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trust and confidence. That he figured in several accidents prejudicial to petitioner cannot serve as basis for the loss of trust and confidence. While the accidents may justify an inquiry of the conduct of private respondent, the procedure required by law for said purpose should be followed. Moreover, there are no conclusive findings that the accidents were caused by private respondent. In fact even the Labor Arbiter, in his decision, found that the accident on April 8, 1988 was caused by the driver of the tractor.

Clearly, the NLRC did not commit grave abuse of discretion in its findings.

WHEREFORE, the Decision of the National Labor Relations Commission is AFFIRMED.

SO ORDERED.

Padilla (Chairman), Davide, Jr., Bellosillo, and *Kapunan, JJ.*, concur.

FIRST DIVISION

[G.R. No. 110910. July 17, 1995]

NATIONAL SUGAR TRADING CORPORATION and SUGAR REGULATORY ADMINISTRATION, *petitioners, vs.* HON. COURT OF APPEALS and EASTERN SUGAR CORPORATION, *respondents.*

SYLLABUS

1. REMEDIAL LAW; CIVIL PROCEDURE; APPEALS; MOTION FOR RECONSIDERATION, NOT A PRE-REQUISITE FOR THE FILING OF PETITION FOR REVIEW.— The filing of a motion for reconsideration is

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not a pre-requisite for the filing of a petition for review under Rule 45 of the Revised Rules of Court (*Director of Lands v. Aquino*, 192 SCRA 296 [1990]; *Ortigas & Co. Ltd. Partnership v. Ruiz*, 148 SCRA 326 [1987]; *Habaluyas Enterprises, Inc. v. Japson*, 142 SCRA 208 [1986]). Section 1 of Rule 45 expressly grants a party the right to appeal from a judgment of the Court of Appeals by filing a petition with the Supreme Court within fifteen days from notice of judgment or of denial of his motion for reconsideration.

2. **COMMERCIAL LAW; CORPORATIONS; FOREIGN CORPORATIONS NOT LICENSED TO DO BUSINESS IN THE PHILIPPINES; RIGHT TO MAINTAIN ACTION BEFORE PHILIPPINE COURTS, SUSTAINED IN CASE AT BAR.**— There is no dispute that private respondent is a foreign corporation unlicensed to do business in the Philippines. Petitioners, however, maintain that despite the lack of such license, private respondent is actually doing business here and therefore cannot, under Section 133 of the Corporation Code, maintain any action or proceeding before Philippine courts. Whether a foreign corporation is doing business in the Philippines must be determined in the light of the peculiar circumstances of each case. This is essentially a question of fact (R.A. No. 5455, Sec. 1; R.A. No. 7042, Sec. 3(d); Top-Weld Mfg., Inc. *v.* ECED, S.A., 138 SCRA 118 [1985]; Mentholatum Co. *v.* Mangaliman, 72 Phil. 54 [1941]). Petitioners do not dispute private respondent's claim that NASUTRA entered into the Contract of Purchase and Sale of Sugar with the latter in 1980. In fact, in its Motion to Dismiss filed below, petitioner SRA admits the partial delivery of the sugar and the issuance of SRA Resolution No. 68-87-A recognizing payment and receipt by NASUTRA of the purchase price for the said sugar, and NASUTRA's existing obligation over the undelivered portion. Given these preliminary facts and assuming that petitioner NASUTRA was aware from the outset that private respondent had no license to do business in this country, it would appear quite inequitable for NASUTRA, a state-owned corporation, to evade payment of an otherwise legitimate indebtedness due

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and owing to private respondent upon the plea that the latter should have obtained a license first before perfecting a contract with the Philippine government (Merrill Lynch Futures, Inc. *v.* Court of Appeals, 211 SCRA 824 [1992]). Furthermore, private respondents did not, under the subject transaction, sell sugar and derive income from the Philippines. Private respondent specifically purchased sugar from the Philippine government and allegedly paid for it in full.

3. **ID.; ID.; ID.; ID.; CASE OF *ANTAM CONSOLIDATED, INC. V. COURT OF APPEALS*, APPLICABLE IN CASE AT BAR.**— Case at bar is similar to the case of *Antam Consolidated, Inc. v. Court of Appeals*, 143 SCRA 288 (1986) where the Capital City Product Co. (Capital City), a foreign company organized and existing under the laws of the United States of America agreed to purchase crude coconut oil from the Coconut Oil Manufacturing (Phil.), Inc. (Comphil), a corporation organized and existing under the laws of the Philippines. Comphil failed to deliver the coconut oil such that two contracts were drawn successively to enable Comphil to sell the crude oil to Capital City at a discounted price. Again, Comphil failed to deliver. Capital City and its mother company, Stokely Van Camp, Inc., also a foreign corporation, sued Comphil before the Philippine courts. We ruled therein that: "*The doctrine of lack of capacity to sue based on failure to acquire a local license is based on considerations of sound public policy. The license requirement was imposed to subject the foreign corporation doing business in the Philippines to the jurisdiction of its courts. It was never intended to favor domestic corporations who enter into solitary transactions with unwary foreign firms and then repudiate their obligations simply because the latter are not licensed to do business in this country. x x x.*

APPEARANCES OF COUNSEL

The Government Corporate Counsel for petitioners.

Romulo Mabanta Buenaventura Sayoc & De los Angeles for private respondent.

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DECISION

QUIASON, *J.*:

This is a petition for review on certiorari under Rule 45 of the Revised Rules of Court of the Decision dated June 30, 1993 of the Court of Appeals in CA-G.R. SP No. 29781.

We deny the petition.

I

Petitioner National Sugar Trading Corporation (NASUTRA) was a domestic corporation created for the purpose of engaging in the trading of sugar, and was a subsidiary of the Philippine Sugar Commission (PSC), an entity owned and controlled by the Philippine government. The NASUTRA and PSC were phased out respectively by P.D. No. 1971 in 1985 and E.O. No. 18 in 1986, which at the same time created petitioner Sugar Regulatory Administration (SRA) to administer over the sugar industry. Respondent Eastern Sugar Corporation is a corporation organized and existing under the laws of Hongkong.

On August 7, 1991, private respondent filed a complaint against petitioners before the Regional Trial Court, Branch 91, Quezon City for "Specific Performance and Partial Rescission of Contract and Damages," docketed as Civil Case No. Q-91-9975. The complaint alleged that: (1) Private respondent is a foreign corporation with principal office at Flat 1609 Connaught Place, Hongkong and is not doing business in the Philippines; (2) On October 14, 1980, private respondent and NASUTRA entered into a "Contract for the Purchase and Sale of Sugar" where private respondent purchased from the latter a total of 40,000 long tons of raw sugar at 10,000 long tons per year from the sugar cane crops of 1981 to 1984 at a price of U.S. $0.25 per pound; (3) As stipulated, payment for the sugar was made by letters of

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credit issued by the Banque Paribas (Suisse) S.A. in the aggregate amount of U.S. $23,049,600.00, which amount NASUTRA drew and received in full; (4) NASUTRA, however, was able to deliver only 20,569.89 long tons of sugar, leaving a balance of 19,430.11 long tons due and demandable; (5) In 1986, NASUTRA was dissolved and SRA was created to liquidate and succeed it; (6) The Board of Directors of SRA passed Resolution No. 68-87-A assuming NASUTRA's obligation to deliver to private respondent the remaining sugar; (7) The SRA made a partial delivery and reduced the balance to 15,843.66 long tons; (8) The SRA, however, failed to make further deliveries despite repeated demands therefor, to the prejudice of private respondent. The latter thus prayed for specific performance of the remaining obligation in the contract, and in the event of non-compliance, for partial rescission thereof with damages.

On September 26, 1991, NASUTRA and SRA moved for extension of time to file responsive pleading, which was granted. On September 27, NASUTRA filed a motion for production and inspection of documents. Private respondent submitted a Comment dated October 9, 1991, and later filed its Submission dated October 16, 1991, attaching thereto a copy of the purported letter of credit and its amendments.

On October 31, 1991, NASUTRA filed a second motion for extension of time to file responsive pleading. On even date, SRA filed a Motion to Dismiss alleging (1) lack of capacity to sue by private respondent on the ground that it is a foreign corporation doing business in the Philippines without a license; (2) lack of a cause of action against SRA, it not being a party to the contract; and (3) non-availment of arbitration provided under the contract.

On November 18, 1991, the trial court denied NASUTRA's motion for production and inspection of documents. NASUTRA, however, filed on the same day a Motion to

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Dismiss basically on the same grounds alleged by SRA in its own motion.

Private respondent then filed a consolidated opposition to the two motions, NASUTRA and SRA replied separately, to which private respondent filed separate rejoinders. Thereafter, the parties submitted their respective memoranda.

On June 8, 1992, the trial court dismissed the complaint on the ground of lack of capacity to sue by private respondent. Upon motion for reconsideration of private respondent the trial court reversed and set aside the previous order and directed petitioners to file their answer to the complaint.

Petitioners questioned this order before the Court of Appeals in a petition under Rule 65 of the Revised Rules of Court. On June 30, 1993, the Court of Appeals rendered a decision, dismissing the petition.

Petitioners filed the petition before this Court under Rule 45 of the Revised Rules of Court.

II

A preliminary issue to resolve is private respondent's submission that this action could not prosper due to petitioners' failure to file the requisite motion for reconsideration of the questioned decision. Contrary to this claim, the filing of a motion for reconsideration is not a pre-requisite for the filing of a petition for review under Rule 45 of the Revised Rules of Court (Director of Lands *v.* Aquino, 192 SCRA 296 [1990]; Ortigas & Co. Ltd. Partnership *v.* Ruiz, 148 SCRA 326 [1987]; Habaluyas Enterprises, Inc. *v.* Japson, 142 SCRA 208 [1986]). Section 1 of Rule 45 expressly grants a party the right to appeal from a judgment of the Court of Appeals by filing a petition with the Supreme Court within fifteen days from notice of judgment or of denial of his motion for reconsideration.

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There is no dispute that private respondent is a foreign corporation unlicensed to do business in the Philippines. Petitioners, however, maintain that despite the lack of such license, private respondent is actually doing business here and therefore cannot, under Section 133 of the Corporation Code, maintain any action or proceeding before Philippine courts.

Whether a foreign corporation is doing business in the Philippines must be determined in the light of the peculiar circumstances of each case. This is essentially a question of fact (R.A. No. 5455, Sec. 1; R.A. No. 7042, Sec. 3[d]; Top-Weld Mfg., Inc. *v.* ECED, S.A., 138 SCRA 118 [1985]; Mentholatum Co. *v.* Mangaliman, 72 Phil. 524 [1941]).

Petitioners do not dispute private respondent's claim that NASUTRA entered into the Contract of Purchase and Sale of Sugar with the latter in 1980 (*Rollo*, pp. 58, 69). In fact, in its Motion to Dismiss filed below, petitioner SRA admits the partial delivery of the sugar and the issuance of SRA Resolution No. 68-87-A recognizing payment and receipt by NASUTRA of the purchase price for the said sugar, and NASUTRA's existing obligation over the undelivered portion (*Rollo*, p. 63).

Given these preliminary facts and assuming that petitioner NASUTRA was aware from the outset that private respondent had no license to do business in this country, it would appear quite inequitable for NASUTRA, a state-owned corporation, to evade payment of an otherwise legitimate indebtedness due and owing to private respondent upon the plea that the latter should have obtained a license first before perfecting a contract with the Philippine government (Merrill Lynch Futures, Inc. *v.* Court of Appeals, 211 SCRA 824 [1992]).

Furthermore, private respondents did not, under the subject transaction, sell sugar and derive income from the Philippines. Private respondent specifically purchased sugar from the

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Philippine government and allegedly paid for it in full. This circumstance is similar to the case of *Antam Consolidated, Inc. v. Court of Appeals*, 143 SCRA 288 (1986) where the Capital City Product Co. (Capital City), a foreign company organized and existing under the laws of the United States of America agreed to purchase crude coconut oil from the Coconut Oil Manufacturing (Phil.), Inc. (Comphil), a corporation organized and existing under the laws of the Philippines. Comphil failed to deliver the coconut oil such that two contracts were drawn successively to enable Comphil to sell the crude oil to Capital City at a discounted price. Again, Comphil failed to deliver. Capital City and its mother company, Stokely Van Camp, Inc., also a foreign corporation, sued Comphil before the Philippine courts. We ruled therein that:

"*The doctrine of lack of capacity to sue based on failure to acquire a local license is based on considerations of sound public policy. The license requirement was imposed to subject the foreign corporation doing business in the Philippines to the jurisdiction of its courts. It was never intended to favor domestic corporations who enter into solitary transactions with unwary foreign firms and then repudiate their obligations simply because the latter are not licensed to do business in this country.* The petitioners in this case are engaged in the exportation of coconut oil, an export item so vital in our country's economy. They filed this petition on the ground that Stokely is an unlicensed foreign corporation without a bare allegation or showing that their defenses in the collection case are valid and meritorious. We cannot fault the two courts below for acting as they did" (at p. 297; Italics supplied).

Private respondent has already filed its answer to the complaint after twice moving for extension of time to file the same (*Rollo*, pp. 264, 283). With all the more reason should the trial court continue with the proceedings below.

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WHEREFORE, the petition for certiorari is DENIED and the Decision of the Court of Appeals dated June 30, 1993 in CA-G.R. No. SP 29781 is AFFIRMED.

SO ORDERED.

Padilla (Chairman), Davide, Jr., Bellosillo, and *Kapunan, JJ.,* concur.

FIRST DIVISION

[G.R. No. 111797. July 17, 1995]

CARLOS ANG GOBONSENG, JR. and THERESITA MIMIE ONG-GOBONSENG, *petitioners, vs.* HON. COURT OF APPEALS, STATE INVESTMENT HOUSE, INC., and BENJAMIN V. DISPUTADO, in his capacity as the Clerk of Court of the Regional Trial Court and Sheriff of the Province of Negros Oriental, *respondents.*

SYLLABUS

1. **REMEDIAL LAW; EVIDENCE; FINDINGS OF FACT OF THE COURT OF APPEALS; GENERALLY FINAL AND CONCLUSIVE; EXCEPTION.**— Well-settled is the rule that the jurisdiction of this Court in cases brought before it from the Court of Appeals is limited to the review or revision of errors of law and not to analyze or weigh the evidence all over again. The findings of fact of the Court of Appeals are thus final and conclusive, except in some cases as where such findings are contrary to those of the trial court, as in this case where the Court of Appeals and the trial court are hopelessly opposed to each other on their respective findings concerning the issues presented.