hilario P. Soriano has no authority to file RBSM's petition for review; 2) petitioners should not have been impleaded as party-respondents; 3) there is no remedy of appeal from the dismissal of RBSM's administrative complaint; 4) RBSM failed to exhaust administrative remedies; and 5) Section 1, Rule 43 of the Rules of Court does not authorize an appeal from the administrative decision of the Monetary Board. Petitioners likewise contended that the CA erred in holding that the BSP officials were guilty of the charge of unprofessionalism.[11]

The petition was properly verified and accompanied by a certification of non-forum shopping, the fourth paragraph of which stated:

4. Petitioners have not heretofore commenced any other action or proceeding involving the same issue in the Supreme Court, Court of Appeals, or any other tribunal or agency, with the qualification that the following case is pending before the Court of Appeals filed by RBSM relative to the legality of the closure of said bank: "RURAL BANK OF SAN MIGUEL (BULACAN), INC. and HILARIO P. SORIANO, in his capacity as majority stockholder in the Rural Bank of San Miguel vs. MONETARY BOARD, the BANGKO SENTRAL NG PILIPINAS, and the PHILIPPINE DEPOSIT INSURANCE CORPORATION" docketed as CA-G.R. NO. SP 57112.

Moreover, BSP received on 30 August 2002 a letter dated 29 August 2002 from Hilario P. Soriano furnishing the BSP with a copy of the Petition for Review dated 14 August 2002 before the Supreme Court (with no G.R. No.) filed by Deputy Governor Alberto V. Reyes, Wilfredo B. Domo-Ong and Herminio C. Principio entitled:

"ALBERTO V. REYES, WILFREDO B. DOMO-ONG AND HERMINIO C. PRINCIPIO, Petitioners v. RURAL

BANK OF SAN MIGUEL (BULACAN), INC., represented by HILARIO P. SORIANO, President and Principal Stockholder." x x x[12]

On January 14, 2003, private respondent RBSM filed its comment[13] to the petition but failed to furnish a copy of the same to petitioners, thereby causing the latter to move in a Manifestation and Motion dated March 5, 2003 that their petition be deemed submitted for resolution even without such comment.[14] Private respondent RBSM opposed this motion and explained that the omission was due to the fact that it previously filed a similar comment in the appeal filed with this Court by the BSP officials in their individual capacities impugning the very same CA decision and resolution.[15] The appeal taken by Reyes, Domo-Ong and Principio was assigned to the Second Division and docketed as G.R No. 154499 entitled "Alberto V. Reyes, Wilfredo B. Domo-Ong, and Herminio C. Principio v. Rural Bank of San Miguel (Bulacan), Inc., represented by Hilario P. Soriano." [16] Private respondent RBSM's comment to the present petition had been sent to counsel for the BSP officials only and not to counsel for petitioners BSP and Members of the Monetary Board. To cure this defect, private respondent RBSM attached to its motion a copy of the comment it filed in the other case. [17]

On April 14, 2003, petitioners filed a Reply dated April 11, 2003 to private respondent's comment. They likewise filed on the same day a Manifestation dated April 2, 2003 disclosing that they received a copy of the Decision[18] dated March 14, 2003 of the Second Division of this Court in G.R. No. 154499, the dispositive portion of which reads:

WHEREFORE, the decision of the Court of Appeals dated December 14, 2001 is AFFIRMED with MODIFICATIONS. Petitioner Alberto V. Reyes is ordered to pay a fine equivalent to two (2) months salary, while petitioner Wilfredo B. Domo-Ong is fined in an amount equivalent to one (1) month salary. Petitioner Herminio C. Principio is found not administratively liable.

In response, private respondent RBSM moved for dismissal of the petition on May 13, 2003, highlighting, among others, the above ruling of this Court in G.R. No. 154499 which affirmed with modification the decision of the CA in CA G.R. SP No. 60184 holding two of the three impleaded BSP officials as administratively liable. For the first time, private respondent claimed that petitioners were guilty of forum shopping which "warranted the summary dismissal of the action filed." [19]

On June 10, 2003, petitioners prayed for leave to file their Comments (On Respondent's Motion to Dismiss) with Motion for Consolidation.[20] Petitioners asserted that petitioners and the BSP officials had been represented by different counsels in the proceedings before the CA and raised different issues therein. Petitioners also pointed out that they previously disclosed that they were furnished by Hilario P. Soriano, private respondent's representative, with a copy of the joint petition filed by Reyes, Domo-Ong and Principio but the same appeared not to have been filed with the Court at that time. Petitioners likewise claimed they were not notified of the subsequent proceedings in G.R. No. 154499 until that time when they received a copy of the Decision itself and the notice of judgment from Reyes. They prayed for the consolidation of G.R. No. 154499 with the present petition.

On August 6, 2003, the Court resolved to deny petitioners' motion for consolidation since the Decision in G.R. No. 154499 had already been promulgated.[21] An entry of judgment in that case as well as a letter of transmittal to the CA was made on November 5, 2004 and March 1, 2005, respectively.[22]

On March 17, 2005, private respondent RBSM filed, with leave of court, an Omnibus Motion[23] praying that the present petition as well as the petition in G.R. No. 154499 be summarily dismissed and the proceedings therein vacated for violation of the rule against forum shopping.

At the outset, it must be kept in mind that it was private respondent RBSM that sought and obtained relief from

the CA against the resolution exonerating Reyes, Domo-Ong and Principio from administrative liability. Separate appeals from the CA were thereafter taken to this Court by the parties originally impleaded as respondents, namely, the aforesaid officials as well as petitioners BSP and members of the Monetary Board. The appeals were allowed to proceed independently of each other despite the closely interrelated facts and issues involved. No request for consolidation of these cases was seasonably brought to the Court. The Decision rendered in G.R. No. 154499 has now become final. Consolidation is no longer feasible.

The Decision of this Court in G.R. No. 154499 resolved with finality the issues raised regarding the administrative liability of Reyes, Domo-Ong and Principio. It reduced the fines imposed on Reyes and Domo-Ong and found Principio not administratively liable.

Further action on those issues is thus already foreclosed.

Nevertheless, this remaining petition has merit because petitioners Bangko Sentral ng Pilipinas and Members of the Monetary Board should not have been impleaded as respondents. Section 6, Rule 43 of the Rules of Court states:

"Sec. 6. Contents of the petition. — The petition for review shall (a) state the full names of the parties to the case, without impleading the court or agencies either as petitioners or respondents. x x x." [24]

Finally, the Court notes that, in any case, no relief has been granted against petitioners herein who were thus treated as mere nominal parties.

WHEREFORE, the petition is PARTLY GRANTED in that petitioners are hereby excluded as respondents in the case subject of this review. No costs.

SO ORDERED.

Puno, C.J., (Chairperson), Sandoval-Gutierrez, Corona, and Garcia, JJ., concur.

[1] CA Rollo, pp. 825-850.

[2] Id. at 1032-1033. The assailed Decision and the Resolution rendered by the Court of Appeals were penned by Justice Cancio C. Garcia, now a member of this Court, with Justices Roberto A. Barrios and Bienvenido Reyes concurring.

[3] Id. at 201-218.

[4] Under Republic Act No. 7653, "The New Central Bank Act," the Monetary Board is the constituted body authorized to exercise the powers and functions of the BSP.

[5] Rollo, pp. 65-110.

[6] CA Rollo, pp. 111-113.

[7] Id. at 110.

[8] Petitioners filed their Comment dated May 24, 2001 on June 4, 2001 while Reyes, Domo-Ong and Principio filed their Joint Comment (On the Petition for Review) on June 1, 2001. See CA Rollo, pp. 136-151 and 153-492.

[9] CA Rollo, pp. 136-137. Emphasis ours.

[10] Id. at 165-166.

[11] Rollo, pp. 15-16. Emphasis ours.

[12] Id. at 29.

[13] Id. at 379-399.

[14] Id. at 401-404.

[15] Id. at 405-465.

[16] Id. at 431-465.

[17] Id. at 410-430.

[18] The decision was penned by Associate Justice Vicente V. Mendoza, with Associate Justices Josue N. Bellosillo, Leonardo A. Quisumbing, Ma. Alicia Austria-Martinez and Romeo J. Callejo, Sr., concurring.

[19] Rollo, pp. 469-478.

[20] Id. at 482-488.

[21] Id. at 492.

[22] See the Resolution dated November 29, 2006 of the Special Second Division in G.R. No. 154499.

[23] Rollo, pp. 495-507.

[24] Emphasis ours.

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