



Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

NOTICE

Sirs/Mesdames:

Please take notice that the Court's First Division issued a Resolution dated **December 5, 2022** which reads as follows:

“G.R. No. 212204 [Formerly UDK-15079] (*Gregorio Z. Robles vs. Subic Bay Yacht Club*). — This Appeal by *Certiorari*¹ seeks to reverse and set aside the September 5, 2013 Decision² and the March 12, 2014 Resolution³ of the Court of Appeals (*CA*) in CA-G.R. SP No. 128934, which upheld with modification the March 20, 2009 Decision⁴ and the August 14, 2009 Resolution⁵ of the National Labor Relations Commission (*NLRC*) in NLRC-LAC Case No. 11-002981-07. The NLRC reversed the June 29, 2007 Decision⁶ of the Labor Arbiter (*LA*) in NLRC Case No. RAB III-08-4654-02, which found that Subic Bay Yacht Club (*respondent*) illegally dismissed Gregorio Z. Robles (*petitioner*).

The Antecedents

The instant appeal arose out of a Complaint⁷ for illegal dismissal filed by petitioner, Nicanor Luneta (*Luneta*), and Nicasio Cantillas. The only dismissal subject of the appeal before the Court is that of petitioner.

Petitioner alleged in his complaint that he worked at respondent's Watersports Department for more than five years before he was promoted to Watersports Department Head. He received a monthly salary of ₱20,400.00

¹ *Rollo*, pp. 6-28.

² *Id.* at 30-68; penned by Associate Justice Amy C. Lazaro-Javier (now a Member of the Court) and concurred in by Associate Justices Mariflor P. Punzalan Castillo and Zenaida T. Galapate-Laguilles.

³ *Id.* at 29.

⁴ *CA rollo*, pp. 187-217; penned by Commissioner Numeriano D. Villena and concurred in by Presiding Commissioner Herminio V. Suelo and Commissioner Angelo Ang Palaña.

⁵ *Id.* at 251-257.

⁶ *Id.* at 113-142; penned by Executive Labor Arbiter Isabel G. Panganiban-Ortiguerra.

⁷ Records (Vol. I), pp. 3-3-A.

mt

before his alleged illegal dismissal on August 16, 2002,⁸ due to his supposed unauthorized use of jet skis. He asseverated that prior to his termination, Managing Director Jose Mari Vargas (*Vargas*) approved his proposal to sell 28 units of old, defective, and unusable jet skis because of respondent's lack of funds to purchase spare parts for their repair. Vargas reportedly even tasked him to figure out everything needed for the sale of the jet skis, especially pertaining to payment of customs and tariff duties. However, the appraisal of the jet skis could not be undertaken because documentation pertaining to said jet skis were missing. According to petitioner, this created tax assessment problems. Petitioner approached Bobby Gamboa (*Gamboa*) for help in reducing the taxes due.⁹

On June 21, 2002, Vargas issued an Inter-Office Memo¹⁰ to be implemented while he would be on leave. He directed petitioner to arrange for the auction of the retired jet skis, as follows:

N. Watersports

1. Finalize all arrangements needed to be able to auction the [jet skis] and boats by August 10 [; and]
2. Maintain all new [jet skis] and make recommendations on their programmed disposal.¹¹

On the same day, Gamboa requested to see two jet skis out of the 28 old, defective, and unusable ones. Petitioner acceded to the request, thinking that it was for sample appraisal. He delivered the two jet skis to Gamboa in good faith, believing that his action was an exercise of his independent judgment as department head and in pursuit of respondent's interests. He averred that by lending Gamboa the two jet skis, he did not give Gamboa or anyone any personal benefit. He also insisted that his action did not adversely affect respondent's operations because the two jet skis lent were already defective and could no longer be used by the latter. He further alleged that his action did not violate any company rule because it was allowed and, in fact, the Watersports Department had previously lent a speedboat to the Subic Bay Metropolitan Authority Ecology Center Department.¹²

⁸ *Rollo*, p. 13.

⁹ *Id.* at 31-32.

¹⁰ *CA rollo*, pp. 71-74.

¹¹ *Id.* at 74.

¹² *Rollo*, pp. 32-33.

On July 4, 2002, respondent's personnel, together with Security Head Mauro Daniel Calapatia (*Calapatia*), conducted an inventory at the Watersports Department. During said inventory, petitioner informed them that the two jet skis were out. He immediately sent for the jet skis and had them included in the inventory.¹³

On July 5, 2002,¹⁴ petitioner was informed that Calapatia would investigate the allegation that he was "renting out" respondent's jet skis. He denied the same because he knew the location of the jet skis and the reason why they were with Gamboa. Notwithstanding, on July 8, 2002, petitioner received an Inter-Office Memo¹⁵ from Calapatia informing him that two of his staff, Jil Macatangay and Oliver Jardin, were being investigated for the alleged unaccounted jet skis.

On July 18, 2002, petitioner was given a "Notice of Offense Committed"¹⁶ signed by Edgar Matias (*Matias*), Andy Magalona (*Magalona*), and Rosario Domingo (*Domingo*), who collectively signed the notice as "Managing Director[s]." They accused him of the unauthorized use of jet skis numbers 22 and 23, which were missing during the inventory conducted by the property custodian per Calapatia's Report¹⁷ dated July 15, 2002. On the same day, petitioner was placed on indefinite preventive suspension, ordered to turn over Watersports Department's keys and all documents in his custody, and was escorted out of respondent's premises.¹⁸

On July 23, 2002, petitioner questioned the authority of the managing directors as he believed that it should be respondent's Human Resource Department which should act on disciplinary proceedings. However, the managing directors treated his challenge as his answer or explanation to the accusations against him and deemed his case submitted for decision. On July 24, 2002, the managing directors recommended his dismissal to the Board of Directors.¹⁹

On August 6, 2002, the managing directors, together with Vargas, sent petitioner a Memorandum²⁰ stating that the issue of their authority had

¹³ Id. at 33.

¹⁴ The CA decision provided that the date is July 5, 2004 (*rollo*, p. 33). However, scrutiny of the narration of events would show that the proper year is 2002.

¹⁵ CA *rollo*, p. 76.

¹⁶ Id. at 78.

¹⁷ Id. at 85-86.

¹⁸ *Rollo*, pp. 33-34.

¹⁹ Id. at 34.

²⁰ CA *rollo*, p. 83.

already been resolved. Said memorandum also gave petitioner three days to submit a written explanation.

A hearing was set on August 15, 2002, which petitioner contends was not for the purpose of providing him an opportunity to clear his name, but an inquisition to pin him down. Despite this, he still submitted his explanation. He asseverated that after the alleged August 15, 2002 hearing, Vargas informed him that if he would resign, Vargas would talk to the managing directors to reinstate him. Petitioner refused the offer. On August 16, 2002,²¹ respondent through Matias, Magalona, Domingo, and Vargas found that petitioner's actions constituted misconduct/breach of trust, and meted him the penalty of dismissal. After his dismissal, petitioner went back to respondent for the balance of his 13th month pay and other incentives, but was denied.²²

The LA Ruling

In its June 29, 2007 Decision, the LA held that petitioner was illegally dismissed because procedural lapses attended his dismissal. The *fallo* of its decision states:

WHEREFORE, premises considered, respondent Subic Bay [Yacht] Club is hereby held liable for the illegal dismissal of complainants Nicanor M. Luneta, Nicasio D. Cantillas and Gregorio Z. Robles and it is hereby ordered as follows:

1. To pay complainant Nicanor M. Luneta his separation pay in the amount of ₱28,000.00 and backwages in the amount of ₱546,392.00;
2. To pay complainant Nicasio D. Cantillas his separation pay in the amount of ₱41,000.00 and backwages in the amount of ₱596,058.00;
3. To pay complainant Gregorio Z. Robles separation pay in the amount of ₱102,000.00 and backwages in the amount of ₱1,192,584.00; and
4. To pay complainants' attorney's fees equivalent to 10% of their monetary award.

SO ORDERED.²³

²¹ Id. at 88.

²² *Rollo*, p. 35.

²³ *CA rollo*, p. 142.

As to petitioner, the LA held that the charge against him is serious and could warrant his dismissal. However, the LA found that procedural lapses committed by respondent rendered the dismissal illegal.²⁴

The LA pointed out that while petitioner was preventively suspended on July 18, 2002, the suspension had no definite period. This was in violation of the concept of preventive suspension, which must be definite and should not last for more than 30 days. Next, based on Calapatia's report, an inquiry was conducted on all Watersports Department personnel except its department head, petitioner herein. It was thus held that while all of his subordinates were questioned, petitioner himself was not allowed to explain his side during said inquiry. Lastly, the LA noted that while petitioner was invited to an administrative hearing on August 15, 2002, three of the panel members who presided over said hearing (Matias, Magalona, and Domingo) already prejudged the case, having previously submitted a memorandum to respondent's Board of Directors on July 24, 2002, recommending petitioner's dismissal.²⁵

Thus, the LA concluded that petitioner was deprived of a genuine opportunity to explain his side.²⁶

Proceedings before the NLRC

Respondent sought to appeal²⁷ the LA Decision to the NLRC. In its June 12, 2008 Resolution,²⁸ the NLRC pointed out that as respondent received the decision of the LA on September 10, 2007, it had 10 days or until September 20, 2007, to perfect its appeal. The NLRC held that respondent failed to do so within the period prescribed, and dismissed respondent's appeal for having been filed out of time:²⁹

WHEREFORE, premises considered, the appeal is DISMISSED. The assailed decision dated June 29, 2007 is hereby AFFIRMED and rendered FINAL and EXECUTORY.

²⁴ Id. at 133.

²⁵ Id. at 133-135.

²⁶ Id. at 136.

²⁷ Id. at 143-153.

²⁸ Id. at 154-158; penned by Presiding Commissioner Benedicto R. Palacol and concurred in by Commissioner Nieves E. Vivar-De Castro, while Commissioner Isabel G. Panganiban-Ortiguerra took no part.

²⁹ Id. at 157.

SO ORDERED.³⁰

Respondent filed its Motion for Reconsideration³¹ alleging as to the procedural issue that it filed its appeal through mail on September 20, 2007.³² Petitioner opposed the same, asserting that the appeal was mailed on September 21, 2007, and pointing out that the appeal fee was paid only on October 3, 2007.³³ The NLRC rendered a Decision on March 20, 2009, reinstating the appeal and, ultimately, reversing the LA Decision:

WHEREFORE, premises considered, We hereby resolve to: 1) **GRANT** the Motion for Reconsideration dated June 30, 2008 filed by Subic Bay [Yacht] Club and **ORDER** the reinstatement of the appeal; 2) **GRANT** the appeal dated September 11, 2007 and, accordingly, **REVERSE** and **SET ASIDE** the Decision dated June 29, 2007; and 3) **ORDER** the Subic Bay [Yacht] Club to pay Nicanor Luneta the amount of ₱10,000.00 as nominal damages.

SO ORDERED.³⁴

Despite respondent's allegation of the timely filing of its appeal on September 20, 2007, the NLRC deemed the post office's stamp on the mailing envelope to be illegible, leaving the certified photocopy of the registry receipt as the sole basis in determining the date of filing, which indicated that it was mailed on September 21, 2007.³⁵

The NLRC ruled that while the appeal was belatedly filed, it may disregard the procedural lapse in order to review the assailed decision and determine the rights and obligations of the parties, especially because the delay in the perfection of the appeal was only one day. The NLRC declared that petitioner was not illegally dismissed. It noted that petitioner admitted to delivering the two jet skis to Gamboa for help in resolving the tax issues concerning the auction of the old jet skis. Such act was without the authority and consent of respondent – a violation of company rules. Likewise, it held that petitioner was afforded due process.³⁶

³⁰ Id.

³¹ Id. at 160-168.

³² Id. at 161.

³³ Id. at 170-171.

³⁴ Id. at 216-217.

³⁵ Id. at 206.

³⁶ Id. at 206-210.

Both petitioner and Luneta moved for reconsideration of said Decision, which was denied³⁷ by the NLRC in its August 14, 2009 Resolution. They then filed a Petition for *Certiorari*³⁸ before the CA.

The CA Ruling

In its assailed September 5, 2013 Decision, the CA upheld with modification the NLRC Decision, *viz.*:

ACCORDINGLY, the Decision dated March 20, 2009 and Resolution dated August 14, 2009 is **AFFIRMED** with **MODIFICATION**, in that Nicanor Luneta is found to have been illegally dismissed and entitled to backwages from the time he was dismissed and to separation pay of one month salary per year of service, in lieu of reinstatement.

SO ORDERED.³⁹

The CA held that the NLRC did not abuse its discretion when it reinstated respondent's appeal despite having been filed a day late. The NLRC did so to prevent a miscarriage of justice or unjust enrichment.⁴⁰

The CA also upheld the NLRC's finding that petitioner was validly dismissed. It noted that it is undisputed that petitioner lent two of respondent's jet skis to Gamboa despite knowledge that the latter is a competitor of his employer in the watersports equipment rental business. The CA did not give any weight to petitioner's contention that he lent it to Gamboa for appraisal because there is no record that petitioner ever informed respondent or his staff of the alleged appraisal, or had them logged out when they were taken out of respondent's premises. It was only when the inventory was conducted that petitioner divulged said arrangement.⁴¹

Further, the CA refused to consider petitioner's contention that his act of lending the jet skis was under the authority given to him by Vargas in the June 21, 2002 Inter-Office Memo. This is because the memo only pertained to the public auction sale and made no mention of customs and tariff obligations. The CA likewise observed that lending the jet skis to Gamboa

³⁷ Id. at 256.

³⁸ Id. at 3-27.

³⁹ *Rollo*, p. 67.

⁴⁰ Id. at 56-57.

⁴¹ Id. at 58.

could not have resulted in lowering the customs and tariffs due. It stated that petitioner failed to establish that Gamboa had the capability of assisting respondent in any manner in relation to payment of taxes, let alone minimizing the taxes due. Thus, the CA concluded that petitioner's unauthorized act of lending the jet skis to a competitor constituted a breach of trust and confidence, a just cause for dismissal. The CA also declared that respondent observed due process in its termination of petitioner.⁴²

Only petitioner moved for reconsideration of the CA Decision, which the CA denied in its March 12, 2014 Resolution. Accordingly, the CA Decision became final and executory as to the rights and obligations between Luneta and respondent.

Hence, this Petition.

Issues

Petitioner raises the following issues before the Court:

- A. With due respect, the Honorable Court of Appeals gravely erred on a question of law in affirming the assailed resolution of the National Labor [Relations] Commission (NLRC) in allowing the motion for reconsideration, thereby reinstating the belatedly filed appeal.
- B. With due respect, the Honorable Court of Appeals gravely erred on a question of law in affirming the assailed decision of the National Labor [Relations] Commission (NLRC) in affirming that the petitioner was not illegally dismissed or terminated from employment.⁴³

First, petitioner argues that the CA gravely erred in upholding the NLRC's reinstatement of the belatedly filed appeal. He contends that respondent is not entitled to a liberal application of the rules of procedure because it did not inform the NLRC that its appeal was belatedly filed. Petitioner argues that respondent's obfuscation of the timeliness of its appeal prevents the liberal application of the procedural rules in its favor. Respondent allegedly tried to benefit from an illegible post office stamp on

⁴² Id. at 59-62.

⁴³ Id. at 17.

the mailing envelope. He adds that respondent only paid the appeal fee on October 3, 2007, 13 days after the last day for the perfection of its appeal.⁴⁴

Second, petitioner contends that the CA committed serious error of law when it held that he was not illegally dismissed or terminated from employment. He alleges that the June 21, 2002 Inter-Office Memo issued by Vargas, directing petitioner to finalize all arrangements needed to auction off the jet skis, necessarily included the payment and settlement of all customs duties and other taxes. Otherwise, the jet skis may not be offered during the auction. Petitioner acted in good faith and was clothed with authority when he decided to lend the two jet skis. Thus, his actions did not constitute serious misconduct or breach of trust and confidence. His dismissal was not for just cause.⁴⁵

Further, petitioner asseverates that the CA seriously erred when it held that respondent complied with the requirements of due process. He points out that the managing directors had already found him guilty as early as July 24, 2002. The August 6, 2002 Memorandum giving him three days to explain was allegedly a mere attempt to clothe his dismissal with due process. Based on the above, petitioner concludes that he was deprived of a genuine opportunity to explain his side.⁴⁶

On November 21, 2014, petitioner filed before the Court a Manifestation with Motion.⁴⁷ Petitioner explained that as the Decision of the CA was being partially executed insofar as Luneta was concerned, Luneta and Sheriff Aida G. Gervacio (*Sheriff Gervacio*) discovered that the surety bond⁴⁸ posted by respondent on September 20, 2007 in order to appeal to the NLRC was fake.

As proof thereof, petitioner attached a Letter⁴⁹ dated October 20, 2014 from Travellers Insurance Surety Corporation (*Travellers*) addressed to Sheriff Gervacio where it advised the sheriff that "TRISCO Bond No. 19035 is part of the series of fraudulent bonds circulating before the NLRC, and we have published the said series as lost as early as year 2008."⁵⁰ Travellers further explained in another Letter⁵¹ dated November 10, 2014 that TRISCO

⁴⁴ Id. at 17-19.

⁴⁵ Id. at 20-23.

⁴⁶ Id. at 23-24.

⁴⁷ Id. at 92-96.

⁴⁸ Id. at 106; TRISCO Bond No. 19035.

⁴⁹ Id. at 99.

⁵⁰ Id.

⁵¹ Id. at 100-101.

Bond No. 19035 belongs to that series of bonds in the possession of its former agent, Alfredo I. Narvasa (*Narvasa*), whose authority as general agent was revoked as early as May 15, 2006. Also, Travellers pointed out that its accreditation and authority with the Office of the Court Administrator of the Supreme Court expired on July 31, 2007. Thus, it was no longer accredited to issue surety bonds for purposes of appeal by September 20, 2007, the date of TRISCO Bond No. 19035. Lastly, it stated that the signature of its Assistant Vice-President and Chief Underwriter, Romeo P. Arzadon, in said surety bond was forged. It disavowed any legal obligation under said bond.

Petitioner concludes that since respondent posted a fake surety bond, it never perfected its appeal to the NLRC, and thus, the June 29, 2007 Decision of the LA had become final and executory.⁵²

In its Comment,⁵³ respondent submits that petitioner's assignment of error concerning the legality of his dismissal, as found by the NLRC and the CA, is a pure question of fact not cognizable by the Court in an appeal under Rule 45 of the Rules of Court.⁵⁴ Further, it argued that the CA did not err in affirming the NLRC's allowance of its belated appeal, especially because its appeal is impressed with merit.⁵⁵

Petitioner pointed out that as of the date of the filing of his Reply⁵⁶ on February 5, 2018, respondent had not taken any effort to correct or replace the fake appeal bond, to petitioner's detriment and in violation of procedural laws and rules.⁵⁷

In its August 14, 2019 Resolution,⁵⁸ the Court resolved to require respondent to comment on petitioner's November 21, 2014 Manifestation with Motion. On March 10, 2020, petitioner again manifested that respondent had yet to file any comment thereon, and prayed for the resolution of the case considering the length of time it has been pending.⁵⁹ In a Resolution⁶⁰ dated February 17, 2021, the Court resolved to reiterate the

⁵² Id. at 94.

⁵³ Id. at 130-145.

⁵⁴ Id. at 132-133 and 137.

⁵⁵ Id. at 138-140.

⁵⁶ Id. at 220-238.

⁵⁷ Id. at 230.

⁵⁸ *CA rollo*, p. 349.

⁵⁹ *Rollo*, pp. 244-245.

⁶⁰ Id. at 522-523.

August 14, 2019 Resolution requiring respondent to file its comment on petitioner's November 21, 2014 Manifestation with Motion.

To date, respondent has yet to file the required comment. The Court will proceed to resolve the appeal.

The Court's Ruling

The instant appeal is impressed with merit. The question before the Court is not of first impression.

It is well-established that the perfection of an appeal within the prescribed period and in the manner authorized by law is jurisdictional, and noncompliance with such legal requirement is fatal and renders the judgment appealed from final and executory. Such requirement cannot be trifled with.⁶¹

The requisites for the perfection of an appeal from the LA to the NLRC is governed by Article 229 of the Labor Code:

Article 229. [223]⁶² *Appeal*. — Decisions, awards, or orders of the Labor Arbiter are final and executory unless appealed to the Commission by any or both parties within ten (10) calendar days from receipt of such decisions, awards, or orders. Such appeal may be entertained only on any of the following grounds:

x x x x

In case of a judgment involving a monetary award, an appeal by the employer may be perfected only upon the posting of a cash or surety bond issued by a reputable bonding company duly accredited by the Commission in the amount equivalent to the monetary award in the judgment appealed from.

It is evident from the foregoing provision that in instances where the judgment of the LA involves a monetary award, an appeal therefrom by the employer may be perfected "only" upon the posting of a cash or surety bond.

⁶¹ *Navarro v. National Labor Relations Commission*, 383 Phil. 765, 772 (2000).

⁶² Labor Code of the Philippines, Presidential Decree No. 442 (Amended & Renumbered), July 21, 2015.

The Court previously elucidated on the mandatory character of the posting of a cash or surety bond in an appeal by the employer of a judgment involving a monetary award:

The indispensability of an appeal bond in the perfection of an appeal cannot be gainsaid. A cash or surety bond is a requirement *sine qua non* for the perfection of an appeal from the Labor Arbiter's monetary award. In *Viron Garments Manufacturing Co., Inc. v. National Labor Relations Commission*, the Court ruled:

The intention of the lawmakers to make the bond an indispensable requisite for the perfection of an appeal by the employer is clearly limned in the provision that an appeal by the employer may be perfected "only upon the posting of a cash or surety bond." **The word ["only"] makes it perfectly clear, that the lawmakers intended that the posting of a cash or surety bond by the employer to be the exclusive means by which an employer's appeal may be perfected.**

The doctrine was reiterated with greater firmness in the more recent case of *Mary Abigail's Food Services, Inc. v. Court of Appeals*:

Clear it is from the above that an appeal to the NLRC from any decision, award or order of the Labor Arbiter must have to be made within ten (10) calendar days from receipt of such decision, award or order with proof of payment of the required appeal bond accompanied by a memorandum of appeal. And where, as here, the decision of the Labor Arbiter involves a monetary award, the appeal is deemed perfected only upon the posting of a cash or surety bond also within ten (10) calendar days from receipt of such decision in an amount equivalent to the monetary award.

The posting of a cash or surety bond is a requirement *sine qua non* for the perfection of an appeal from the labor arbiter's monetary award. **Notably, the perfection of an appeal within the period and in the manner prescribed by law is jurisdictional and [noncompliance] with the requirements therefore is fatal and has the effect of rendering the judgment sought to be appealed final and executory. Such requirement cannot be trifled with.**⁶³ (Emphases supplied; citations and underscoring omitted)

⁶³ *Okada v. Security Pacific Assurance Corporation*, 595 Phil. 732, 742-743 (2008).

Thus, the perfection of an appeal is jurisdictional in nature. Failure to comply with the requirements for the perfection of an appeal is fatal. It renders the judgment subject of the appeal final and executory.

While the issue of the spurious appeal bond was not raised before the NLRC or the CA, the Court cannot take it against petitioner, considering that he only discovered such after the CA rendered its challenged Decision and Resolution, when Luneta sought to enforce judgment upon the bond. It is relevant to note that petitioner has consistently maintained, as early as when the matter was first sought to be elevated to the NLRC, that the appeal was filed out of time. More importantly, the general rule is that issues concerning jurisdiction may be raised at any stage of the proceedings.⁶⁴

In the instant case, petitioner's allegations regarding the spurious appeal bond has not been disputed. To recall, the supposed issuer of the surety bond itself informed the sheriff charged with the execution of the judgment in favor of Luneta that the appeal bond posted by respondent is fraudulent. Further, Travellers disclosed that it revoked the authority of Narvasa as its general agent as early as May 15, 2006, and that it was itself no longer accredited to issue surety bonds for the purposes of appeal after July 31, 2007. These circumstances occurred before respondent posted the spurious bond on September 20, 2007.

Based on the foregoing recitation of events, there can be no question that, indeed, the surety bond posted by respondent to perfect its appeal of the LA Decision is spurious. Hence, it follows that respondent's appeal of the LA Decision to the NLRC was not perfected. The lapse of the reglementary period to assail the LA Decision without any perfected appeal rendered said judgment final and executory. It is now immutable and subject to execution.

Since there was no perfected appeal, the NLRC acted without jurisdiction when it rendered its March 20, 2009 Decision and August 14, 2009 Resolution reversing the LA Decision. The NLRC had no jurisdiction to take cognizance of the appeal and to grant the relief prayed for therein.

The Court is mindful of the fact that it has relaxed the mandatory and jurisdictional nature of posting an appeal bond in certain meritorious cases.⁶⁵ However, the Court finds no cogent reason to apply the same liberal interpretation herein.

⁶⁴ *Esico v. Alphaland Corp.*, G.R. No. 216716, November 17, 2021.

⁶⁵ See *Tolentino-Prieto v. Elvas*, 799 Phil. 97, 112 (2016).

The Court quotes with approval its disquisition in *Navarro v. National Labor Relations Commission*⁶⁶ (*Navarro*), which also involved an appeal bond later discovered to be spurious since the person who signed it was no longer connected with the insurance company:

We are mindful of the fact that this Court, in a number of cases, has relaxed this requirement on grounds of substantial justice and special circumstances of the case. However, we find no cogent reason to apply this same liberal interpretation herein when the bond posted was not genuine. In this case, **there is really no bond posted since a fake or expired bond is in legal contemplation merely a scrap of paper. It should be stressed that the intention of lawmakers to make the bond an indispensable requisite for the perfection of an appeal by the employer is underscored by the provision that an appeal by the employer may be perfected only upon the posting of a cash or surety bond. The word ["only"] makes it perfectly clear that the lawmakers intended the posting of a cash or surety bond by the employer to be the exclusive means by which an employer's appeal may be perfected.**⁶⁷ (Emphasis supplied)

It must also be emphasized that the employer in *Navarro* attempted to rectify the error by filing a substitute bond, albeit about a year later from the filing of original bond. Nonetheless, the Court still maintained its position that the requirement of an appeal bond should not be relaxed or disregarded.

In the instant case, it may be surmised that respondent knew of the allegation of petitioner that its appeal bond was spurious as early as March 13, 2015, the date of respondent's Manifestation with Urgent [*Ex Parte*] Motion for Time to File Comment/Opposition.⁶⁸ This knowledge is demonstrated in the following paragraph from said pleading:

15. Further, since the Resolution dated 26 November 2014, noted the Petitioner's *Manifestation with Motion* [x x x], herein [r]espondent hereby respectfully reserves the right to comment on the same upon orders from the Honorable Court.⁶⁹

Despite knowledge of the spurious character of its appeal bond before the NLRC, there is no showing that respondent has taken any steps to rectify its fault. Further, despite opportunity to comment on petitioner's manifestation with motion, as provided in the Court's August 14, 2019

⁶⁶ *Supra* note 61.

⁶⁷ *Id.* at 774.

⁶⁸ *Rollo*, pp. 110-116.

⁶⁹ *Id.* at 112.

Resolution, respondent has not deemed it necessary to offer any explanation concerning the fake appeal bond. Thus, there is no cogent reason to apply a liberal interpretation of the rules here.

Aside from the foregoing, the Court reiterates respondent's other procedural lapses in filing its notice of appeal to the NLRC, particularly that it was filed a day late, and that the appeal fee itself was paid 13 days beyond the reglementary period for appeal. It cannot be gainsaid that both the timely filing of an appeal and the payment of the appeal fee in due time are requisites for the perfection of an appeal. Respondent has not offered any justification for these missteps either, except to maintain that it actually filed its appeal on September 20, 2007 – an allegation which neither the NLRC nor the CA gave credence to.

Truthfully, there are instances where procedural missteps may be disregarded in an exercise of liberality by the courts. However, the confluence of procedural errors in the instant case, coupled with respondent's continued inaction, which demonstrates a genuine disinterest on its part to comply with the procedural requirements, necessitates a strict application of the rules. After all, procedural rules are not mere technicalities. They exist for the orderly administration of justice. A casual and blatant disregard of these rules cannot be countenanced.

In view of the foregoing, there is no need to discuss the remaining issues raised by petitioner.

WHEREFORE, the appeal is **GRANTED**. The September 5, 2013 Decision and the March 12, 2014 Resolution of the Court of Appeals in CA-G.R. SP No. 128934 are hereby **REVERSED** and **SET ASIDE**. The June 29, 2007 Decision of the Labor Arbiter in NLRC Case No. RAB III-08-4654-02 is hereby **REINSTATED** and deemed **FINAL** and **EXECUTORY** as to petitioner Gregorio Z. Robles.

The Labor Arbiter is **ORDERED** to **COMPUTE** the total monetary benefits award due petitioner Gregorio Z. Robles in accordance with its June 29, 2007 Decision.

SO ORDERED.” *Hernando, J., on official leave.*

By authority of the Court:


LIBRADA C. BUENA
Division Clerk of Court

by:

MARIA TERESA B. SIBULO
Deputy Division Clerk of Court^{hc}

148-I
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