

## SECOND DIVISION

[ G.R. NO. 169026, June 15, 2006 ]

**FIRST WOMEN'S CREDIT CORPORATION AND SHIG KATAYAMA,  
PETITIONERS, VS. HON. HERNANDO B. PEREZ, IN HIS CAPACITY  
AS THE SECRETARY OF THE DEPARTMENT OF JUSTICE, RAMON P.  
JACINTO, JAIME C. COLAYCO, ANTONIO P. TAYAO, AND  
GLICERIO PEREZ, RESPONDENTS.**

### DECISION

**CORONA, J.:**

Before the Court is a petition for review<sup>[1]</sup> of the March 10, 2005 decision and July 11, 2005 resolution of the Court of Appeals (CA) in CA-G.R. SP No. 74145.<sup>[2]</sup>

This case began with a complaint-affidavit<sup>[3]</sup> filed in the City Prosecutor's Office of Makati by petitioner Shig Katayama, a stockholder and director of petitioner First Women's Credit Corporation (FWCC), accusing private respondents Ramon P. Jacinto, Jaime C. Colayco, Antonio P. Tayao and Glicerio Perez of resistance and disobedience to persons in authority, unlawful use of means of publications and unlawful utterances, falsification by private individuals and use of falsified documents, and estafa.

At the conclusion of the preliminary investigation, the investigating prosecutor issued a resolution<sup>[4]</sup> finding probable cause to prosecute private respondents for falsification of private documents and grave coercion.

Private respondents appealed the investigating prosecutor's resolution to public respondent Secretary of Justice. In a resolution dated April 29, 2002,<sup>[5]</sup> public respondent ruled that there was no probable cause to prosecute private respondents for falsification of private documents and grave coercion. Accordingly, public respondent directed the City Prosecutor of Makati City to move for the withdrawal of the informations which had in the meantime been filed against private respondents in the Metropolitan Trial Court of Makati City. In a subsequent resolution dated September 24, 2002,<sup>[6]</sup> public respondent denied petitioners' motion for reconsideration.

Petitioners thereafter filed a petition for certiorari<sup>[7]</sup> in the CA to annul public respondent's adverse resolutions for having been rendered with grave abuse of discretion. It was docketed as CA-G.R. SP No. 74145.

In a decision dated March 10, 2005,<sup>[8]</sup> the CA held that public respondent committed no grave abuse of discretion in ruling against the existence of probable cause to prosecute private respondents. The petition was therefore dismissed for lack of merit and the Secretary of Justice's resolutions affirmed *in toto*. In a

subsequent resolution dated July 11, 2005,<sup>[9]</sup> the CA denied petitioners' motion for reconsideration. Hence, this petition.

Petitioners would have us give due course to their petition, reverse and set aside the CA decision and resolution, and annul the resolutions of the Secretary of Justice. But this is easier said than done.

As stated correctly by the CA, the determination of probable cause for the filing of an information in court is an executive function,<sup>[10]</sup> one that properly pertains at the first instance to the public prosecutor and, ultimately, to the Secretary of Justice.

<sup>[11]</sup> For this reason, the Court considers it sound judicial policy to refrain from interfering in the conduct of preliminary investigations and to leave the Department of Justice ample latitude of discretion in the determination of what constitutes sufficient evidence to establish probable cause for the prosecution of supposed offenders.<sup>[12]</sup> Consistent with this policy, courts do not reverse the Secretary of Justice's findings and conclusions on the matter of probable cause except in clear cases of grave abuse of discretion.<sup>[13]</sup> Thus, petitioners will prevail only if they can show that the CA erred in not holding that public respondent's resolutions were tainted with grave abuse of discretion.

By grave abuse of discretion is meant such capricious and whimsical exercise of judgment which is equivalent to an excess or lack of jurisdiction. The abuse of discretion must be so patent and gross as to amount to an evasion of a positive duty or a virtual refusal to perform a duty enjoined by law or to act at all in contemplation of law, as where the power is exercised in an arbitrary and despotic manner by reason of passion or hostility.<sup>[14]</sup>

Viewed against the foregoing standards, public respondent's resolution to direct the withdrawal of the informations against private respondents does not appear to have been made with grave abuse of discretion. The reasons for the course of action taken by public respondent were stated clearly and sufficiently in the assailed resolution of April 29, 2002.<sup>[15]</sup> There was no hint of whimsicality, no gross and patent abuse of discretion as would amount to "an evasion of a positive duty or a virtual refusal to perform a duty enjoined by law or to act at all in contemplation of law." Quite to the contrary, public respondent resolved the issues by applying basic precepts of criminal law to the facts, allegations, and evidence on record.

Even on the assumption that public respondent did make some erroneous inferences of fact and conclusions of law along the way, the CA could not have corrected these errors on certiorari as these were not of a degree that would amount to a clear case of abuse of discretion of the grave and malevolent kind.<sup>[16]</sup> Thus, in *Estrada v. Desierto*,<sup>[17]</sup> this Court held that the public respondents in said case did not gravely abuse their discretion in dismissing a criminal complaint even though their interpretation of the applicable law and jurisprudence might well have been wrong.<sup>[18]</sup> After all, it is elementary that not every erroneous conclusion of law or fact is an abuse of discretion.<sup>[19]</sup>

At any rate, petitioners' arguments before the CA<sup>[20]</sup> could be reduced to the allegation that public respondent erred in appreciating the evidence presented. This