

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT  
FIRST DIVISION**

**GEORGE YAO,**  
*Petitioner,*

*-versus-*

**G.R. No. 132428  
October 24, 2000**

**HON. COURT OF APPEALS, and THE  
PEOPLE OF THE PHILIPPINES,**  
*Respondents.*

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**DECISION**

**DAVIDE, JR., C.J.:**

In this Petition for Review on Certiorari, George Yao (hereafter YAO) assails the 25 April 1995 Resolution of the Court of Appeals in CA-G.R. No. 16893 which dismissed his appeal and ordered the remand of the records of the case to the Metropolitan Trial Court, Branch 52, Caloocan<sup>[\*]</sup> City (hereafter MeTC) for execution. YAO was convicted by said MeTC for unfair competition.

YAO's legal dilemma commenced in June 1990 when the Philippine Electrical Manufacturing Company (hereafter PEMCO) noticed the proliferation locally of General Electric (GE) lamp starters. As the only local subsidiary of GE-USA, PEMCO knew that it was a highly unlikely market situation considering that no GE starter was locally

manufactured or imported since 1983. PEMCO commissioned Gardsmarks, Inc. to conduct a market survey. Gardsmarks, Inc., thru its trademark specialist, Martin Remandaman, discovered that thirty (30) commercial establishments sold GE starters. All these establishments pointed to Tradeway Commercial Corporation (hereafter TCC) as their source. Remandaman was able to purchase from TCC fifty (50) pieces of fluorescent lamp starters with the GE logo and design. Assessing that these products were counterfeit, PEMCO applied for the issuance of a search warrant. This was issued by the MeTC, Branch 49, Caloocan City. Eight boxes, each containing 15,630 starters, were thereafter seized from the TCC warehouse in Caloocan City.

Indicted before the MeTC, Branch 52, Caloocan City for unfair competition under Article 189 of the Revised Penal Code were YAO, who was TCC's President and General Manager, and Alfredo Roxas, a member of TCC's Board of Directors. The indictment<sup>[1]</sup> charged YAO and Roxas of having mutually and in conspiracy sold fluorescent lamp starters which have the General Electric (GE) logo, design and containers, making them appear as genuine GE fluorescent lamp starters; and inducing the public to believe them as such, when they were in fact counterfeit. The case was docketed as Criminal Case No. C-155713.

Both accused pleaded not guilty. At the trial, the prosecution presented evidence tending to establish the foregoing narration of facts. Further, the State presented witnesses Atty. Hofilena of the Castillo Laman Tan and Pantaleon Law Offices who underwent a familiarization seminar from PEMCO in 1990 on how to distinguish a genuine GE starter from a counterfeit, and Allan de la Cruz, PEMCO's marketing manager. Both described a genuine GE starter as having "a stenciled silk-screen printing which includes the GE logo back to back around the starter, a drumlike glowbulb and a condenser/capacitor shaped like an M&M candy with the numbers .006." They then compared and examined random samples of the seized starters with the genuine GE products. They concluded that the seized starters did not possess the full design complement of a GE original. They also observed that some of the seized starters did not have capacitors or if they possessed capacitors, these were not shaped like M&M. Still others merely had sticker jackets with prints of the GE logo. Mr. de la

Cruz added that only Hankuk Stars of Korea manufactured GE starters and if these were imported by PEMCO, they would cost P7.00 each locally. As TCC's starters cost P1.60 each, the witnesses agreed that the glaring differences in the packaging, design and costs indisputably proved that TCC's GE starters were counterfeit.

The defense presented YAO as its lone witness. YAO admitted that as general manager, he has overall supervision of the daily operation of the company. As such, he has the final word on the particular brands of products that TCC would purchase and in turn sold. He also admitted that TCC is not an accredited distributor of GE starters. However, he disclaimed liability for the crime charged since (1) he had no knowledge or information that the GE starters supplied to TCC were fake; (2) he had not attended any seminar that helped him determine which TCC products were counterfeit; (3) he had no participation in the manufacture, branding, stenciling of the GE names or logo in the starters; (4) TCC's suppliers of the starters delivered the same already branded and boxed; and (5) he only discussed with the suppliers matters regarding pricing and peak-volume items.

In its 13-page 20 October 1993 Decision,<sup>[2]</sup> the MeTC acquitted Roxas but convicted YAO. In acquitting Roxas, the trial court declared that the prosecution failed to prove that he was still one of the Board of Directors at the time the goods were seized. It anchored its conviction of YAO on the following: (1) YAO's admission that he knew that the starters were not part of GE's line products when he applied with PEMCO for TCC's accreditation as distributor; (2) the prosecution's evidence (Exhibit G-7), a delivery receipt dated 25 May 1989 issued by Country Supplier Center, on which a TCC personnel noted that the 2000 starters delivered were GE starters despite the statement therein that they were China starters; this fact gave rise to a presumption that the TCC personnel knew of the anomaly and that YAO as general manager and overall supervisor knew and perpetrated the deception of the public; (3) the fact that no genuine GE starter could be sold from 1986 whether locally manufactured or imported or at the very least in such large commercial quantity as those seized from TCC; and (4) presence of the elements of unfair competition.

The dispositive portion of the decision reads as follows:

For the failure of the prosecution to prove the guilt of the accused, Alfredo Roxas, of Unfair Competition under Article 189 (1) of the Revised Penal Code i.e., to prove that he was Chairman of the Board of the Tradeway Commercial Corporation on October 10, 1990, as well as to have him identified in open court during the trial, he is acquitted of the same.

But because the prosecution proved the guilt of the other accused, George Yao, beyond reasonable doubt as principal under the said Article 189 (1) for Unfair Competition, he is convicted of the same. In the absence of any aggravating or mitigating circumstances alleged/proven, and considering the provisions of the Indeterminate Sentence Law, he is sentenced to a minimum of four (4) months and twenty-one (21) days of arresto mayor to a maximum of one (1) year and five (5) months of prision correccional.

This case was prosecuted by the law offices of Castillo Laman Tan and Pantaleon for PEMCO. Considering that no document was submitted by the private complainant to show how the claim of 300,000 for consequential damages was reached and/or computed, the court is not in a position to make a pronouncement on the whole amount. However, the offender, George Yao, is directed to pay PEMCO the amount of P20,000 by way of consequential damages under Article 2202 of the New Civil Code, and to pay the law offices of Castillo, Laman Tan and Pantaleon the amount of another P20,000.00 as PEMCO's attorney's fees under Article 2208 (11) of the same.

This decision should have been promulgated in open court on July 28, 1993 but the promulgation was reset for August 31, 1993 in view of the absence of parties; it was again re-set for today.

Promulgated this 20<sup>th</sup> day of October, 1993 in Kalookan City, Philippines.<sup>[3]</sup>

YAO filed a motion for reconsideration, which the MeTC denied in its Order<sup>[4]</sup> of 7 March 1994.

YAO appealed to the Regional Trial Court of Caloocan City (RTC). The appeal was docketed as Criminal Case No. C-47255(94) and was assigned to Branch 121 of the court.

On 24 May 1994, Presiding Judge Adoracion G. Angeles of Branch 121 issued an Order<sup>[5]</sup> directing the parties to file their respective memoranda.

On 4 July 1994 YAO filed his Appeal Memorandum.<sup>[6]</sup>

Without waiting for the Memorandum on Appeal of the prosecution, which was filed only on 20 August 1994,<sup>[7]</sup> Judge Adoracion Angeles rendered on 27 July 1994 a one-page Decision<sup>[8]</sup> which affirmed in toto the MeTC decision. In so doing, she merely quoted the dispositive portion of the MeTC and stated that “after going over the evidence on record, the Court finds no cogent reason to disturb the findings of the Metropolitan Trial Court.”

YAO filed a Motion for Reconsideration<sup>[9]</sup> and assailed the Decision as violative of Section 2, Rule 20 of the Rules of Court.<sup>[10]</sup> In its Order<sup>[11]</sup> of 28 September 1994, the RTC denied the motion for reconsideration as devoid of merit and reiterated that the findings of the trial court are entitled to great weight on appeal and should not be disturbed on appeal unless for strong and cogent reasons.

On 4 October 1994, YAO appealed to the Court of Appeals by filing a notice of appeal.<sup>[12]</sup>

The appealed case was docketed as CA-G.R. CR No. 16893. In its Resolution<sup>[13]</sup> of 28 February 1995, the Court of Appeals granted YAO an extension of twenty (20) days from 10 February or until 12 March 1995 within which to file the Appellant’s Brief. However, on 25 April 1995 the Court of Appeals promulgated a Resolution<sup>[14]</sup> declaring that “the decision rendered on July 27, 1994 by the Regional Trial Court, Branch 121, has long become final and executory” and ordering the records of the case remanded to said court for the proper execution of judgment. The pertinent portion of the Resolution reads:

In Our resolution, dated February 28, 1995, accused-appellant was granted an extension of twenty (20) days from February 10,

1995, or until March 12, 1995 within which to file appellant's brief.

To date, no appellant's brief has been filed.

From the Manifestation, filed on March 24, 1995, by City Prosecutor Gabriel N. dela Cruz, Kalookan City, it would appear that:

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2. George Yao received a copy of the RTC's decision on August 16, 1994, and filed a motion for reconsideration on August 30, 1994. On October 3, 1994, George Yao received a copy of the RTC's order, dated September 28, 1994, denying his motion for reconsideration.
3. On October 4, 1994, George Yao filed a notice of appeal by registered mail.

We will assume from the said Manifestation that the decision of the RTC and the order denying YAO's motion for reconsideration were sent to and received by YAO's counsel.

Proceeding from said assumption, Yao had fifteen (15) days from August 16, 1994 to elevate his case to this Court. On August 30, 1994, or fourteen (14) days thereafter, Yao filed a motion for reconsideration. When he received the Order denying his aforesaid motion on October 3, 1994, he had one more day left to elevate his case to this Court by the proper mode of appeal, which is by petition for review. Yao, however, on October 4, 1994, filed a notice of appeal by registered mail informing the RTC that he is appealing his conviction to the Court of Appeals. By then, the fifteen (15) day period had already elapsed.

That notwithstanding, the Branch Clerk of Court, RTC, Branch 121, transmitted to this Court the entire records of the case, thru a transmittal letter, dated October 13, 1994, and received by the Criminal Section of this Court on October 28, 1994. YAO's counsel, on

February 20, 1995, filed with this Court, a motion for extension of period to file brief for accused-appellant which was granted in Our resolution mentioned in the opening paragraph of this resolution.

Petitions for review shall be filed within the period to appeal. This period has already elapsed even when Yao filed a notice of appeal by registered mail, with the RTC of Kalookan City. Worse, the notice of appeal is procedurally infirm.

YAO filed an Urgent Motion to Set Aside Entry of Judgment contending that the 25 April 1995 resolution did not specifically dismiss the appeal, for which reason, there was no Judgment on which an entry of judgment could be issued. He also argued that the attendant procedural infirmities in the appeal, if any, were cured with the issuance of the 28 February 1995 resolution granting him twenty (20) days from 10 February 1995 or until 12 March 1995 within which to file an appellant's brief and in compliance thereto, consequently filed his appellant's brief on 2 March 1995.<sup>[15]</sup>

In its Resolution<sup>[16]</sup> of 26 January 1998, the Court of Appeals denied the Urgent Motion to Set Aside the Entry of Judgment for lack of merit. It considered the 25 April 1995 resolution as having "in effect dismissed the appeal, hence the Entry of Judgment issued on May 26, 1995 was proper."

In this petition for review on certiorari, YAO reiterates the arguments he raised in his Urgent Motion to Set Aside the Entry of Judgment of the Court of Appeals, thus: (1) that the entry of judgment was improvidently issued in the absence of a final resolution specifically dismissing the appeal; (2) the procedural infirmity in the appeal, if any, has been cured; and (3) the Court of Appeals committed grave abuse of discretion amounting to lack of jurisdiction in denying him (YAO) due process of law.

In support of his first argument, YAO cites Section 1, Rule 11 of the Revised Internal Rules of the Court of Appeals, thus:

SECTION 1. Entry of Judgment — Unless a motion for reconsideration is filed or an appeal is taken to the Supreme Court, judgments and final resolutions of the Court of Appeals

shall be entered upon the expiration of fifteen (15) days after notice to parties.

YAO claims that the 25 April 1995 resolution of the Court of Appeals was not a judgment on his appeal nor was it “a final resolution” contemplated in the Internal Rules since it did not specifically dismiss his appeal. A fortiori, the entry of judgment was improvidently issued for lack of legal basis.

YAO also repeats his argument that any procedural infirmity in the appeal was cured when the RTC gave due course to the appeal, elevated the records to the Court of Appeals which in turn issued on 13 December 1994 a notice to file his Appellant’s Brief and granted him until 12 March 1995 within which to file the appellant’s brief.

Finally, YAO asserts that he was denied due process considering that (1) none of the elements of unfair competition are present in this case; (2) he filed his appeal to the Court of Appeals within the reglementary period; and (3) notwithstanding his filing of a notice of appeal (instead of a petition for review), it was a mere procedural lapse, a technicality which should not bar the determination of the case based on intrinsic merits. YAO then invokes the plethora of jurisprudence wherein the Supreme Court “in the exercise of equity jurisdiction decided to disregard technicalities”; “decided [the case] on merits and not on technicalities”; “found manifest in the petition strong considerations of substantial justice necessitating the relaxing of the stringent application of technical rules,” or “heeded petitioner’s cry for justice because the basic merits of the case warrant so, as where the petition embodies justifying circumstances”; discerned “not to sacrifice justice to technicality”; discovered that the application of “res judicata” and estoppel by judgment amount to a denial of justice and/or a bar to a vindication of a legitimate grievance.”<sup>[17]</sup>

In its Comment, the Office of the Solicitor General prays that the petition should be dismissed for lack of merit. It maintains that although the 25 April 1995 resolution did not specifically state that the appeal was being dismissed, the intent and import are clear and

unequivocable. It asserts that the appeal was obviously dismissed because the RTC decision has long become final and executory. YAO failed to challenge the RTC decision, within the reglementary period, by filing a petition for review of the same with the Court of Appeals pursuant to Section 1 of Rule 42 of the Rules of Court. Instead, he filed an ordinary appeal by way of a notice of appeal. Hence, the period to file the correct procedural remedy had lapsed.

There is no dispute that YAO availed of the wrong procedural remedy in assailing the RTC decision. It is clear from the records that YAO received a copy of the adverse RTC judgment on 16 August 1994. He has fifteen (15) days or until 31 August 1994 within which to file either a motion for reconsideration or a petition for review with the Court of Appeals. Fourteen (14) days thereafter or on 30 August 1994, YAO opted to file a motion for reconsideration the pendency of which tolled the running of the period. He received a copy of the RTC's order denying the motion for reconsideration on 3 October 1994. He had therefore, only one day left, 4 October 1994 as the last day, within which to file with the Court of Appeals a petition for review.<sup>[18]</sup> However, on said date, YAO filed a notice of appeal. He palpably availed of the wrong mode of appeal. And since he never instituted the correct one, he lost it.

The right to appeal is not a constitutional, natural or inherent right. It is a statutory privilege of statutory origin and, therefore, available only if granted or provided by statute.<sup>[19]</sup> Since the right to appeal is not a natural right nor a part of due process, it may be exercised only in the manner and in accordance with the provisions of law.<sup>[20]</sup> Corollarily, its requirements must be strictly complied with.

That an appeal must be perfected in the manner and within the period fixed by law is not only mandatory but jurisdictional.<sup>[21]</sup> Non-compliance with such legal requirements is fatal,<sup>[22]</sup> for it renders the decision sought to be appealed final and executory,<sup>[23]</sup> with the end result that no court can exercise appellate jurisdiction to review the Decision.<sup>[24]</sup>

In the light of these procedural precepts, YAO's petition appears to be patently without merit and does not deserve a second look. Hence, the reasons he enumerated to persuade this Court to grant his

petition and reinstate his appeal are obviously frivolous if not downright trivial. They need not even be discussed here.

In the normal and natural course of events, we should dismiss the petition outright, if not for an important detail which augurs well for YAO and would grant him a reprieve in his legal battle. The decision of the RTC affirming the conviction of YAO palpably transgressed Section 14, Article VIII of the Constitution, which states:

SECTION 14. No decision shall be rendered by any court without expressing therein clearly and distinctly the facts and the law on which it is based.

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Let us quote in full the RTC judgment:

This is an appeal from the decision of the Metropolitan Trial Court, Branch 52, Kalookan City, in Criminal Case No. C-155713, the dispositive portion of which reads as follows:

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But because the prosecution proved the guilt of the other accused, George Yao, beyond reasonable doubt as principal under the said Article 189 (1) for Unfair Competition, he is convicted of the same. In the absence of any aggravating or mitigating circumstances alleged/proven, and considering the provisions of the Indeterminate Sentence Law, he is sentenced to a minimum of four (4) months and twenty-one (21) days of arresto mayor to a maximum of one (1) year and five (5) months of prision correccional.

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After going over the evidence on record, the Court finds no cogent reason to disturb the findings of the Metropolitan Trial Court.

WHEREFORE, this Court affirms in toto the decision of the Metropolitan Trial Court dated October 20, 1993.

SO ORDERED.

That is all there is to it.

We have sustained decisions of lower courts as having substantially or sufficiently complied with the constitutional injunction notwithstanding the laconic and terse manner in which they were written and even if “there (was left) much to be desired in terms of (their) clarity, coherence and comprehensibility” provided that they eventually set out the facts and the law on which they were based,<sup>[25]</sup> as when they stated the legal qualifications of the offense constituted by the facts proved, the modifying circumstances, the participation of the accused, the penalty imposed and the civil liability;<sup>[26]</sup> or discussed the facts comprising the elements of the offense that was charged in the information, and accordingly rendered a verdict and imposed the corresponding penalty;<sup>[27]</sup> or quoted the facts narrated in the prosecution’s memorandum but made their own findings and assessment of evidence, before finally agreeing with the prosecution’s evaluation of the case.<sup>[28]</sup>

We have also sanctioned the use of memorandum Decisions,<sup>[29]</sup> a specie of succinctly written decisions by appellate courts in accordance with the provisions of Section 40, B.P. Blg. 129<sup>[30]</sup> on the grounds of expediency, practicality, convenience and docket status of our courts. We have also declared that memorandum decisions comply with the constitutional mandate.<sup>[31]</sup>

In *Francisco vs. Permskul*,<sup>[32]</sup> however, we laid down the conditions for the of validity of memorandum decisions, thus:

The memorandum decision, to be valid, cannot incorporate the findings of fact and the conclusions of law of the lower court only by remote reference, which is to say that the challenged decision is not easily and immediately available to the person reading the memorandum decision. For the incorporation by reference to be allowed, it must provide for direct access to the facts and the law being adopted, which must be contained in a

statement attached to the said decision. In other words, the memorandum decision authorized under Section 40 of B.P. Blg. 129 should actually embody the findings of fact and conclusions of law of the lower court in an annex attached to and made an indispensable part of the decision.

It is expected that this requirement will allay the suspicion that no study was made of the decision of the lower court and that its decision was merely affirmed without a proper examination of the facts and the law on which it is based. The proximity at least of the annexed statement should suggest that such an examination has been undertaken. It is, of course, also understood that the decision being adopted should, to begin with, comply with Article VIII, Section 14 as no amount of incorporation or adoption will rectify its violation.

The Court finds necessary to emphasize that the memorandum decision should be sparingly used lest it become an addictive excuse for judicial sloth. It is an additional condition for the validity that this kind of decision may be resorted to only in cases where the facts are in the main accepted by both parties and easily determinable by the judge and there are no doctrinal complications involved that will require an extended discussion of the laws involved. The memorandum decision may be employed in simple litigations only, such as ordinary collection cases, where the appeal is obviously groundless and deserves no more than the time needed to dismiss it.

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Henceforth, all memorandum decisions shall comply with the requirements herein set forth both as to the form prescribed and the occasions when they may be rendered. Any deviation will summon the strict enforcement of Article VIII, Section 14 of the Constitution and strike down the flawed judgment as a lawless disobedience.

Tested against these standards, we find that the RTC decision at bar miserably failed to meet them and, therefore, fell short of the constitutional injunction. The RTC decision is brief indeed, but it is starkly hallow, otiosely written, vacuous in its content and trite in its

form. It achieved nothing and attempted at nothing, not even at a simple summation of facts which could easily be done. Its inadequacy speaks for itself.

We cannot even consider or affirm said RTC decision as a memorandum decision because it failed to comply with the measures of validity laid down in *Francisco vs. Permskul*. It merely affirmed in toto the MeTC decision without saying more. A decision or resolution, especially one resolving an appeal, should directly meet the issues for resolution; otherwise, the appeal would be pointless.<sup>[33]</sup>

We therefore reiterate our admonition in *Nicos Industrial Corporation vs. Court of Appeals*,<sup>[34]</sup> in that while we conceded that brevity in the writing of decisions is an admirable trait, it should not and cannot be substituted for substance; and again in *Francisco vs. Permskul*,<sup>[35]</sup> where we cautioned that expediency alone, no matter how compelling, cannot excuse non-compliance with the constitutional requirements.

This is not to discourage the lower courts to write abbreviated and concise decisions, but never at the expense of scholarly analysis, and more significantly, of justice and fair play, lest the fears expressed by Justice Feria as the ponente in *Romero vs. Court of Appeals*<sup>[36]</sup> come true, i.e., if an appellate court failed to provide the appeal the attention it rightfully deserved, said court deprived the appellant of due process since he was not accorded a fair opportunity to be heard by a fair and responsible magistrate. This situation becomes more ominous in criminal cases, as in this case, where not only property rights are at stake but also the liberty if not the life of a human being.

Faithful adherence to the requirements of Section 14, Article VIII of the Constitution is indisputably a paramount component of due process and fair play.<sup>[37]</sup> It is likewise demanded by the due process clause of the Constitution.<sup>[38]</sup> The parties to a litigation should be informed of how it was decided, with an explanation of the factual and legal reasons that led to the conclusions of the court. The court cannot simply say that judgment is rendered in favor of X and against Y and just leave it at that without any justification whatsoever for its action. The losing party is entitled to know why he lost, so he may appeal to the higher court, if permitted, should he believe that the

decision should be reversed. A decision that does not clearly and distinctly state the facts and the law on which it is based leaves the parties in the dark as to how it was reached and is precisely prejudicial to the losing party, who is unable to pinpoint the possible errors of the court for review by a higher tribunal.<sup>[39]</sup> More than that, the requirement is an assurance to the parties that, in reaching judgment, the judge did so through the processes of legal reasoning. It is, thus, a safeguard against the impetuosity of the judge, preventing him from deciding ipse dixit. Vouchsafed neither the sword nor the purse by the Constitution but nonetheless vested with the sovereign prerogative of passing judgment on the life, liberty or property of his fellowmen, the judge must ultimately depend on the power of reason for sustained public confidence in the justness of his Decision.<sup>[40]</sup>

Thus the Court has struck down as void, decisions of lower courts and even of the Court of Appeals whose careless disregard of the constitutional behest exposed their sometimes cavalier attitude not only to their magisterial responsibilities but likewise to their avowed fealty to the Constitution.

Thus, we nullified or deemed to have failed to comply with Section 14, Article VIII of the Constitution, a decision, resolution or order which: contained no analysis of the evidence of the parties nor reference to any legal basis in reaching its conclusions; contained nothing more than a summary of the testimonies of the witnesses of both parties;<sup>[41]</sup> convicted the accused of libel but failed to cite any legal authority or principle to support conclusions that the letter in question was libelous;<sup>[42]</sup> consisted merely of one (1) paragraph with mostly sweeping generalizations and failed to support its conclusion of parricide;<sup>[43]</sup> consisted of five (5) pages, three (3) pages of which were quotations from the labor arbiter's decision including the dispositive portion and barely a page (two [2] short paragraphs of two [2] sentences each) of its own discussion or reasonings;<sup>[44]</sup> was merely based on the findings of another court sans transcript of stenographic notes;<sup>[45]</sup> or failed to explain the factual and legal bases for the award of moral damages.<sup>[46]</sup>

In the same vein do we strike down as a nullity the RTC decision in question.

In sum, we agree with YAO that he was denied due process but not on the grounds he ardently invoked but on the reasons already extensively discussed above. While he indeed resorted to the wrong mode of appeal and his right to appeal is statutory, it is still an essential part of the judicial system that courts should proceed with caution so as not to deprive a party of the prerogative, but instead afford every party-litigant the amplest opportunity for the proper and just disposition of his case, freed from the constraints of technicalities.<sup>[47]</sup>

In the interest of substantial justice, procedural rules of the most mandatory character in terms of compliance, may be relaxed.<sup>[48]</sup> In other words, if strict adherence to the letter of the law would result in absurdity and manifest injustice<sup>[49]</sup> or where the merit of a party's cause is apparent and outweighs consideration of non-compliance with certain formal requirements,<sup>[50]</sup> procedural rules should definitely be liberally construed. A party-litigant is to be given the fullest opportunity to establish the merits of his complaint or defense rather than for him to lose life, liberty, honor or property on mere technicalities.<sup>[51]</sup> We therefore withhold legal approbation on the RTC decision at bar for its palpable failure to comply with the constitutional and legal mandates thereby denying YAO of his day in court. We also remind all magistrates to heed the demand of Section 14, Article VIII of the Constitution. It is their solemn and paramount duty to uphold the Constitution and the principles enshrined therein, lest they be lost in the nitty-gritty of their everyday judicial work.

**WHEREFORE**, in view of all the foregoing, the petition in this case is **GRANTED**. The questioned 25 April 1995 resolution of the Court of Appeals in CA-G.R. No. 16893 is hereby **SET ASIDE** and the 27 July 1994 decision of the Regional Trial Court, Branch 121 of Kalookan City rendered in its appellate jurisdiction is **NULLIFIED**. The records are hereby remanded to said Regional Trial Court for further proceedings and for the rendition of judgment in accordance with the mandate of Section 14, Article VIII of the Constitution.

No costs.

**SO ORDERED.**

**Puno, Pardo and Ynares-Santiago, JJ., concur.  
Kapunan, J., is on leave.**

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[\*] Spelled Kalookan in the record of Criminal Case No. C-155713 of MeTC, Branch 52 and in Criminal Case No. C-47255(94) in the Regional Trial Court, Branch 121, Caloocan City.

[1] Original Record (OR), 26.

[2] OR, 257-269; Rollo, 25-37. Per Judge Delfina Hernandez Santiago.

[3] OR 268-269; Rollo, 36-37.

[4] OR 317-318.

[5] OR 307.

[6] Id., 308 et seq.

[7] Id., 323-366.

[8] Id., 322; Rollo, 38.

[9] OR, 368-370.

[10] Section 2 Rule 20 of the Rules of Court provides:

Section 2. Form and contents of judgment — The judgment must be written in the official language, personally and directly prepared by the judge and signed by him and shall contain clearly and distinctly a statement of the facts proved or admitted by the accused and the law upon which the judgment is based.

If it is of conviction, the judgment shall state (a) the legal qualification of the offense constituted by the acts committed by the accused, and the aggravating or mitigating circumstances attending the commission thereof, if there are any; (b) the participation of the accused in the commission of the of offense, whether as principal, accomplice, or accessory after the fact; (c) the penalty imposed the accused; and (d) the civil liability or damages caused by the wrongful act to be recovered from the accused by the offended party, if there is any, unless the enforcement of the civil liability by a separate action has been reserved or waived.

In case of acquittal, unless there is a clear showing that the act from which the civil liability might arise did not exist, the judgment shall make a finding on the civil liability of the accused in favor of the offended party.

[11] OR, 379.

[12] Id., 380.

[13] Rollo, 47.

[14] Id., 40-42. Per Solano, A., J., with Benipayo, A., and Galvez, R., JJ., concurring.

[15] Rollo, 49-51.

[16] Per Galvez, R., J.; ponente, with Brawner, R., and Buzon, M., JJ., concurring.

[17] Rollo, 117-122.

- [18] See *Soco vs. Court of Appeals*, 263 SCRA 449 [1996]; *Macawiwili Gold Mining and Development Corp. Inc. vs. Court of Appeals*, 297 SCRA 602, 615 1998.
- [19] *Aris, Phil. Inc. vs. NLRC*, 200 SCRA 246, 253 [1991].
- [20] See *Pedrosa vs. Hill*, 257 SCRA 373, 378 19961, citing *Bello vs. Fernandez*, 4 SCRA 138; *Ortiz vs. Court of Appeals*, 299 SCRA 708 [1998].
- [21] See *Almeda vs. Court of Appeals*, 292 SCRA 587 [1998]. See also *Asuncion vs. NLRC* 273 SCRA 498 [1997]; *Mabuhay Development Industries vs. NLRC*, 288 SCRA 1 [1998]; *Rosewood Processing, Inc. vs. NLRC*, 290 SCRA 408 [1998].
- [22] *Laza vs. Court of Appeals*, 269 SCRA 654 [1997]; *Rosewood Processing, Inc. vs. NLRC*, *id.*
- [23] *Uy vs. Court of Appeals*, 286 SCRA 343 [1998]; *Mabuhay Development Industries vs. NLRC*, note 16; *Rosewood Processing, Inc. vs. NLRC*, *id.*; *Pascual vs. Court of Appeals*, 300 SCRA 214 [1998].
- [24] *Id.*, *id.*
- [25] See *People vs. Bongahoy*, G.R. No. 124097, 17 June 1999.
- [26] *People vs. Landicho*, 258 SCRA 1, 26 [1996].
- [27] *People vs. Sandiosa*, 290 SCRA 92, 107 [1998].
- [28] *People vs. Gastador*, 305 SCRA 659, 670 [1999].
- [29] In *Francisco vs. Permskul*, 173 SCRA 324, 333 [1989], the Court described “[t]he distinctive features of a memorandum decision are, first, it is rendered by an appellate court, second, it incorporates by reference the findings of fact or the conclusions of law contained in the decision, order, or ruling under review. Most likely, the purpose is to affirm the decision, although it is not impossible that the approval of the findings of facts by the lower court may lead to a different conclusion of law by the higher court. At any rate, the reason for allowing the incorporation by reference is evidently to avoid the cumbersome reproduction of the decision of the lower court, or portions thereof, in the decision of the higher court. The idea is to avoid having to repeat in the body of the latter decision the findings or conclusions of the lower court since they are being approved or adopted anyway.
- [30] Sec. 40. Form of decision in appealed cases. — Every decision or final resolution of a court in appealed cases shall clearly and distinctly state the findings of fact and the conclusions of law on which it is based which may be contained in the decision or final resolution itself, or adopted by reference from those set forth in the decision, order or resolution appealed from.
- [31] See *Romero vs. Court of Appeals*, 147 SCRA 183; *Francisco vs. Permskul*, *supra* note 29; *Natural Gas Commission vs. Court of Appeals*, G.R. No. 114323, 28 September 1999.
- [32] *Francisco vs. Permskul*, *supra* note 29, at 335-337.
- [33] See *ABD Overseas Manpower Corporation vs. NLRC*, 454, 464 [1998].
- [34] 206 SCRA 127, 134 [1992].
- [35] *Supra* note 29, at 331.
- [36] *Supra* note 30.
- [37] See *Anino vs. NLRC*, 290 SCRA 489, 500 [1998]. See also *Saballa vs. NLRC*, 260 SCRA 697, 706 [1960].

- [38] See Spouses Yu Eng Cho & Francisco Tao Yu vs. Pan American Airways, et al., G.R. No. 123560, 27 March 2000.
- [39] Nicos Industrial Corporation vs. Court of Appeals, supra note 29, 132; Saballa vs. NLRC, supra note 32; ABD Overseas Manpower Corp. vs. NLRC, supra note 28, 462; See also People vs. Viernes, 262 SCRA 641, 659 [1996]; Caltex Refinery Employees Association vs. Brilliantes, 279 SCRA 218, 243 [1997] citing Saballa vs. NLRC; People vs. Cayago, G.R. No. 128827, 18 August 1999; Madrid vs. Court of Appeals, G.R. No. 130683, 31 May 2000.
- [40] People vs. Bugarin, 273 SCRA 384, 393 [1997].
- [41] See People vs. Landicho, supra, note 26.
- [42] De Vera vs. Sancho ,A.M. No. RTJ-99-1455, 13 July 1999.
- [43] People vs. Cayago, supra note 39.
- [44] People vs. Sandiosa, supra note 27.
- [45] People vs. Ortiz-Miyake, 279 SCRA 180 [1997].
- [46] Spouses Yu Eng Cho & Francisco Tao Yu vs. Pan American Airways supra note 33.
- [47] See Moslares vs. Court of Appeals, 291 SCRA 440, 448 [1998], citing Santos vs. Court of Appeals, 253 SCRA 632 [1996]; See also Santos vs. Court of Appeals, 253 SCRA 632 [1996]; Magsaysay Lines Inc. vs. Court of Appeals, 260 SCRA 513 [1996].
- [48] See Ginete vs. Court of Appeals, 296 SCRA 418 [1998].
- [49] See Republic vs. Court of Appeals, 260 SCRA 344 [1996]; Camacho vs. Court of Appeals, 287 SCRA 611 [1998].
- [50] See Bañez vs. Court of Appeals, 270 SCRA 19 [1997].
- [51] Ginete vs. Court of Appeals, supra note 48.