

**RO-ANN VETERINARY MANUFACTURING INC., RONILO DELA CRUZ
AND RAFAELITO LAGAT, JR., PETITIONERS, VS. FERNANDO A.
BINGBING, AND GILBERT C. VILLASEÑOR, RESPONDENTS.**

G.R. No. 236271. April 03, 2019

Ponente: A. REYES, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-236271/>

A. REYES, JR., J.:

Nature of the Petitions

Challenged before the Court via a Petition for Review on Certiorari[1] under Rule 45 of the Rules are the Resolutions[2] dated July 14, 2017[3] and December 21, 2017[4] of the Court of Appeals (CA) in CA-G.R. SP No. 144805, which dismissed, for being moot and academic, the petition for certiorari[5] filed under Rule 65 assailing the Decision[6] of the National Labor Relations Commission (NLRC) in NLRC Case No. SRABV-10-00084-14.

The Antecedent Facts

Fernando A. Bingbing and Gilbert C. Villaseñor (respondents) were employed by Ro-Ann Veterinary Manufacturing, Inc. (petitioner corporation) as technical sales representatives. Respondent Bingbing was hired in 2013 through petitioner Rafaelito Lagat, Jr. (petitioner Lagat), petitioner corporation's Sales Team Leader in the Bicol region who does business under the name and style "RJ2L Enterprise." Similarly, respondent Villaseñor was employed by the petitioner corporation as early as 2008. As sales representatives, respondents were tasked with the sale and delivery of veterinary products, along with the collection of payments from customers and the remittance of the same to the petitioner corporation.[7]

Sometime around March 1, 2014, respondents were told by a number of their clients that respondent corporation released an advisory[8] informing them that the two were no longer connected with the company. Respondents immediately contacted petitioner Lagat, their team leader, who admitted and confirmed that he sent the subject advisories upon instruction of petitioner corporation.[9]

Petitioners contend that respondents were involved in unexplained withdrawals of items from the company amounting to a sum of P84,521.57. It was, likewise, alleged that respondents failed to comply with their duty to remit customer payments and were also moonlighting. Furthermore, petitioners claim that after confronting respondents about these infractions, the latter stopped reporting for work.[10]

Respondents, on the other hand, argued that when petitioner Lagat confirmed the text, the same operated as an express termination of their employment with petitioner corporation. They argued that said termination was illegal and without basis.[11]

Thereafter, respondents submitted their grievance to the Department of Labor and Employment (DOLE), in accordance with the Department's Single Entry Approach, hoping to reach a settlement, but to no avail. Thus, on October 1, 2014, respondents filed with the NLRC Arbitration Branch their respective complaints[12] against

herein petitioners for illegal dismissal, non-payment of salaries, service incentive leave pay, 13[th] month pay, separation pay, and claims for damages and attorney's fees.

After receiving the parties' pleadings, the Labor Arbiter (LA) rendered a Decision[13] dated March 27, 2015 declaring respondents as illegally dismissed, to wit:

WHEREFORE, premises considered, judgment is hereby rendered declaring [respondents] as illegally dismissed from their employment. Consequently, [petitioner corporation] Ro-Ann Veterinary Manufacturing, Inc. is hereby ordered to pay [respondents] the total amount of FOUR HUNDRED NINETY THREE THOUSAND TWO HUNDRED SEVENTY SIX PESOS and 64/100 (P493,276.64), representing the latter's separation pay, backwages, salary differentials, 13[th] month pay and ten percent (10%) attorney's fees, as computed above.

All other claims and charges are hereby dismissed, for lack of factual and/or legal basis.

SO ORDERED.[14]

Petitioners sought recourse with the NLRC through an appeal, but the same was dismissed through the latter's Decision[15] dated September 30, 2015. The decision affirmed the findings of the LA, but deleted the monetary award in favor of respondent Bingbing because the latter's position paper was not appended to the records of the case. The dispositive portion of said decision reads as follows:

WHEREFORE, premises considered, [petitioners] Appeal is DISMISSED for lack of merit.

The decision of the Labor Arbiter is AFFIRMED with MODIFICATION. The monetary award of [respondent] Bingbing is hereby DELETED.

SO ORDERED.[16]

Petitioners and respondent Bingbing immediately moved for reconsideration, but only the latter's motion was granted, thus, effectively reinstating the LA's March 27, 2015 Decision.[17] On the part of petitioners, the NLRC found no merit in their Motion for Reconsideration (MR) and denied it in a Resolution[18] dated January 25, 2016, the dispositive portion of which states:

ACCORDINGLY, the instant Motion for Reconsideration is hereby DENIED for lack of merit.

No further Motion for Reconsideration shall be entertained.

SO ORDERED.[19]

Aggrieved, petitioners elevated the case to the CA on March 28, 2016 via a Petition for Certiorari[20] under Rule 65 of the Rules of Court.

In the meantime, while the petition for certiorari was pending before the CA, the LA, on August 8, 2016, issued a Writ of Execution[21] against the petitioner corporation. The writ demanded the full satisfaction of the March 27, 2015 judgment award while further requiring the satisfaction of an additional monetary award of P270,608.24 representing respondents' separation pay and backwages recomputed up until the decision's date of finality.[22]

Petitioners vehemently opposed the grant of additional monetary awards contained in the Writ of Execution and filed a Petition pursuant to Rule XII[23] of the 2011 NLRC Rules of Procedure assailing the same. They argued that the grant of additional monetary awards had no factual or legal basis and prayed that the implementation of the writ be enjoined and subsequently annulled.[24] The petition was ultimately denied by the NLRC in a Decision[25] dated October 28, 2016.

Consequently, the Writ of Execution was finally enforced and the judgment award, along with the additional monetary award, was collected from petitioner corporation's bank deposit with garnishee Metrobank and the cash bond which was filed with the NLRC upon appeal.[26]

On March 21, 2017, the CA, acting on the still pending petition for certiorari, issued a Resolution[27] referring the case to its Philippine Mediation Center (PMC) unit. Thereafter, on June 14, 2017, respondents filed an Ex-Parte Manifestation[28] contending that the mediation process had become moot and academic due to petitioners' payment and full satisfaction of the judgment award. Thus, on June 21, 2017, the PMC unit of the CA issued a Report[29] which terminated the mediation process.

On the basis of the Mediator's Report and private respondent's ex-parte manifestation, the CA issued a Resolution[30] dated July 14, 2017 which considered the petition for certiorari as withdrawn, thereby closing and terminating petitioners' case. The CA disposed of the case as follows:

The Court RESOLVES to NOTE the Mediator's Report dated June 21, 2017 with attached Ex-Parte Manifestation stating that petitioners have already paid the monetary awards of respondents and the instant case had already been considered closed and terminated as of May 17, 2017 as evidenced by the Order issued by the NLRC.

IN VIEW OF THE FOREGOING, the petition is hereby considered WITHDRAWN and the case is deemed CLOSED AND TERMINATED.

SO ORDERED.[31] (Emphasis supplied)

Petitioners filed a motion for reconsideration, but the same was denied by the CA in its Resolution[32] dated December 21, 2017. Hence, the filing of the present petition for review on certiorari.

Issues and Arguments

For resolution is the sole issue of whether the CA committed a reversible error in ordering the withdrawal of the petition for certiorari due to the satisfaction of the judgment award in compliance with the Writ of Execution issued by the LA a quo.

On one hand, respondents argue that the withdrawal of the petition for certiorari pending before the CA was correct since the illegal dismissal case before the NLRC had been closed and terminated. Moreover, they insist that having received the judgment award, petitioners voluntarily settled the monetary claims. Thus, the petition pending before the CA had become moot and academic, justifying its withdrawal.[33]

On the other hand, petitioners chiefly argue that the payment of the judgment award by reason of the enforcement of the writ of execution issued by the LA should have no effect on the petition for certiorari filed before the CA. They contend that the payment of the monetary awards was done purely in compliance with the orders of the LA and should, by no means, be interpreted as a voluntary settlement of respondents' claims.[34] Simply put, petitioners insist that the CA committed a palpable mistake when it let the execution proceedings before the LA prejudice the petition for certiorari filed before it instead of resolving the same on the merits.[35]

The Court's Ruling

Petitioners' contentions are meritorious hence, the petition is hereby granted.

Well-entrenched in jurisprudence is the rule that the proper mode of judicial review over decisions of the NLRC is via a Petition for Certiorari under Rule 65 of the Rules of Court filed before the CA. This remedy is a special original action focused on resolving the issue of whether a tribunal, board, or officer exercising judicial or

quasi-judicial functions has acted without or in excess of its jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction.[36]

Being a special original action, a petition for certiorari has an entirely different purpose from a regular appeal. While the latter is concerned with the correctness of the judgment of the NLRC on the merits, the former's primary concern is resolving whether the commission, in the exercise of its judgment, has acted whimsically, capriciously, or even arbitrarily. As further discussed by the Court in *Philippine National Bank v. Gregorio*,[37] the two actions are entirely distinct from one another, to wit:

A special civil action for certiorari under Rule 65 is not the same as an appeal. In an appeal, the appellate court reviews errors of judgment. On the other hand, a petition for certiorari under Rule 65 is not an appeal but a special civil action, where the reviewing court has jurisdiction only over errors of jurisdiction. We have consistently emphasized that a special civil action for certiorari and an appeal are "mutually exclusive and not alternative or successive." A petition filed under Rule 65 cannot serve as a substitute for an appeal.

Thus, while we said in *St. Martin* that a special civil action under Rule 65 is proper to seek the review of an NLRC decision, this remedy is, by no means, intended to be an alternative to an appeal. It is not a substitute for an appeal that was devised to circumvent the absence of a statutory basis for the remedy of appeal of NLRC's decisions. It is not a means to review the entire decision of the NLRC for reversible errors on questions of fact and law.[38] (Citations omitted and emphasis supplied)

Definitely, a petition for certiorari under Rule 65 is an entirely independent action from the proceedings initiated with the court of origin. It is neither a part nor a continuation of the original suit.[39] Accordingly, being a separate and distinct action, the proceedings before the NLRC, even upon reaching finality, and even after execution, should not influence the petition for certiorari pending before the CA.

This "mutual and exclusive" nature of a petition for certiorari is readily apparent in Rule XI of the 2011 Revised Rules of Procedure of the NLRC, as amended.[40] For one, a reading of Sections 1 to 4 of said Rule underscores the legal precept that execution proceedings before the NLRC are not affected by a petition for certiorari duly filed with the CA. The relevant Sections state:

RULE XI
EXECUTION PROCEEDINGS

SECTION 1. EXECUTION UPON FINALITY OF DECISION OR ORDER - a) A writ of execution may be issued *motu proprio* or on motion, upon a decision or order that has become final and executory.

b) If an appeal has been duly perfected and finally resolved by the Commission, a motion for execution may be filed before the Labor Arbiter, when the latter has possession of the case records or upon submission of certified true copies of the decisions or final order/s sought to be enforced including notice of decision or order and the entry of judgment, copy furnished the adverse party.

x x x x

SECTION 2. EXECUTION BY MOTION OR BY INDEPENDENT ACTION. - Pursuant to Art. 224 of the Labor Code, a decision or order may be executed on motion within five (5) years from the date it becomes final and executory. After the lapse of such period, the judgment shall become dormant, and may only be enforced by an independent action before the Regional Arbitration Branch of origin and within a period often (10) years from date of its finality.

SECTION 3. EFFECT OF PERFECTION OF APPEAL ON EXECUTION. - The perfection of an appeal shall stay the execution of the decision of the Labor Arbiter except execution for reinstatement pending appeal.

SECTION 4. EFFECT OF PETITION FOR CERTIORARI ON EXECUTION - A petition for certiorari with the Court of Appeals or Supreme Court shall not stay the execution of the assailed decision unless a restraining order is issued by said courts. (Emphasis supplied)

As explained by the Court in *Leonis Navigation v. Villameter*,^[41] the aforementioned Sections highlight the rule that although the CA may review decisions or resolutions of the NLRC on jurisdictional issues, the same does not interfere with them becoming final and executory. The Court further emphasized that the only exception to said rule is when the execution is restrained by the proper court.^[42]

Furthermore, pursuant to the same rules of procedure of the NLRC, Sections 17 and 18 under Rule XI explicitly states that an executed judgment by the NLRC can, in fact, be reversed or annulled by the CA. Moreover, the provisions even provide for the effect of such reversal or annulment, to wit:

SECTION 17. EFFECT OF REVERSAL DURING EXECUTION PROCEEDINGS. - In case of total or partial reversal of judgment by the Court of Appeals, the execution proceedings shall be suspended insofar as the reversal is concerned notwithstanding the pendency of a motion for reconsideration on such judgment.

However, where the judgment of the Court of Appeals is reversed by the Supreme Court, execution proceedings shall commence upon presentation of certified true copy of the decision and entry of judgment.^[43]

SECTION 18. RESTITUTION. - Where the executed judgment is totally or partially reversed or annulled by the Court of Appeals or the Supreme Court with finality and restitution is so ordered, the Labor Arbiter shall, on motion, issue such order of restitution of the executed award, except reinstatement wages paid pending appeal.^[44] (Emphasis supplied)

Applying the above-mentioned provisions of law, the Court has been consistent in ruling that the payment of a judgment award by virtue of the execution of a decision, resolution, or order of the NLRC is without prejudice to further recourse before the CA.^[45]

In fact, the Court's ruling in *Seacrest Maritime Management, Inc. v. Picar, Jr.*,^[46] applies squarely to the case at bar. In *Seacrest*, much like in this case, the LA rendered judgment in favor of the employee, which was affirmed on appeal by the NLRC. Aggrieved, the employer filed a petition for certiorari with the CA. While said petition was pending, the LA ordered the execution of its decision which forced the employer to pay the judgment award. The CA, upon learning of the payment, issued a decision dismissing the petition pending before it because the same had become moot and academic. In reversing the CA, the Court explicitly stated that the satisfaction of the monetary award by the employer does not render the petition for certiorari moot before the CA. The Court then ordered the case remanded to the CA for decision on the merits.^[47]

The same ruling was echoed in the recent case of *Espere v. NFD International Manning Agents, Inc.*,^[48] wherein the Court ruled:

The petition for certiorari filed by respondents with the CA was not rendered moot and academic by their satisfaction of the judgment award in compliance with the writ of execution issued by the LA. The case of *Career Philippines Shipmanagement, Inc. v. Madjus*, cited by petitioner, finds no application in the present case. In the said case, while the petitioner employer had the luxury of having other remedies available to it such as its petition for certiorari pending before the CA and an eventual appeal to this Court, the respondent seafarer, in consideration of the satisfaction of judgment made by his employer, was made to execute an affidavit where he undertook that he will no longer pursue other claims after receiving payment arising from his employer's satisfaction of the judgment award. For equitable considerations, this Court held that the LA and the CA could not be faulted for interpreting the employer's "conditional settlement" to be tantamount to an amicable settlement of the case resulting in the mootness of the petition for certiorari filed by the employer

before the CA.

In the instant case, however, the records at hand show that no form of settlement was executed between the parties. Respondents' payment of the judgment award, without prejudice, required no obligations whatsoever on the part of petitioner. The satisfaction of the judgment award may not be considered as an amicable settlement between the parties as it was simply made in strict compliance with or wholly by virtue of satisfying a duly issued writ of execution. Thus, the equitable ruling in *Career Philippines*, may not be made to apply in the present case, otherwise, it would be unfair to respondents because it would prevent them from availing of the remedies available to them under the Rules of Court, such as the petition for certiorari they filed with the CA.[49] (Citations omitted and emphasis supplied)

Verily, in the case at bar, it is obvious that petitioners did not voluntarily pay or settle respondents' monetary claims. As culled from the records, the full satisfaction of the judgment award came about due to the enforcement of the LA's Writ of Execution[50] dated August 8, 2016, By virtue of said enforcement, the Cash Bond[51] posted by petitioners with the NLRC was executed against and the latter's account with Metrobank in Alaminos City, Pangasinan was garnished.[52] Thus, as correctly argued by petitioners, since the full satisfaction of respondents' judgment award was done in strict compliance with a duly issued writ of execution, the same cannot be taken as a voluntary settlement of the monetary claims.

Furthermore, contrary to respondents' contentions, there is no showing that petitioners voluntarily agreed to the termination of the mediation proceedings before the CA.[53] A look at the Mediator's Report of the CA's PMC unit would show that the mediation process had been terminated for "other reasons." The reason specified was, "Pls. Take note of confirmation at the bottom of the attached ex-parte manifestation." [54] Upon checking the subject ex-parte manifestation, it contained a hand-written note signed by Atty. Ancheta, Jr., petitioners' counsel, stating, "Confirming execution of the monetary award by the SRAB of NLRC pending appeal of the case with the Court of Appeals." [55]

Certainly, the confirmation which the mediator used as basis for the termination of the mediation process was a mere attestation to the fact that the judgment award had been executed. Thus, the same should not have been taken as an indication that petitioners had voluntarily agreed to the withdrawal of their petition for certiorari. This finding is bolstered even more so by the Motion for Reconsideration[56] filed by petitioners wherein they categorically declared that they did not voluntarily pay or settle the monetary awards claimed by respondents.[57]

In summary, it is clear that petitioners did not consent to the withdrawal of their petition. Likewise, clear is the finding that there was no voluntary settlement of private respondent's judgment award for the same was merely done in compliance with a duly issued writ of execution. These, coupled with the rule that a petition for certiorari is an action which is not a part or a continuation of the proceedings which resulted in the judgment complained of, reveal that the CA committed a palpable mistake when it considered the petition as withdrawn for being moot and academic.[58]

WHEREFORE, the petition is GRANTED. The July 14, 2017 and December 21, 2017 Resolutions of the Court of Appeals in CA-G.R. SP No. 144805 are REVERSED and SET ASIDE. The case is ordered REMANDED to the Court of Appeals for decision on the merits.

SO ORDERED.

Peralta, (Chairperson), Leonen, Hernando, and Carandang,[*] JJ., concur.

[*] Designated additional Member per Special Order No. 2624, dated November 29, 2018.

[1] Rollo, pp. 10-26.

[2] Penned by Associate Justice Socorro B. Inting with Associate Justices Romeo F. Barza (now Presiding Justice of the Court of Appeals) and Henri Jean Paul B. Inting concurring.

[3] Id. at 36-37.

[4] Id. at 81-82.

[5] Id. at 84-94.

[6] Id. at 98-105.

[7] Id. at 13-15.

[8] "GUD DAY SIR/MADAM, I WOULD LIKE TO INFORM YOU THAT GILBERT VILLASEÑOR AND FERNANDO BINGBING ARE NOT CONNECTED IN ROAN VET. PRODUCT (RJ2L ENT.) ANY TRANSACTION REGARDING ROAN PRODUCTS CONTRACT TO RJ2L ROAN BIKOL DIRECTLY. THKS ND MORE POWER." CA rollo, pp. 151-152.

[9] Rollo, pp. 98-99.

[10] Id. at 126.

[11] Id.

[12] CA rollo, pp. 127-143; 149-163.

[13] Rollo, pp. 98-105.

[14] Id. at 105.

[15] Id. at 120-130.

[16] Id. at 130.

[17] Id. at 122.

[18] Id. at 112-113.

[19] Id. at 112.

[20] Id. at 84-95.

[21] Id. at 58-62.

[22] Id. at 105.

[23] SECTION 1. VERIFIED PETITION. - A party aggrieved by any order or resolution of the Labor Arbiter, including a writ of execution and others issued during execution proceedings, may file a verified petition to annul or modify the same. The petition may be accompanied by an application for the issuance of a temporary restraining order and/or writ of preliminary or permanent injunction to enjoin the Labor Arbiter, or any person acting under his/her authority, to desist from enforcing said resolution, order or writ.

[24] Rollo, p, 54.

[25] Id. at 169-182.

[26] Id. at 48.

[27] CA rollo, p. 242.

[28] Id. at 244.

[29] Id. at 243.

[30] Id. at 247-248.

[31] Id. at 247.

[32] Rollo, pp. 81-82.

[33] Id. at 199-201.

[34] Id. at 19-20.

[35] Id.

[36] See *Philippine National Bank v. Gregorio*, G.R. No. 194944, September 18, 2017, 840 SCRA 37; *Oasis Park Hotel v. Navaluna*, 800 Phil. 244, 260 (2016); *St. Martin Funeral Home v. NLRC*, 356 Phil. 811, 819 (1998).

[37] *Supra* note 36.

[38] Id. at 50-51.

[39] *China Banking Corp. v. Cebu Printing and Packaging Corp.*, 642 Phil. 308, 321 (2010); *Spouses Diaz v. Diaz*, 387 Phil. 314, 333-334 (2000).

[40] As amended by En Banc Resolution Nos. 11-12, Series of 2012 and 05-14, Series of 2014.

[41] 628 Phil. 81, 93-94 (2010), citing *Bago v. NLRC* 549 Phil. 414, 428 (2007).

[42] Id.

[43] As amended by En Banc Resolution Nos. 11-12, Series of 2012.

[44] As amended by En Banc Resolution Nos. 11-12, Series of 2012 and 05-14, Series of 2014.

[45] *Espere v. NFD International Manning Agents, Inc.*, GR. No. 212098, July 26, 2017, 833 SCRA 156, 170; *Seacrest Maritime Mgm't, Inc., et al. v. Picar, Jr.*, 755 Phil. 901, 907 (2015); *Leonis Navigation Co., Inc. et al. v. Villamater and/or The Heirs of the late Catalino U. Villamater*, 628 Phil. 81, 94 (2010).

[46] *Seacrest Maritime Mgm't, Inc., et al. v. Picar, Jr.*, *supra* note 45.

[47] Id. at 910

[48] *Espere v. NFD International Manning Agents, Inc.*, *supra* note 45.

[49] Id. at 169-170.

[50] Rollo, pp. 58-61.

[51] Id. at 44-45.

[52] Id. at 43.

[53] Id. at 199-201.

[54] CA rollo, p. 243.

[55] Id. at 244.

[56] Id. at 249-252.

[57] Id. at 250.

[58] Id. at 36.

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.