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**THIRD DIVISION**

[G.R. No. 162924. February 4, 2010]

**MID-PASIG LAND DEVELOPMENT CORPORATION,** *petitioner, vs.* **MARIO TABLANTE, doing business under the name and style ECRM ENTERPRISES; ROCKLAND CONSTRUCTION COMPANY; LAURIE LITAM; and MC HOME DEPOT, INC.,** *respondents.*

**SYLLABUS**

**1. REMEDIAL LAW; CIVIL PROCEDURE; ACTIONS; CERTIFICATION AGAINST FORUM SHOPPING; FAILURE TO ATTACH THE SECRETARY'S CERTIFICATE ATTESTING TO THE AUTHORITY TO SIGN THE VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING, NOT FATAL TO THE FILING OF THE PETITION; RATIONALE. —** In *Cagayan Valley Drug Corporation v. Commissioner of Internal Revenue*, the Court had occasion to explain that: It must be borne in mind that Sec. 23, in relation to Sec. 25 of the Corporation Code, clearly enunciates that all corporate powers are exercised, all business conducted, and all properties controlled by the board of directors. A corporation has a separate and distinct personality from its directors and officers and can only exercise its corporate powers through the board of directors. Thus, it is clear that an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the board of directors. This has been our constant holding in cases instituted by a corporation. In a slew of cases, however, we have recognized the authority of some corporate officers to sign the verification and certification against forum shopping. In *Mactan-Cebu International Airport Authority v. CA*, we recognized the authority of a general manager or acting general manager to sign the verification and certificate against forum shopping; x x x. **In sum, we have held that the following officials or employees of the company can sign the verification and certification without need of a board resolution:** (1) the Chairperson of the Board of Directors, (2) the President of a corporation, **(3) the General Manager**

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**or Acting General Manager**, (4) Personnel Officer, and (5) an Employment Specialist in a labor case. While the above cases do not provide a complete listing of authorized signatories to the verification and certification required by the rules, the determination of the sufficiency of the authority was done on a case to case basis. The rationale applied in the foregoing cases is to justify the authority of corporate officers or representatives of the corporation to sign the verification or certificate against forum shopping, being "in a position to verify the truthfulness and correctness of the allegations in the petition." From the foregoing, it is thus clear that the failure to attach the Secretary's Certificate, attesting to General Manager Antonio Merelos's authority to sign the Verification and Certification of Non-Forum Shopping, should not be considered fatal to the filing of the petition. Nonetheless, the requisite board resolution was subsequently submitted to the CA, together with the pertinent documents. Considering that petitioner substantially complied with the rules, the dismissal of the petition was, therefore, unwarranted.

**2. ID.; RULES OF COURT; APPLICATION OF THE RULES SHOULD NOT BE DONE IN A VERY RIGID, TECHNICAL SENSE FOR THEY HAVE BEEN ADOPTED TO HELP SECURE SUBSTANTIAL JUSTICE. —** Time and again, we have emphasized that dismissal of an appeal on a purely technical ground is frowned upon especially if it will result in unfairness. The rules of procedure ought not to be applied in a very rigid, technical sense for they have been adopted to help secure, not override, substantial justice. For this reason, courts must proceed with caution so as not to deprive a party of statutory appeal; rather, they must ensure that all litigants are granted the amplest opportunity for the proper and just ventilation of their causes, free from the constraint of technicalities.

**APPEARANCES OF COUNSEL**

*Tan & Concepcion* for petitioner.

*Defensor Lantion Briones Villmor & Tolentino Law Offices* for MC Home Depot, Inc.

*Vladimir B. Bumatay* for Rockland Construction Company.

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## D E C I S I O N

**NACHURA, *J.*:**

Assailed in the instant petition are the two (2) Resolutions[1] of the Court of Appeals (CA) dated November 20, 2003 and March 22, 2004, dismissing the petition for *certiorari* before it on technical grounds and denying the motion for reconsideration thereof, respectively.

The background facts are as follows:

Petitioner is the registered owner of a piece of land situated in Pasig City, bounded by Meralco Avenue, Ortigas Avenue, Doña Julia Vargas Avenue, and Valle Verde Subdivision. On December 6, 1999, petitioner, represented by its Chairman and President, Ronaldo Salonga, and ECRM Enterprises, represented by its proprietor, Mario P. Tablante, executed an agreement whereby the former would lease to the latter an area, approximately one (1) hectare, of the aforesaid land, for a period of three (3) months, to be used as the staging area for the Home and Garden Exhibition Fair. On March 6, 2000, the date of the expiration of the Lease Agreement, Tablante assigned all his rights and interests under the said agreement to respondents Laurie M. Litam and/or Rockland Construction Company, Inc. (Rockland) under a Deed of Assignment of the same date. Petitioner eventually learned that respondent Tablante had executed a Contract of Lease with respondent MC Home Depot, Inc. on November 26, 1999 over the same parcel of land. Thereafter, respondent MC Home Depot, Inc. constructed improvements on the land and subdivided the area into fifty-nine (59) commercial stalls, which it leased to various entities. Upon the expiration of the lease on March 6, 2000, petitioner demanded that respondents vacate the land. A final demand was made in a letter dated December 20, 2000.[2]

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[1] Penned by Associate Justice Andres B. Reyes, Jr., with Associate Justices Buenaventura J. Guerrero and Regalado E. Maambong, concurring; *rollo*, pp. 154 and 42.

[2] *Rollo*, pp. 71-72.

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In order to forestall ejectment from the premises, respondent Rockland filed a case for Specific Performance with the Regional Trial Court (RTC), Branch 266, Pasig City, on January 11, 2001, compelling petitioner to execute a new lease contract for another three (3) years, commencing in July 2000. This was docketed as Civil Case No. 68213. Petitioner moved to dismiss the complaint on the ground that it was anticipatory in nature.

Consequently, on August 22, 2001, petitioner filed Civil Case No. 8788 for unlawful detainer against herein respondents, raffled to the Municipal Trial Court (MTC), Pasig City, Branch 70. Simultaneously, petitioner filed a supplemental motion to dismiss Civil Case No. 68213, on the ground of *litis pendentia*. Petitioner's motion to dismiss was denied. The denial was questioned and eventually elevated to the Supreme Court.[3]

Meantime, on April 29, 2002, the MTC rendered judgment in the unlawful detainer (ejectment) case. In the main, the trial court ruled that the issue did not involve material or physical possession, but rather, whether or not ECRM had the right to exercise an option to renew its lease contract. The MTC stated that, considering that this issue was incapable of pecuniary estimation, jurisdiction over the case was vested in the RTC. The trial court, therefore, disposed, as follows:

> WHEREFORE, judgment is hereby rendered DISMISSING the complaint for lack of merit. In the meantime, the plaintiff is hereby ordered to pay the defendants attorney's fees and expenses of litigation in the amount of TWENTY THOUSAND PESOS (₱20,000.00).[4]

On appeal, the RTC, Pasig City, Branch 160, affirmed *in toto*. In its decision dated July 10, 2003, the RTC ruled that:

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[3] Docketed as G.R. No. 153751. On October 8, 2003, the Court granted the petition filed by Mid-Pasig Land Development Corporation. The Court ruled that the Specific Performance case pending with the RTC should be dismissed on the ground of *litis pendentia.* Upon a finding that the question of possession of the subject property is the core issue, the proper case to resolve the controversy between the parties was the ejectment case pending with the MTC, Pasig City, Branch 70.

[4] *Rollo,* p. 103.

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Relative to the issue raised by the appellant that the lower court erred in finding it had no jurisdiction over the subject matter of this case as the question of whether or not ECRM under the provisions of the lease agreement (pars. 3 and 13) has the right to exercise an option to renew its lease contract is one incapable of pecuniary estimation and therefore jurisdiction is vested in the Regional Trial Court. Republic Act No. 7691 grants Metropolitan Trial Courts the exclusive jurisdiction over cases of forcible entry and unlawful detainer. Since it has been sufficiently established under the facts obtaining that the contract of lease has been renewed before the expiration of the lease period, and the appellant has consented to the renewal and assignment of the lease, it necessarily follows that the issue on whether the lower court erred in finding that it did not have jurisdiction over the subject matter raised by the appellant, deserves scant consideration and this court need not delve into it anymore.[5]

A petition for *certiorari* was consequently filed with the CA.

In the assailed resolution dated November 20, 2003, the CA resolved to dismiss the petition on the following grounds:

1) The verification and certification against non-forum shopping was signed by a certain Antonio A. Merelos as General Manager of the petitioner-corporation without attaching therewith a Corporate Secretary's certificate or board resolution that he is authorized to sign for and on behalf of the petitioner; and

2) Lack of pertinent and necessary documents which are material portions of the record as required by Section 2, Rule 42 of the Rules of Civil Procedure.[6]

The motion for reconsideration was denied;[7] hence, the instant petition assigning the following errors:

THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN HOLDING THAT THE VERIFICATION AND CERTIFICATION AGAINST FORUM-SHOPPING IN THE PETITION FAILED TO

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[5] *Id.* at 112.

[6] *Id.* at 154.

[7] *Id.* at 159.

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ATTACH THE BOARD RESOLUTION SHOWING THE AUTHORITY OF THE AFFIANT.

THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN HOLDING THAT THE PETITION LACKED THE PERTINENT AND NECESSARY DOCUMENTS REQUIRED BY THE RULES.

THE COURT OF APPEALS COMMITTED REVERSIBLE ERROR IN DISMISSING THE PETITION THUS EFFECTIVELY UPHOLDING THE DECISION OF THE REGIONAL TRIAL COURT, TO WIT: (a) THAT THE LEASE AGREEMENT WAS UNILATERALLY RENEWED AND THAT PETITIONER IS ESTOPPED FROM DENYING SUCH UNILATERAL RENEWAL; (b) THAT RESPONDENTS TABLANTE/ECRM, ROCKLAND AND MC HOME DEPOT COULD VALIDLY OCCUPY THE PROPERTY IN THE ABSENCE OF ANY VALID LEASE AGREEMENT CONSENTED TO BY PETITIONER; (c) PETITIONER [IS] LIABLE FOR ATTORNEY'S FEES AND COSTS OF SUIT.[8]

The petition is granted.

In *Cagayan Valley Drug Corporation v. Commissioner of Internal Revenue*,[9] the Court had occasion to explain that:

> It must be borne in mind that Sec. 23, in relation to Sec. 25 of the Corporation Code, clearly enunciates that all corporate powers are exercised, all business conducted, and all properties controlled by the board of directors. A corporation has a separate and distinct personality from its directors and officers and can only exercise its corporate powers through the board of directors. Thus, it is clear that an individual corporate officer cannot solely exercise any corporate power pertaining to the corporation without authority from the board of directors. This has been our constant holding in cases instituted by a corporation.
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> In a slew of cases, however, we have recognized the authority of some corporate officers to sign the verification and certification against forum shopping. In *Mactan-Cebu International Airport Authority v. CA*, we recognized the authority of a general manager or acting general manager to sign the verification and certificate against forum shopping; x x x.

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[8] *Id.* at 26.

[9] G.R. No. 151413, February 13, 2008, 545 SCRA 10.

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**In sum, we have held that the following officials or employees of the company can sign the verification and certification without need of a board resolution:** (1) the Chairperson of the Board of Directors, (2) the President of a corporation, **(3) the General Manager or Acting General Manager**, (4) Personnel Officer, and (5) an Employment Specialist in a labor case.

While the above cases do not provide a complete listing of authorized signatories to the verification and certification required by the rules, the determination of the sufficiency of the authority was done on a case to case basis. The rationale applied in the foregoing cases is to justify the authority of corporate officers or representatives of the corporation to sign the verification or certificate against forum shopping, being "in a position to verify the truthfulness and correctness of the allegations in the petition."[10]

From the foregoing, it is thus clear that the failure to attach the Secretary's Certificate, attesting to General Manager Antonio Merelos's authority to sign the Verification and Certification of Non-Forum Shopping, should not be considered fatal to the filing of the petition. Nonetheless, the requisite board resolution was subsequently submitted to the CA, together with the pertinent documents.[11] Considering that petitioner substantially complied with the rules, the dismissal of the petition was, therefore, unwarranted. Time and again, we have emphasized that dismissal of an appeal on a purely technical ground is frowned upon especially if it will result in unfairness. The rules of procedure ought not to be applied in a very rigid, technical sense for they have been adopted to help secure, not override, substantial justice. For this reason, courts must proceed with caution so as not to deprive a party of statutory appeal; rather, they must ensure that all litigants are granted the amplest opportunity for the proper and just ventilation of their causes, free from the constraint of technicalities.[12]

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[10] *Id.* at 18-19. (Emphasis supplied.)

[11] *Rollo*, pp. 353, 470-471.

[12] *MCC Industrial Sales Corporation v. Ssangyong Corporation*, G.R. No. 170633, October 17, 2007, 536 SCRA 408.

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After a finding that the CA erred in dismissing the petition before it, a remand of the case is in order. However, a perusal of the records reveals that this is no longer necessary in light of relevant developments obtaining in the case at bar.

Petitioner, in its Memorandum dated October 28, 2005, alleged that respondents' possessory claims had lapsed and, therefore, had become moot and academic. Respondent Rockland prayed that a three-year lease period be granted to it in order that it would be able to plan its activities more efficiently. Since the claimed "lease contract" had already expired as of July or August 2003, there appears no reason why respondents should continue to have any claim to further possession of the property.[13]

Respondent Rockland also stated in its Memorandum dated March 16, 2006 that it was no longer in possession of the subject property considering that:

> 50. In a Resolution dated 17 September 2004, in the case of *"Rockland Construction Company, Inc. vs. Mid-Pasig Land Development Corporation, et al.,"* docketed as SCA No. 2673, and the Omnibus Order dated 12 November 2004, affirming the aforesaid Resolution, Branch 67 Pasig City Regional Trial Court Presiding Judge Mariano M. Singzon awarded possession (albeit erroneously) of subject property to Pasig Printing Corporation, an intervenor in the SCA case.
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> 51. At present, petitioner does not have a cause of action against herein respondent Rockland. Respondent is not unlawfully withholding possession of the property in question as in fact respondent is not in possession of the subject property. The issue of possession in this ejectment case has therefore been rendered moot and academic.[14]

This allegation was confirmed by respondent MC Home Depot, Inc. in its Comment/Memorandum dated May 22, 2007 submitted to the Court. It stated therein that "the passage of time has rendered the issue of possession moot and academic with respect to respondent Rockland, as the three-year period has long been

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[13] *Rollo*, p. 368.

[14] *Id.* at 413-414.

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expired in 2003."[15] Furthermore, respondent MC Home Depot, Inc. asserts that it is in rightful possession of the land on the strength of a Memorandum of Agreement dated November 22, 2004 between the latter and Pasig Printing Corporation. By petitioner's admission that while it remains the registered owner of the land, possession of the same had been adjudicated in favor of Pasig Printing Corporation, another entity without any contractual relationship with petitioner, on the strength of an Order from the RTC of Pasig City. Considering that Pasig Printing Corporation has the *jus possessionis* over the subject property, it granted the MC Home Depot, Inc. actual occupation and possession of the subject property for a period of four (4) years, renewable for another four (4) years upon mutual agreement of the parties.[16]

**WHEREFORE,** the petition is *GRANTED*. The assailed Resolutions of the Court of Appeals are *REVERSED* and *SET ASIDE*. However, in view of the developments which have rendered the issue of the right of possession over the subject property moot and academic, the main case is hereby considered *CLOSED AND TERMINATED*.

No pronouncement as to costs.

**SO ORDERED.**

*Carpio,*[*] *Corona (Chairperson), Velasco, Jr.,* and *Peralta, JJ.,* concur.

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[15] *Id.* at 474.

[16] *Id.* at 342, 472- 474.

[*] Additional member in lieu of Associate Justice Jose Catral Mendoza per Special Order No. 818 dated January 18, 2010.