



Republic of the Philippines  
Supreme Court  
Manila

THIRD DIVISION

NOTICE

Sirs/Mesdames:

*Please take notice that the Court, Third Division, issued a Resolution dated **January 11, 2023**, which reads as follows:*

**G.R. No. 244190 – REPUBLIC OF THE PHILIPPINES, represented by the PHILIPPINE OVERSEAS EMPLOYMENT ADMINISTRATION, Petitioner, v. LOUIS INTERNATIONAL MANPOWER SERVICES (PHILS.), INC., Respondent.**

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RESOLUTION

Before the Court is a Petition for Review on *Certiorari*<sup>1</sup> under Rule 45 of the Rules of Court, seeking to reverse and set aside the Decision,<sup>2</sup> dated May 31, 2018, and the Resolution,<sup>3</sup> dated January 16, 2019, of the Court of Appeals (CA) in CA-G.R. SP No. 137116. The CA affirmed the Orders, dated February 21, 2014 (**February 21 Order**)<sup>4</sup> and July 2, 2014 (**July 2 Order**),<sup>5</sup> of the Regional Trial Court, Mandaluyong City, Branch 213 (RTC), denying the Motion to Dismiss of petitioner Republic of the Philippines, represented by the Philippine Overseas Employment Administration (POEA), on the ground that an actual controversy still exists in the case.

*The Facts*

On November 27, 2012, the POEA Administrator issued an Order<sup>6</sup> (**November 27 Order**) finding private respondent Louis International Manpower Services (Phils.), Inc. (LIMSPI) guilty of violation of Section

<sup>1</sup> *Rollo*, pp. 26-40.

<sup>2</sup> *Id.* at 46-55. Penned by Associate Justice Maria Elisa Sempio Diy and concurred in by Associate Justices Franchito N. Diamante and Rodil V. Zalameda (now a Member of the Court).

<sup>3</sup> *Id.* at 57-59.

<sup>4</sup> *Id.* at 60-62. Penned by Judge Carlos A. Valenzuela.

<sup>5</sup> *Id.* at 63-64.

<sup>6</sup> *Id.* at 99-103.

2(e),<sup>7</sup> Rule I, Part VI of the 2002 Revised POEA Rules and Regulations on Overseas Employment of Land-based Workers (**POEA Rules**). Consequently, the penalty of suspension of license for a period of four months or, in lieu thereof, the payment of fine in the amount of PHP 40,000.00 was imposed on LIMSPI. The November 27 Order became final and executory on January 8, 2013, as shown in the Entry of Judgment,<sup>8</sup> dated March 22, 2013.

On May 2, 2013, LIMSPI filed a Notice of Appeal and Memorandum of Appeal and posted a cash bond in the amount of PHP 40,000.00, alleging that it belatedly received a copy of the November 27 Order on April 17, 2013.<sup>9</sup> However, in the Order,<sup>10</sup> dated July 17, 2013 (**July 17 Order**), the POEA Administrator refused to act on the appeal for being filed beyond the reglementary period. LIMSPI then filed an Omnibus Motion for Reconsideration and Lifting of Suspension Order. While the POEA Administrator denied the Motion for Reconsideration and directed the release of LIMSPI's bond in the Order,<sup>11</sup> dated August 6, 2013 (**August 6 Order**), he did not resolve the Motion to Lift Suspension Order.<sup>12</sup>

Thus, on August 8, 2013, LIMSPI filed a Manifestation with Motion to Lift Suspension (**August 8 Manifestation with Motion**), stating that it already served a quarter of the period of the penalty imposed, and praying for its bond to be applied to the fine imposed, in lieu of suspension. The POEA Administrator granted this motion in the Order,<sup>13</sup> dated August 14, 2013 (**August 14 Order**), applying the amount of PHP 30,000.00 to the fine equivalent to the three months unserved period of suspension, while releasing the remaining amount to LIMSPI. This effectively lifted the order of suspension.

The foregoing notwithstanding, LIMSPI filed a Petition for *Certiorari* and *Mandamus*<sup>14</sup> before the RTC, praying for the: (a) July 17 Order and August 6 Order to be declared void; and (b) POEA to be ordered to transmit the records of the case to the Office of the Secretary of Labor, giving due course to its appeal. The POEA moved for its dismissal, contending that the August 14 Order, which lifted the suspension of LIMSPI, rendered it moot and academic.<sup>15</sup>

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<sup>7</sup> The POEA Rules provide that engaging in acts of misrepresentation in connection with the recruitment and placement of workers, such as furnishing any false notice, information, or document in relation to employment, is a ground for imposition of administrative sanction.

<sup>8</sup> *Id.* at 104.

<sup>9</sup> *Id.* at 111.

<sup>10</sup> *Id.* at 106-107.

<sup>11</sup> *Id.* at 116-117.

<sup>12</sup> *Id.* at 117.

<sup>13</sup> *Id.* at 121-122.

<sup>14</sup> *Id.* at 123-135.

<sup>15</sup> *Id.* at 140-144.

The RTC ruled in favor of LIMSPI, denying the Motion to Dismiss, in the February 21 Order. It held that while the penalty imposed on LIMSPI has been considered served by the payment of the fine, the issue of whether LIMSPI indeed violated the POEA Rules has not yet been resolved. The POEA then sought for reconsideration, which was denied in the July 2 Order.

Aggrieved, the POEA filed a Petition for *Certiorari* under Rule 65 before the CA.

### *The Ruling of the CA*

The CA denied the Petition for *Certiorari* in the assailed Decision, finding no grave abuse of discretion on the part of the RTC. It held that the actual controversy between the parties was not concluded despite the suspension and payment of the fine by LIMSPI. The CA explained that the findings of the RTC, and eventually the Secretary of Labor, would still be of practical value to LIMSPI as its exoneration is relevant to the imposition of penalty for any future violations. It added that LIMSPI's payment of the fine was not voluntary, as it was made pursuant to the execution of the November 27 Order.<sup>16</sup>

The POEA moved for reconsideration, which the CA denied in the Assailed Resolution.

Hence, this Petition.

### *The Issue*

Did the CA err in finding no grave abuse of discretion on the part of the RTC, when it denied POEA's Motion to Dismiss due to the existence of an actual controversy in this case?

The POEA asserts that LIMSPI's voluntary service of suspension and payment of the fine rendered the case moot and academic. It claims that this is an implied admission that its findings and ruling in the November 27 Order are correct and that LIMSPI, therefore, waived its right to assail the same. The POEA further argues that the present case does not fall under any of the exceptions to the doctrine of mootness.<sup>17</sup>

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<sup>16</sup> *Id.* at 50-54.

<sup>17</sup> *Id.* at 33-38.

In the Comment,<sup>18</sup> dated August 22, 2018, LIMSPI maintains that its service of suspension and payment of the fine did not render the case moot and academic. It contends that a ruling on the issue of its alleged violation of the POEA Rules would affect the gravity of the penalty that will be imposed in the event of future violations. LIMSPI further insists that it was compelled to serve the suspension and pay the fine, because its right to appeal was denied. It also avers that the POEA failed to show any instance where the RTC gravely abused its discretion in issuing the February 21 Order and July 2 Order.<sup>19</sup>

In the Reply,<sup>20</sup> dated July 5, 2021, the POEA argues that there was no compulsion on the part of LIMSPI, as the penalty imposed by the November 27 Order was not immediately executory. It also alleges that the resolution of the case will serve no useful purpose, because there is no more penalty to set aside given LIMSPI's suspension and payment of the fine.<sup>21</sup>

### *The Ruling of the Court*

The Petition is denied.

A case is rendered moot and academic when it ceases to present a justiciable controversy by virtue of supervening events, so that an adjudication of the case would be of no practical value or use. In such instance, there is no actual substantial relief which a petitioner would be entitled to, and which would be negated by the dismissal of the petition. Courts generally decline jurisdiction over such case or dismiss it on the ground of mootness. This is because the judgment will not serve any useful purpose or have any practical legal effect because, in the nature of things, it cannot be enforced.<sup>22</sup>

In this case, as correctly found by the lower courts, the issue of whether LIMSPI violated the POEA Rules has not yet been resolved notwithstanding its suspension and payment of the fine imposed. The determination of such issue in favor of LIMSPI serves a useful purpose, as: (a) additional penalties<sup>23</sup> may be imposed on LIMSPI, taking into account modifying circumstances

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<sup>18</sup> *Id.* at 182-193.

<sup>19</sup> *Id.* at 188-193.

<sup>20</sup> *Id.* at 231-237.

<sup>21</sup> *Id.* at 232-233.

<sup>22</sup> *Crisol, Jr. v. Commission on Audit*, September 14, 2021; *Peñafrancia Sugar Mill, Inc. v. Sugar Regulatory Administration*, 728 Phil. 535, 540 (2014); *Philippine Savings Bank v. Senate Impeachment Court*, 699 Phil. 34 (2012); and *Sales v. Commission on Elections*, 559 Phil. 593, 596 (2007).

<sup>23</sup> In administrative cases involving civil servants, even if the most severe of administrative sanctions – separation of service – may no longer imposed, the same are not deemed moot and academic. This is because there are other penalties that may be imposed if the civil servants are later found guilty of administrative offenses charged. See *Office of the President v. Cataquiz*, 673 Phil. 318 (2011); *Office of the Court Administrator v. Judge Aguilar*, A.M. No. RTJ-07-2087, 666 Phil. 11 (2011); and *Pagano v. Nazarro, Jr.*, 560 Phil. 96 (2007).

and monetary claims, if any;<sup>24</sup> and (b) the penalties imposed under the POEA Rules to repeat offenders are harsher.<sup>25</sup> Thus, the exoneration of LIMSPI would avoid the imposition of additional penalties and prevent it from incurring a severe penalty in the event that it commits the same violation in the future.

POEA's allegation – that LIMSPI's voluntary service of suspension and payment of the fine is an implied admission that its findings and ruling in the November 27 Order are correct – does not deserve merit. The records show that LIMSPI was compelled to pay the fine to keep its operations unhampered and so as not to prejudice the deployment of the workers who availed of its services. LIMSPI did not waive its right to assail the November 27 Order, as it expressly stated in the August 8 Manifestation with Motion, that the same was “without prejudice to any other action available to the respondent.”<sup>26</sup>

There still being a justiciable controversy in this case, the CA did not err in finding no grave abuse of discretion on the part of the RTC when the latter denied POEA's Motion to Dismiss.

**WHEREFORE**, the Petition for Review on *Certiorari* is **DENIED**. The Decision, dated May 31, 2018, of the Court of Appeals in CA-G.R. SP No. 137116 is **AFFIRMED**.

**SO ORDERED.**

By authority of the Court:

*Mis PDC Batt*  
**MISAELO DOMINGO C. BATTUNG III**  
*Division Clerk of Court*  
423/21

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<sup>24</sup> POEA RULES, Part VI, Rule IV, secs. 1 and 3.

<sup>25</sup> To illustrate, under Section 1, Rule IV, Part VI of the POEA Rules, the penalty for the second offense of Section 2(e), Rule I, Part VI is suspension for a period ranging from six months and one day to one year. For the third offense, the penalty is cancellation of license.

<sup>26</sup> *Rollo*, p. 119.

COURT OF APPEALS  
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(Civil Case No. MC 13-8260)

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**G.R. No. 244190**

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