

**THIRD DIVISION****[ G.R. No. 141508, May 05, 2010 ]**

**ROBERTO S. BENEDICTO AND TRADERS ROYAL BANK, PETITIONERS, VS. MANUEL LACSON, A & A MONTELIBANO HIJOS, INC., ROBERTO ABELLO, DOMINADOR AGRAVANTE, LUISA ALANO, ALEXANDER FARMS, INC., ANGELA ESTATE, INC., GUILLERMO AND DOROTHY ARANETA, LETECIA ARANETA, ARCEO RAMOS & SONS, INC., SPOUSES GEORGE & LOURDES ARGUELLES, ASOSACION DE HACENDEROS DE SILAY-SARAVIA, INC. (AHSSI), SALVADOR BAUTISTA, BJB AGRO-INDUSTRIAL CORP., EUGENIO BAUTISTA, LUZ RAMOS BAYOT, CYNTHIA BENEDICTO, EVA BENEDICTO, LEOPOLDO BENEDICTO, MARY JANE BENEDICTO, FLORO BONGCO, FRANCISCO BONGCO, GERARDO BONGCO, MAXCY BORROMEO, QUIRICO CAMUS, CELSO AGRO INDUSTRIAL CORP., JULIA SO DE UYCHIAT, ARTURO UYCHIAT, LUIS UYCHIAT, ELISE UYCHIAT, CIRO LOCSIN AGRICULTURAL CORPORATION, CLAMONT FARMS, INC., SAGRARIO CLAPAROLS, JAIME CLAPAROLS, CLAUDIO LOPEZ, INC., RAMON CLEMENTE, SPOUSES ROMY CONLU AND ASUCENA DIASATA, SPOUSES CORNELIO AND DOLORES CONSING, LOPE CONSING, SPOUSES RAFAEL AND JULIETA CONSOLACION, BALCONER CORDOVA, CONSOLING CORDOVA, RAFAEL COSCULLUELA, CLK AGRO DEVELOPMENT CORP., EMILIO CUAYCONG, JR., SPOUSES JOSE ROBERTO AND PATRICIO CUAYCONG, ROMELI CUAYCONG, SONYA CUAYCONG, FELIPE DALIMO-OS, UBERTA DALIMO-OS, DELARICA REALTY, DOLL AGRICULTURAL CORP., DR. ANTONIO LIZARES CO., INC., SPOUSES BONIFACIO AND URBANA DUJON, ELAR AGRO INDUSTRIAL CORP., ELCEE FARMS, INC., ESTATE OF FERNANDO ERENETA, SPOUSES BENJAMIN AND TERESITA ESTACIO, EUSEBIO INCORPORATED, FARMLAND INCORPORATED, FELICIA AGRI DEVELOPMENT CORP., FELISA AGRI CORPORATION, SPOUSES ROLANDO AND NELLY FERMIN, FERTI-ACRES AGRI-CULTURAL CORPORATION, FRANCISCO JAVIER LACSON Y HERMANOS, GAMBOA HERMANOS, INC., HONORATO GAMBOA, ESTATE OF REMEDIOS GAMBOA, ANTONIO GASTON, HEIRS OF GERARDO GASTON, ESTATE OF JOSE MA. GASTON, VICTOR MA. GASTON, JOSE MA. GASTON, JOSE MA. GOLEZ, ANTONIO GONZAGA, ERNESTO GONZAGA, JESUS GONZAGA, LUIS GONZAGA, GONZAGA REAL ESTATE ENTERPRISES, INC., ROBERT GONZAGA, GREEN SOILS AGRICULTURE, INC., ESTATE OF REMEDIOS L. VDA. DE GUINTO, WARLITO USTILO, G.V. & SONS, INC., ENCARNACION HERNAEZ, SPOUSES MIGUEL AND CECILIA MAGSAYSAY, ADELINO HERNANDEZ, SPOUSES ABELARDO AND EMILY HILADO, SPOUSES ALFREDO AND TERESITA HILADO, RAMON HILADO, SPOUSES REMO AND ELSIE HINLO, SPOUSES DANILO AND NIMFA HINLO, MA. CRISTINA HOJILLA, DIOSDADO AND DIONISIO HOSALLA, JALIMONT REALTY, INC., ALBERTO AND BENJAMIN JALANDONI,**

**DANIEL JALANDONI, JALKK CORPORATION, LEONOR JAVELLANA, ERIBERTO JESENA, PISON JESUSA AND SISTERS, JISARA AGRI DEVELOPMENT CORPORATION, J.H. TAMPINCO AGRICULTURAL CORP., LILIA LOPEZ DE JISON, ROBERTO JISON, JOMILLA AGRO INDUSTRIAL VENTURES, INC., BENIGNA JONOTA, JOSEFINA RODRIGUEZ AGRICULTURAL CORP., JT ALUNAN AGRI. CORP., ANTONIO JUGO, SPOUSES JUANITO JUMILLA AND SANTAS DALIMO-OS, ESTATE OF CASILDA JUSTINIANI, SPOUSES ALEJANDRO AND ANTONIO KANA- AN, AGUSTIN KILAYCO, SPOUSES RODOLFO AND EMMA LACSON, EMMANUEL LACSON, ESTATE OF ERNESTO LACSON, LACSON HERMANOS, INC., ESTATE OF FELIPE LACSON, MANUEL LACSON, ESTATE OF MANUELA VDA. DE LACSON, PEDRO LACSON, RAMON LACSON, SR., TERESA LACSON, RODRIGO LACSON, LACTOR ESTATE DEVELOPMENT CORP., LIBERTINO AGUTANG, CARMEN CONSING LA'O, JOSE LA'O, JULIA LA'O, LA SALVACION AGRICULTURAL CORP., ENRIQUE LEDESMA, LEDESMA HERMANOS, INC., JESUS LEDESMA, SPOUSES JOSE MA. AND EVA LEDESMA, LEGA FARMS, CORP., ESTATE OF ANASTACIO LEGARDE, LIMJAP-ALUNAN AGRI, JESUS LIZARES, JOSE LIZARES, LUIS LIZARES, NILO LIZARES, SR. AND JR., SPOUSES JOSE AND PERLA LIZARES, ROBERTO LIZARES, ANTONIO LOCSIN, FEDERICO LOCSIN, JR., SPS. ROBERT AND JEAN MARIE WINEBURGER, ESTATE OF JOSE LOCSIN, OSCAR LOCSIN, SPOUSES JOSE MA. AND MARGARITA LOCSIN, VICENTE LOCSIN, LONOY AGRICULTURAL CORP., DOLORES LOLITA VDA. DE LOPEZ, FORTUNATO LOPEZ, NER LOPEZ, ESTATE OF NIEVES LOPEZ, POMPEYO LOPEZ, ROSENDO LOPEZ, ARTURO DE LUZURIAGA, CLAUDIO DE LUZURIAGA, CATALINA VDA. DE MAKILAN, BENITO MALAN, BASILIO MANALO, MANCY & SONS, INC., MANILAC AGRO COMMERCIAL CORP., SPOUSES MANUEL AND LUISA MANOSA, JULIO AND GENEVIEVE MAPA, MAPLE AGRI-CORP., INC., MARLAND AGRICULTURAL CORP., MARVIA & CO., INC., ANTONIO MENDOZA, BERNARDO MENDOZA, JR., SPOUSES BERNARDO AND ROSARIO MENDOZA, MALAURIE AGRICULTURAL DEVELOPMENT CORP., HEIRS OF MANUEL AND CEFERINO MONFORT, ESTATE OF MANUEL MONFORT, JR., SPOUSES EMILIO AND LINDA MONTALVO, MONTILLA SISTERS AGRICULTURAL CORP., ANTONIO MONTINOLA, NIEVES AGRO-INDUSTRIAL DEVELOPMENT CORP., MAMERTO DE OCA, O. LEDESMA & CO., INC., HEIRS OF MERCEDES PABIANA, TEODULO PABIANA, ESTATE OF ROSARIO PALENZUELA, ESTATE OF ENCARNACION PANLILIO, JOSE PASCUAL, JOHNNY DE LA PENA, ANICETA PERDIGUEROS, AQUILES PERDIGUEROS, LUISA PEREZ, CRISTINA PERTIERRA, PHISON FARMS, INC., ESTATE OF JOSEFINA PICCIO, PISON-LOCSIN KAUTURAN, NICOLAS POLINARIO, PUYAS AGRO, INC., ESTATE OF LEONOR DE LA RAMA, LUIS RAMA, RAMON DE LA RAMA AGRO DEVELOPMENT CORP., REMO RAMOS, BENJAMIN RAMOS, MARIANO RAMOS, SPOUSES ENRIQUE AND TERESITA REGALADO, SPS. JOSE MA. AND AMELIA REGALADO, MANUEL REGALADO, AQUILINO REONIR, RHE & SONS AGRO INDUSTRIAL CORP., ROAM AGRICULTURAL CORP., AMANDO ROBILLO, ROMALUX AGRI FARMS, INC., LETECIA DEL ROSARIO, MANUEL DEL ROSARIO, EULALIA ROSELLO, ROSENDO H. DE LA RAMA &**

**CO., BIBIANO SABINO, SPOUSES REINHARDT AND CORAZON SAGEMULLER, PEDRO SAJO, SPOUSES AQUILES AND MA. CRISTINA SAJO, SAN ANTONIO FARMS, JOSE MA. SANTOS, MARCELINO SAUSI, STA. CLARA ESTATE, INC., SPOUSES FRANCISCO AND JULITA SERRIOS, ANTONIO SIAN, SIASON-DITCHING AGRO INDUSTRIAL CORP., SPOUSES LUCRECIO SORIANO AND LIBERATA DALIMO- OS, IMELDA TAMPINCO, T. GENSOLI & CO., TINIHABAN AGRICULTURAL CORP., SPOUSES LINO AND THELMA TOLEDO, FRANCISCO TORIANO, GODOFREDO TORIANO, LUCRECIO TORIANO, MOISES TORIANO, TOTA, INC., DEMOCRITO TRECHO, JESUSA TRECHO, PABIO TRECHO, RUFINO TRECHO, ESTATE OF FLORENTINO TREYES, ESTATE OF VICTOR TREYES, FERNANDO TREYES, LILIA TREYES, SOCORRO TUVILLA, FRANCIS TUVILLA, SPS. JOE MARIE AND VICTORIA TUVILLA, JOSE URBANOZO, JR., ESTATE OF ROSARIO VALENCIA, EDUARDO DE VENECIA, VICTORIAS MILLING, CO., INC., SPOUSES ESEL AND RITA VILLACIN, JOSEFA VILLAERA, VILLALAYA AGRO DEVELOPMENT, SERAFIN VILLANUEVA, IRVING VILLASOR, DOMINICIANO VINARTA, ROSENDO AND CANDIDO VINARTA, BERNARD YBIERNAS, ESTRELLA YBIERNAS, SPOUSES CARLOS AND EDITH YLANAN, BENITO YOUNG, SPOUSES RENATO AND VICTORIA YULO, AND JESUS YUSAY, RESPONDENTS.**

## **D E C I S I O N**

Before this Court is a Petition for Review on *certiorari*,<sup>[1]</sup> under Rule 45 of the Rules of Court, seeking to set aside the September 30, 1999 Decision<sup>[2]</sup> and January 10, 2000 Resolution<sup>[3]</sup> of the Court of Appeals (CA) in CA-G.R. CV No. 53841.

The facts of the case are as follows:

Under Presidential Decree No. 388,<sup>[4]</sup> the Philippine Sugar Commission (PHILSUCOM) was created and vested with the power to act as the single buying and selling agency of sugar in the Philippines. On September 7, 1977, PHILSUCOM further organized the National Sugar Trading Corporation (NASUTRA) as its buying marketing arm. Petitioner Robert S. Benedicto<sup>[5]</sup> was the concurrent Chairman and President of Traders Royal Bank<sup>[6]</sup> and NASUTRA.

The case stems from a Complaint,<sup>[7]</sup> docketed as **Civil Case No. 95-9137 (Bacolod Case)**, filed by respondents, individual sugar planters and agricultural corporations Manuel Lacson *et al.*, on November 23, 1995, in the Regional Trial Court (RTC) of Bacolod City, Branch 44. Respondents' complaint was premised on a claim for unpaid shares based on Sugar Order No. 2, series of 1979-1980<sup>[8]</sup> and Sugar Order No. 1, series of 1980-1981<sup>[9]</sup> issued by PHILSUCOM. The claims cover the sugar export sales<sup>[10]</sup> supposedly undervalued by NASUTRA and coursed through Traders Royal Bank, the total amount of which is claimed by respondents to be \$33,907,172. 47, to wit:

SUMMARY OF CLAIMS UNDER THE FIRST TO FIFTEENTH  
CAUSES OF ACTION

92. As tabulated in Annex C hereof, while the total amount actually paid by the buyers and collected by the PHILSUCOM and the Defendants NASUTRA, BENEDICTO, MONTEBON and TRB on the sales of export sugar subject of the preceding Causes of Action, amounted to US\$ 94,146,954.03, the PHILSUCOM and the said Defendants recorded and reported a total collection of only US\$60,239,781.56, resulting in an undervaluation of Defendant NASUTRA's export sales by US\$ 33, 907,172.74 and, correspondingly, in an equivalent understatement of the amount due the Plaintiffs and other sugar producers in the profits realized from such sales, pursuant to the directive of then President Marcos as implemented in the PHILSUCOM SUGAR ORDERS hereto attached as Annexes B and B-1 hereof.

93. Accordingly, on the basis of their respective production of "A" and "C" sugar for the 1980-1981 crop year vis-à-vis the national production of 20,474,653 piculs of the same classes of sugar for the same crop year, the Plaintiffs are entitled to the payment by Defendants of their *pro rata* share, in the amounts indicated opposite their respective names in Annex C-1 hereof, in the undeclared profit of US\$33,907,172.74 realized from the export sales, subject of the preceding Causes of Action, during the said crop year.<sup>[11]</sup>

Petitioner, as President and concurrent Chairman of both Traders Royal Bank and NASUTRA, was charged by respondents with fraud and bad faith, not only in refusing to furnish them accurate data on NASUTRA's export sugar sales, but, more importantly, in under-reporting and under-declaring the true prices of the shipments.<sup>[12]</sup> Respondents, thus, prayed for a refund of their shares in the undervalued shipments.

On December 27, 1995, petitioner filed a Motion to Dismiss,<sup>[13]</sup> arguing therein (1) that respondents had violated the rule on forum shopping; (2) that respondents have no cause of action; (3) that the issues involved are *res judicata* or rendered moot by case law; and (4) that the claim or demand has already been paid.

On the issue of forum shopping, petitioner argued that respondents have already filed the following cases beforehand, *viz.*: (a) **Civil Case No. 4301**, before Branch 51 of the RTC of Bacolod, entitled *Hector Lacson, et al. v. NASUTRA et al.*, (**Hector Lacson Case**); (b) **Civil Case No. 88-46368**, before Branch 23 of the RTC of Manila, entitled *Ramon Monfort et al. v. NASUTRA et al.* (**Ramon Monfort Case**); and (c) **Civil Case No. 65156**, before Branch 264 of the RTC of Pasig, entitled *Manuel Lacson, et al. v. NASUTRA, et al.* (**Pasig Case**).<sup>[14]</sup>

On the issue of no cause of action, petitioner argued that: (a) not being their agent, NASUTRA had no obligation to share its profits with respondents; (b) the questioned transactions were already perfected and consummated both with respect to the delivery of the sugar and full payment of the price; (c) respondents are estopped from questioning the subject transactions, having executed in favor of NASUTRA a "Chattel Mortgage on Standing Crop" which authorized the latter, among others, to sell or dispose of the same at the time, place, and for the price which it may deem convenient and reasonable; and (d) NASUTRA had long been dissolved and liquidated

under Presidential Decree No. 2005 and Executive Order No. 114.<sup>[15]</sup>

Lastly, petitioner argued that the issues posed by respondents are barred by *res judicata* and/or rendered moot by the decisions in the following cases, *viz.*: (a) G.R. No. 55798, entitled *Corazon Zayco, et al. v. NASUTRA et al.*; (b) Civil Case No. Q-33723, entitled *Hortensia Starke v. NASUTRA, et al.*; (c) Civil Case No. 3265, entitled *Cecilia Magsaysay, et al. v. NASUTRA et al.*; and (d) Civil Case No. 16439, entitled *John Keng Seng v. NASUTRA, et al.*<sup>[16]</sup>

On March 26, 1996, respondents filed a Consolidated Opposition to Motion to Dismiss.<sup>[17]</sup> Simultaneous thereto, respondents also filed an "Amended Certification" to the following effect:

x x x x

**2. That, except for the case entitled *Manuel Lacson v. Roberto S. Benedicto, et al., Civil Case 65156, Pasig, RTC Branch 264, filed by some of the Plaintiffs on June 20, 1995 and subsequently withdrawn by them without prejudice on November 14, 1995 pursuant to Sec. 1, Rule 17 prior to the filing of the present suit,* Plaintiffs have not commenced any other action or proceeding involving the same issues in the Supreme Court, the Court of Appeals, or any other tribunal or agency; that to the best of my knowledge, no such action or proceeding is pending the Supreme Court, the Court of Appeals, or any other tribunal or agency; and if I or they should hereafter learn that a similar action or proceeding has been filed or pending before the Supreme Court, Court of Appeals, or any other tribunal or agency, Plaintiffs and I hereby undertake to report such fact within five (5) days therefrom to this Honorable Court.**<sup>[18]</sup>

On June 5, 1996, the RTC issued an Order<sup>[19]</sup> granting petitioner's motion to dismiss the complaint, the dispositive portion of which reads:

WHEREFORE, premises considered, the Motions to Dismiss are hereby GRANTED. The case against all the defendants is ordered DISMISSED.

Furnish copies of this Order all counsel on record for their information.

SO ORDERED.<sup>[20]</sup>

The RTC ruled that a perusal of the copies of the complaints in two cases, namely: Hector Lacson Case and Ramon Monfort Case show similarities with the present Bacolod Case such that different decisions or rulings would give rise to conflicting rules on law on similar issues.<sup>[21]</sup> The RTC also held that respondents were guilty of forum shopping for failure to report in their original anti-forum shopping certification in the Bacolod Case that they had filed a similar case with the RTC of Pasig notwithstanding that the same had been withdrawn by them. The RTC ruled that even if the Pasig Case had been withdrawn, the same had already been commenced.<sup>[22]</sup> Thus, the RTC held that there was a need to report the same in the anti-forum