Supreme Court E-Library

With costs *de oficio*.

SO ORDERED.

Puno (Chairperson), Corona, Azcuna, and *Garcia, JJ.,* concur.

SECOND DIVISION

[G.R. No. 147478. July 17, 2006]

METRO DRUG DISTRIBUTION, INC., MARSMAN and COMPANY, INC., JOVEN D. REYES, ISIDRO M. TARACHAN, BENJAMIN C. JAVIER, FELIPE C. GUEVARA, WILFREDO C. ROLDAN and GODOFREDO L. LABAY, *petitioners, vs.* **NOEL M. NARCISO,** *respondent.*

SYLLABUS

1. REMEDIAL LAW; RULES OF PROCEDURE; A PARTY INVOKING A LIBERAL APPLICATION OF THE RULES OF PROCEDURE SHOULD AT LEAST EXERT SOME EFFORT TO COMPLY WITH THEM; RATIONALE. — We have ruled time and again that litigants should have the amplest opportunity for a proper and just disposition of their cause — free, as much as possible, from the constraints of procedural technicalities. Our judicial system encourages full adjudication of the merits of an appeal. On the other hand, we also follow the rule that, save for the most persuasive of reasons, strict compliance with procedural requirements must be observed to facilitate the orderly administration of justice. While litigation is not a game of technicalities and the rules of procedure should not be enforced at the cost of substantial justice, it does not mean that the Rules of Court may be ignored at will and at random. Procedural rules should not be belittled or dismissed. Like all rules, their application is necessary except only for the most

Supreme Court E-Library

persuasive of reasons. It therefore follows that a party invoking a liberal application of the rules of procedure should at least exert some effort to comply with them.

2. **ID.; PLEADINGS; CERTIFICATE OF NON-FORUM SHOPPING; IN CASE OF A CORPORATION CERTIFICATE, IT MUST BE SIGNED FOR AND ON ITS BEHALF BY A SPECIFICALLY AUTHORIZED OFFICER OR AGENT WHO HAS KNOWLEDGE OF THE FACTS REQUIRED TO BE DISCLOSED; JUSTIFIED.** — In *Zulueta v. Asia Brewery, Inc.*, we held that the requirement for petitioner to sign the certificate of non-forum shopping applied even to corporations, considering that the mandatory directives of the Rules of Court made no distinction between natural and juridical persons. In case of a corporation, it has long been settled that the certificate must be signed for and on its behalf by a *specifically authorized officer or agent* who has personal knowledge of the facts required to be disclosed. We discussed the rationale behind the rule in *National Steel Corporation v. Court of Appeals*: Unlike natural persons, corporations may perform physical actions only through properly delegated individuals; namely, its officers and/or agents. The corporation, such as the petitioner, has no powers except those expressly conferred on it by the Corporation Code and those that are implied or incidental to its existence. In turn, a corporation exercises said powers through its board of directors and/or its duly authorized officers or agents. Physical acts, like the signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or by specific act of the board of directors. Consequently, without the needed proof from the board of directors, the certificate would be considered defective.

3. **ID.; SPECIAL CIVIL ACTIONS; *CERTIORARI*; NATURE THEREOF, EXPLAINED.** — The right to file a special civil action for *certiorari* is neither a natural right nor a part of due process. The acceptance of a petition for *certiorari* as well as the grant of due course thereto is addressed to the sound discretion of the court.

APPEARANCES OF COUNSEL

Bocobo Rondain Mendiola Cruz & Formoso for petitioners.
Teddy Esteban F. Rigoroso for respondent.

Supreme Court E-Library

DECISION

CORONA, *J.*:

Before us is a petition for review[1] under Rule 45 of the Rules of Court seeking to annul and set aside the October 12, 2000[2] and February 6, 2001[3] resolutions of the Court of Appeals[4] in CA-G.R. SP No. 61001 entitled *Metro Drug Distribution, Inc., Marsman and Company, Inc., et al. v. National Labor Relations Commission, et al.*

The antecedent facts follow.

An illegal dismissal complaint was filed by respondent Noel M. Narciso against petitioners on November 7, 1997.

On September 25, 1998, labor arbiter Donato G. Quinto, Jr. decided[5] in favor of petitioners and dismissed the complaint for lack of merit.

On May 22, 2000, the National Labor Relations Commission (NLRC) affirmed the findings of the labor arbiter but awarded separation pay to respondent. The dispositive portion of its resolution read:

WHEREFORE, the foregoing premises considered, the appeal is DISMISSED and the Decision of the Labor Arbiter is hereby AFFIRMED but is MODIFIED to include the award of separation pay to the complainant in the amount equivalent to one (1) month basic pay of ₱20,000.00 for every year of service counted from March 1988 up to the finality of this Decision.

SO ORDERED.[6]

---

[1] *Rollo*, pp. 3-16.

[2] *Id.*, pp. 188-189.

[3] *Id.*, pp. 199-201.

[4] Penned by Associate Justice Perlita J. Tria-Tirona, and concurred in by Associate Justices Delilah Vidallon-Magtolis (now retired) and Teodoro P. Regino (now retired) of the Thirteenth Division of the Court of Appeals.

[5] *Rollo*, pp. 98-121.

[6] *Id.*, pp. 149-160.

Supreme Court E-Library

Petitioners filed a motion for reconsideration[7] on June 19, 2000 questioning the grant of separation pay. On June 30, 2000, the NLRC denied the motion for reconsideration.[8]

On September 28, 2000, petitioners filed a petition for *certiorari*[9] under Rule 65 before the Court of Appeals. They questioned the NLRC's grant of separation pay to respondent in the face of the finding that his dismissal was legal.

On October 26, 2000, petitioners received the first resolution:

> The petition for *certiorari* filed by petitioner Metro Drug Distributions, Inc./Marsman and Company, Inc., *et al.* is DENIED DUE COURSE and as a consequence DISMISSED for the following reasons:
>
> 1. The caption of the petition did not specify all the petitioners as required on Section 1, Rule 7 of the 1997 Rules of Civil Procedure; and
> 2. The certification against forum shopping was executed and signed by the alleged Vice-President for Finance and Human Resources without any evidence to prove his authority from the Board of Directors to represent the petitioner corporation. Being a defective certification, it is equivalent to non-compliance with the requirement of Section 1 par. 2 of Rule 65 and Section 3 par. 3, Rule 46, 1997 Rules of Civil Procedure.
>
> SO ORDERED.[10]

Petitioners moved for reconsideration on November 6, 2000.[11] On February 21, 2001, petitioners received the second assailed resolution[12] denying it. Hence, the present petition for review centered on the following issues:

---

[7] *Id.*, pp. 161-169.

[8] *Id.*, p. 170.

[9] *Id.*, pp. 17-30.

[10] *See note* 2.

[11] *Id.*, pp. 190-197.

[12] *See note* 3.

Supreme Court E-Library

I

THE COURT OF APPEALS SERIOUSLY ERRED AND COMMITTED GRAVE ABUSE OF DISCRETION IN DISMISSING THE [CA] PETITION NOTWITHSTANDING THE FACT THAT:

A. PETITIONERS SUBSTANTIALLY COMPLIED WITH SECTION 1, RULE 7 OF THE RULES OF COURT BY INDICATING THE NAMES OF ALL THE PETITIONERS IN THE BODY OF THE CA PETITION.

B. THE LACK OF A WRITTEN AUTHORITY FROM PETITIONERS' BOARD OF DIRECTORS DOES NOT RENDER THE CERTIFICATION AGAINST FORUM SHOPPING DEFECTIVE.

II

THE COURT OF APPEALS DEPARTED FROM THE ACCEPTED AND USUAL COURSE OF JUDICIAL PROCEEDINGS IN THAT IT ISSUED THE FIRST AND SECOND RESOLUTIONS IN VIOLATION OF THE RULE ON LIBERAL CONSTRUCTION OF THE RULES OF COURT.[13]

We find no merit in the petition.

We have ruled time and again that litigants should have the amplest opportunity for a proper and just disposition of their cause — free, as much as possible, from the constraints of procedural technicalities. Our judicial system encourages full adjudication of the merits of an appeal. On the other hand, we also follow the rule that, save for the most persuasive of reasons, strict compliance with procedural requirements must be observed to facilitate the orderly administration of justice.[14]

While litigation is not a game of technicalities and the rules of procedure should not be enforced at the cost of substantial justice, it does not mean that the Rules of Court may be ignored at will and at random. Procedural rules should not be belittled

---

[13] *Id.*, pp. 9-10.

[14] *PET Plans v. Court of Appeals*, G.R. No. 148287, 23 November 2004, 443 SCRA 510.

Supreme Court E-Library

or dismissed. Like all rules, their application is necessary except only for the most persuasive of reasons.[15]

It therefore follows that a party invoking a liberal application of the rules of procedure should at least exert some effort to comply with them.

Here, petitioners failed to specify *all* the petitioners in the caption as required by Section 1, Rule 7[16] of the Rules of Court. Despite the dismissal of their petition because of this admitted inadvertence, they carelessly committed the same mistake in their motion for reconsideration.

The same error occured with respect to their certificate against forum shopping which failed to conform to the requirements of Section 1 (2), Rule 65[17] and Section 3 (3), Rule 46.[18] The

---

[15] *Alinabon v. P.P. Ramos Construction and General Services, Inc.*, Third Division, Minute Resolution, 2 March 2005.

[16] SECTION 1, RULE 7. *Caption.* — The caption sets forth the name of the court, the title of the action, and the docket number if assigned.

The title of the action indicates the names of the parties. They shall all be named in the original complaint or petition; but in subsequent pleadings, it shall be sufficient if the name of the first party on each side be stated with an appropriate indication when there are other parties.

Their respective participation in the case shall be indicated.

[17] SECTION 1, RULE 65. *Petition for certiorari.* — x x x

The petition shall be accompanied by a certified true copy of the judgment, order or resolution subject thereof, copies of all pleadings and documents relevant and pertinent thereto, and a sworn certification against non-forum shopping as provided in the third paragraph of Section 3, Rule 46.

[18] SECTION 3, RULE 46. — *Contents and filing of petition; effect of non-compliance with requirements.* — x x x

x x x x x x x x x

The petitioner shall also submit together with the petition a sworn certification that he has not theretofore commenced any other action involving the same issues in the Supreme Court, the Court of Appeals or different divisions thereof, or any other tribunal or agency; if there is such other action or proceeding, he must state the status of the same; and if he should thereafter learn that a similar action or proceeding has been filed or is pending

Supreme Court E-Library

appellate court correctly ruled that the certificate was defective because it was signed by the Vice-President for Finance and Human Resources without evidence of her authority to represent petitioner corporation and the officers impleaded. Again, despite the dismissal of the petition on this ground, petitioners repeated the omission in their motion for reconsideration. They failed to attach the required proof. The appellate court therefore found no reason to reconsider the dismissal of the petition.

Petitioners maintain that the procedural requirements they allegedly disregarded applied only to original complaints or petitions. Thus, even if they wanted to comply, they deliberately did not do so in their motion for reconsideration. We find this explanation unacceptable. In justifying their non-compliance, petitioners lost sight of the fact that subsequently conforming with the rules could have cured the procedural defects of their petition and could have provided a basis for reconsideration. In many instances, courts have reconsidered petitions initially deficient in form upon an erring party's satisfactory explanation and subsequent compliance with the rules.[19]

Petitioners also insist that the Rules of Court did not require the presentation of an authority from the board of directors for the validity of a certification of non-forum shopping. The lack of authority from petitioners' board of directors should not have affected the validity of the certification considering that it had already been signed by the Vice-President for Finance and Human Resources.

In *Zulueta v. Asia Brewery, Inc.*,[20] we held that the requirement for petitioner to sign the certificate of non-forum

---

before the Supreme Court, the Court of Appeals, or different divisions thereof, or any other tribunal or agency, he undertakes to promptly inform the aforesaid courts, and other tribunal or agency thereof within five (5) days therefrom.

x x x x x x x x x

[19] *Loyola v. Court of Appeals*, 315 Phil. 529 (1995); *Roadway Express, Inc. v. Court of Appeals*, 332 Phil. 733 (1996); *Uy v. Landbank of the Philippines*, 391 Phil. 303 (2000).

[20] G.R. No. 138137, 8 March 2001, 354 SCRA 100.

Supreme Court E-Library

shopping applied even to corporations, considering that the mandatory directives of the Rules of Court made no distinction between natural and juridical persons.

In case of a corporation, it has long been settled that the certificate must be signed for and on its behalf by a *specifically authorized officer or agent* who has personal knowledge of the facts required to be disclosed.

We discussed the rationale behind the rule in *National Steel Corporation v. Court of Appeals*:[21]

> Unlike natural persons, corporations may perform physical actions only through properly delegated individuals; namely, its officers and/or agents.
>
> The corporation, such as the petitioner, has no powers except those expressly conferred on it by the Corporation Code and those that are implied or incidental to its existence. In turn, a corporation exercises said powers through its board of directors and/or its duly authorized officers or agents. Physical acts, like the signing of documents, can be performed only by natural persons duly authorized for the purpose by corporate by-laws or by specific act of the board of directors.[22]

Consequently, without the needed proof from the board of directors, the certificate would be considered defective. Thus, in another case,[23] we held that even the regular officers of a corporation, like the chairman and president, may not even know the details required in a certificate of non-forum shopping; they must therefore be authorized by the board of directors just like any other officer or agent.

The right to file a special civil action for *certiorari* is neither a natural right nor a part of due process.[24] The acceptance of

---

[21] 436 Phil. 656 (2002).

[22] *Shipside, Inc. v. Court of Appeals*, G.R. No. 143377, 20 February 2001, 352 SCRA 334.

[23] *BA Savings Bank v. Sia*, 391 Phil. 370 (2000).

[24] *NYK International Knitwear Corporation v. NLRC*, 445 Phil. 654 (2003).

Supreme Court E-Library

a petition for *certiorari* as well as the grant of due course thereto is addressed to the sound discretion of the court.[25] We will not therefore disturb the Court of Appeals' decision to strictly apply the rules.

WHEREFORE, the petition is hereby *DENIED*. The resolutions of the Court of Appeals dated October 12, 2000 and February 6, 2001 are hereby *AFFIRMED*.

Costs against petitioners.

SO ORDERED.

Puno (Chairperson), Sandoval-Gutierrez, Azcuna, and *Garcia, JJ.*, concur.

SECOND DIVISION

[G.R. No. 147874. July 17, 2006]

DOLORES GAYOSO, DANNY GAYOSO, ELIZABETH G. DONDRIANO, VICTORIANO GAYOSO, CHRISTOPHER GAYOSO, REMEDIOS GAYOSO and THE HEIRS OF VICTORIANO GAYOSO, *petitioners, vs.* **TWENTY-TWO REALTY DEVELOPMENT CORPORATION,** *respondent.*

SYLLABUS

REMEDIAL LAW; SPECIAL CIVIL ACTIONS; FORCIBLE ENTRY AND UNLAWFUL DETAINER; EJECTMENT CASES; JURISDICTION, EXPLAINED. — It is basic that a court's jurisdiction is provided by law. In *Barba vs. Court of Appeals*, this Court held: The Court has repeatedly emphasized that municipal trial courts, metropolitan trial courts, and municipal circuit trial courts now retain jurisdiction over

[25] *Serrano v. Galant Maritime Services, Inc.*, G.R. No. 151833, 7 August 2003, 408 SCRA 523.