

IN THE MATTER OF THE PETITION FOR THE HABEAS CORPUS OF ATTY. FERNANDO ARGUELLES, JR., ATTY. REYNALDO GERONIMO, PAUL SIMON MORRIS, SUNDARA RAMESH, OWEN BELMAN, SANJAY AGGARWAL, R...

G.R. NO. 167211. March 14, 2006

Ponente: AZCUNA, J.

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AZCUNA, J.:

On March 15, 2005, petitioners filed a petition for habeas corpus because they were detained in a room at the Senate pursuant to an Order dated March 15, 2005 issued to respondent by the Senate Committee on Banks, Financial Institutions and Currencies (Senate Committee).

The antecedents are as follows:

The Senate Committee scheduled a hearing on March 15, 2005 at 10:30 a.m. to conduct an investigation, in aid of legislation, regarding the alleged illegal sale of unregistered and high risk securities by the Standard Chartered Bank.

On March 11, 2005, Standard Chartered Bank filed with this Court a petition for prohibition against the Senate Committee, seeking to prohibit the investigation by the Senate Committee of the sale of securities of the bank.

The officers of Standard Chartered Bank, namely, Paul Simon Morris, Sundara Ramesh, Owen Belman, Sanjay Aggarwal, Rajamani Chandrashekar, Ma. Ellen Victor, Chona G. Reyes, Zenaida Iglesias, Ramona Bernad, Michaelangelo Aguilar and Fernand Tansingco, were subpoenaed to appear before the Senate Committee hearing scheduled on March 15, 2005. At the hearing, Atty. Fernando Arguelles, Jr. and Atty. Reynaldo Geronimo were present as their counsel.

The minutes of the hearing show that Standard Chartered Bank's counsel provided the Senate Committee with a copy of the petition for prohibition. The bank's counsel also filed an urgent motion to suspend or defer the proceedings of the Senate Committee apparently to await the action of the Court on the petition for prohibition.

During the hearing, Senator Juan Ponce Enrile declared that "there is one portion of this petition that casts a slur on this Committee and the proceedings of the Committee." He asked Paul Simon Morris, Chief Executive Officer of the Standard Chartered Bank, who verified the petition for prohibition, whether he endorsed this allegation, thus:

THE COMMITTEE ACTED IN GRAVE ABUSE OF DISCRETION AMOUNTING TO LACK OF JURISDICTION BY CONDUCTING AN INVESTIGATION, PURPORTEDLY 'IN AID OF LEGISLATION,' BUT IN REALITY IN AID OF COLLECTION OF A HANDFUL OF CLIENTS OF THE STANDARD CHARTERED BANK FOR LOSSES WHICH WERE FOR THEIR ACCOUNT AND RISK WHICH COLLECTION IS WITHIN THE PROVINCE OF THE COURT RATHER THAN OF THE LEGISLATURE.[1]

Morris admitted that he endorsed the allegation that the investigation was "in aid of collection" upon the advice of their lawyers. He stated that he acted in good faith, and apologized for his error of judgment.

Senator Juan Ponce Enrile moved to cite the officers of Standard Chartered Bank and their counsel, Atty. Fernando Arguelles, Jr. and Atty. Reynaldo Geronimo, for contempt for making the allegation.

Thereafter, the Senate Committee took two breaks and resumed at 12:00 noon. Senator Edgardo Angara, chairperson of the Senate Committee, issued an Order directing respondent Major General Jose Balajadia, Jr., sergeant-at-arms of the Senate, to detain for direct contempt of the Committee the officers of Standard Chartered Bank and their counsel, Atty. Fernando Arguelles, Jr. and Atty. Reynaldo Geronimo, for a period of not more than six hours.

The persons who were detained in a room at the Senate then filed this petition for habeas corpus, alleging that the Committee acted in violation of the Constitution and without jurisdiction, for the following reasons: (1) The act complained of by Senator Juan Ponce Enrile occurred outside the Senate and not in the course of the proceedings of the Committee; (2) the allegations in the petition for prohibition are absolutely privileged and cannot be the basis for contempt; (3) any comment on, or criticism of, the conduct of the Committee is protected by freedom of expression as guaranteed in Section 4, Article III of the Constitution; (4) petitioners were denied due process as they were not afforded a chance to be heard before they were cited for contempt; and, (5) petitioners are being illegally deprived of their liberty at the Senate building.

Petitioners prayed that respondent be directed to appear before this Court to produce their bodies and to explain why they should not be set at liberty without delay.

On March 18, 2005, petitioners filed a Manifestation and Motion stating that they were released from the custody of the Senate by the Office of the Sergeant-at-Arms on March 15, 2005 at 5:56 p.m. Notwithstanding their release, petitioners submitted that it is imperative that the issues involved in this case be resolved, because they are of unprecedented and transcendental importance and they involve the impact of the exercise of the powers of Congress upon human rights.

On April 8, 2005, petitioners Atty. Fernando Arguelles, Jr., and Atty. Reynaldo Geronimo filed a Supplement to Petition alleging that no one seconded the motion of Senator Juan Ponce Enrile to cite them for contempt, and that the members of the Senate Committee did not assemble during the meeting and did not vote to cite them for contempt. Hence, they contended that the Order directing their detention is void.

On June 3, 2005, the officers of Standard Chartered Bank moved that they be excluded from the case, without prejudice to the right of petitioners Atty. Fernando Arguelles, Jr. and Atty. Reynaldo Geronimo to pursue the case. The motion was granted by the Court.

The petition has become moot.

A writ of habeas corpus extends to all cases of illegal confinement or detention by which any person is deprived of his liberty, or by which the rightful custody of any person is withheld from the person entitled to it.[2] Its essential object and purpose is to inquire into all manner of involuntary restraint and to relieve a person from it if such restraint is illegal.[3]

The singular function of a petition for habeas corpus is to protect and secure the basic freedom of physical liberty. Petitioners have been released. While the issues raised by petitioners are important, it is not appropriate to resolve them now in these proceedings. This is all the more so considering that the only respondent here is Maj. Gen. Jose Balajadia, Jr., the Senate sergeant-at-arms, impleaded in that capacity for holding petitioners in custody. The

Senate Committee itself has not been made a respondent and, therefore, has not been given the opportunity to be heard on the issues sought to be resolved.

WHEREFORE, the petition is DISMISSED for being moot. No costs.

SO ORDERED.

Panganiban, C.J., Puno, Quisumbing, Ynares-Santiago, Sandoval-Gutierrez, Carpio, Austria-Martinez, Carpio-Morales, Callejo, Sr., Tinga, Chico-Nazario, and Garcia, JJ., concur.
Corona, J., on sick leave.

[1] Emphasis supplied.

[2] Rules of Court, Rule 102 (Habeas Corpus), Section 1.

[3] *Ilusorio v. Bildner*, G.R. Nos. 139789 & 139808, May 12, 2000, 332 SCRA 169, 175.

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