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**THIRD DIVISION**

[G.R. No. 144880. November 17, 2004]

**PASCUAL AND SANTOS, INC.,** *petitioner, vs.* **THE MEMBERS OF THE TRAMO WAKAS NEIGHBORHOOD ASSOCIATION, INC. represented by DOMINGA MAGNO,** *respondents.*

**SYNOPSIS**

Respondents herein lodged a petition before the Presidential Action Center praying that they be awarded ownership over 3 parcels of land situated in Barangay San Dionisio, Parañaque, MM. The petition was referred to the Land Management Bureau (LMB), which found for respondents. Petitioner appealed to the Department of Environment and Natural Resources (DENR), but the same was dismissed. The Office of the President likewise dismissed the appeal of the petitioner. Petitioner subsequently filed its petition for review with the Court of Appeals (CA). The CA dismissed the appeal due to infirmed verification and certification of non-forum shopping, since it was signed by the two incumbent directors of the petitioner corporation without showing proof of their authority to do so. Petitioner thus filed before the Supreme Court a petition for review on *certiorari.*

The Supreme Court granted the petition. Subsequent to the dismissal of the petition by the CA, petitioner filed a motion for reconsideration to which it attached a certificate issued by its board secretary stating that prior to the filing of the petition, the signatories were authorized by petitioner's board of directors to file the petition before the CA. Hence, the Court ruled that the subsequent submission of proof of authority to act on behalf of a petitioner corporation justifies the relaxation of the rules for the purpose of allowing its petition to be given due course.

**SYLLABUS**

1. **REMEDIAL LAW; ACTIONS; APPEALS; CERTIFICATE OF NON-FORUM SHOPPING; CONTENTS THEREOF.**— Section 6 (d) of Rule 43 in relation to Section 2 of Rule 42 of the Rules of Court mandates that a petition for review shall contain a

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sworn certification against forum shopping in which the petitioner shall attest that he has not commenced any other action involving the same issues in this 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 before this 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 days therefrom.

2. **ID.; ID.; ID.; ID.; SIGNATURE OF PETITIONER, NATURAL OR JURIDICAL, REQUIRED.**— The requirement that the petitioner should sign the certificate of non-forum shopping applies even to corporations, considering that the mandatory directives of the Rules of Court make no distinction between natural and juridical persons.

3. **ID.; ID.; ID.; ID.; SIGNATURE OF JURIDICAL PERSON SHOULD BE MADE BY ITS AUTHORIZED OFFICERS AND AGENTS; SUBSTANTIAL COMPLIANCE WITH THE REQUIREMENTS; JUSTIFIED RELAXATION OF RULES.**— Except for the powers which are expressly conferred on it by the Corporation Code and those that are implied by or are incidental to its existence, a corporation has no powers. It exercises its powers through its board of directors and/or its duly authorized officers and agents. Thus, its power to sue and be sued in any court is lodged with the board of directors that exercises its corporate powers. 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 a specific act of the board of directors. This Court has ruled that the subsequent submission of proof of authority to act on behalf of a petitioner corporation justifies the relaxation of the Rules for the purpose of allowing its petition to be given due course. Thus, in *Shipside Incorporated v. Court of Appeals*, this Court held: xxx Moreover, in *Loyola, Roadway* and *Uy*, the Court excused *non-compliance* with the requirement as to the certificate of non-forum shopping. With more reason should we allow the instant petition since petitioner herein *did submit a certification on non-forum shopping*, failing

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only to show proof that the signatory was authorized to do so. That petitioner subsequently submitted a secretary's certificate attesting that Balbin was authorized to file an action on behalf of petitioner likewise mitigates this oversight. It must also be kept in mind that while the requirement of the certificate of non-forum shopping is mandatory, nonetheless the requirements must not be interpreted too literally and thus defeat the objective of preventing the undesirable practice of forum shopping.

**APPEARANCES OF COUNSEL**

*Sycip Salazar Hernandez & Gatmaitan* for petitioner.
*Orioste & Lim Law Offices* for respondents.

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

**CARPIO MORALES, *J.*:**

At bar is a petition for review on *certiorari* assailing the May 17, 2000 and August 8, 2000 Resolutions[1] of the Court of Appeals (CA) in CA-G.R. No. 57274 which respectively, dismissed the appeal instituted by petitioner Pascual and Santos, Inc. (petitioner) and denied its motion for reconsideration.

The Members of Tramo Wakas Neighborhood Association, represented by Dominga Magno (respondents), lodged before the Presidential Action Center a petition dated January 12, 1994 praying that ownership over three (3) parcels of land situated in Barangay San Dionisio, Parañaque, Metro Manila, identified as Lot Nos. 4087, 4088 and 5003, Psu-118886, Cad. 229 with an aggregate area of 35,195 square meters be awarded to them. In their petition, respondents alleged that petitioner claims ownership of the subject lots which they have openly, peacefully and continuously occupied since 1957.

The petition was referred to the Land Management Bureau (LMB) where it was docketed as LMB Case No. 2-96, for investigation and hearing.

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[1] *Rollo* at 10-20.

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By Decision[2] of February 21, 1996, Director Abelardo G. Palad, Jr. of the LMB found for respondents. The dispositive portion of the decision reads, quoted *verbatim*:

> WHEREFORE, it is ordered that the claim of Pascual and Santos, Inc., over Lot 4087, Lot 4088 and Lot 5003, situated at Brgy. San Dionisio, Parañaque, Metro Manila be, as hereby it is, dismissed. The individual members of TRAMO WAKAS NEIGHBORHOOD ASSOCIATION, now represented by Dominga Magno, if qualified may file appropriate public land applications over the land they actually possessed and occupied. An individual survey shall be conducted on the land at their own expense and after approval of the said survey the same shall be given due course.
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> SO ORDERED.[3]

Its Motion for Reconsideration having been denied by Order of June 26, 1996, petitioner lodged an appeal before the Office of the Department of Environment and Natural Resources (DENR) Secretary, docketed as DENR Case No. 7816.

By Decision[4] of November 25, 1997, then DENR Secretary Victor O. Ramos dismissed the appeal for lack of merit and affirmed *in toto* the decision of the Director of the LMB. Petitioner's Motion for Reconsideration of the decision having been denied by Order[5] of May 18, 1998, it filed an appeal before the Office of the President (OP), docketed as O.P. Case No. 98-F-8459, which was likewise dismissed for lack of merit by Decision[6] of January 20, 2000. The November 25, 1997 DENR decision was affirmed *in toto*.

Petitioner received a copy of the OP's dismissal of its appeal on February 1, 2000,[7] following which or on February 16, 2000,

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[2] *Id.* at 277-286.

[3] *Id.* at 286.

[4] *Id.* at 209-217.

[5] *Id.* at 219-220.

[6] *Id.* at 202-207.

[7] *Id.* at 65.

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it filed a "Petition for Time"[8] before the CA for an additional period of fifteen days or until March 2, 2000 within which to file its petition for review.

By Resolution[9] of February 21, 2000, the CA granted petitioner's Petition for Time, giving it a non-extendible period of fifteen days from February 16, 2000 or until March 2, 2000 within which to file the petition.

Petitioner subsequently filed its Petition for Review[10] dated March 2, 2000 with the CA, praying that judgment be rendered (1) reversing and setting aside the January 20, 2000 OP Decision and the November 25, 1997 DENR Decision and May 18, 1998 Order, and (2) declaring the subject lots as no longer forming part of the public domain and have been validly acquired by petitioner; or in the alternative, (1) allowing it to present additional evidence in support of its claim to the subject lots, (2) reversing and setting aside the aforementioned Decisions and Order of the OP and the DENR, and (3) declaring the subject lots as no longer forming part of the public domain and have been validly acquired by petitioner.[11]

By Resolution of May 17, 2000, the CA dismissed the appeal due to infirm Verification and Certification of non-forum shopping and belated filing.

For one, the *Verification and Certification of non-forum shopping was signed merely by Estela Lombos and Anita Pascual* who allege that they are the duly authorized representatives of petitioner corporation, without showing any proof whatsoever of such authority.

For another, and importantly, the petition for review was *filed a day after the period petitioner corporation expressly sought.* As indicated in its "Petition for Time," petitioner corporation asked for an additional fifteen (15) days, or until March 2, 2000, within which to file its petition, which was granted by the Court per Resolution

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[8] CA *Rollo* at 1-4.

[9] *Id.* at 6.

[10] *Id.* at 16-131.

[11] *Id.* at 36-37.

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dated February 21, 2000. However, despite the foregoing, petitioner corporation filed the same only on *MARCH 3, 2000 as indicated by the date stamped on the envelope which contains the petition for review.*[12] (Citations omitted; Italics supplied)

On June 14, 2000, petitioner filed a Motion for Reconsideration[13] of the CA May 17, 2000 Resolution, arguing that there was no showing that the persons acting on its behalf were not authorized to do so and that its petition was filed within the additional 15-day period granted by the CA. Attached to the Motion was a Secretary's Certificate[14] dated June 14, 2000 showing that petitioner's Board of Directors approved a Resolution on February 11, 2000 appointing Estela Lombos and Anita Pascual, incumbent directors of the corporation, as its duly authorized representatives who may sign all papers, execute all documents, and do such other acts as may be necessary to prosecute the petition for review that it would file with the CA assailing the decision rendered in OP Case No. 98-G-8459.[15]

By Resolution of August 23, 2000, the CA denied petitioner's Motion for Reconsideration for lack of merit.

xxx It must be stressed that any person who claims authority to sign, in behalf of another, the Certificate of Non-Forum Shopping, as required by the rules, must show sufficient proof thereof. Bare allegations are not proof, and the representation of one who acts in behalf of another cannot, by itself, serve as proof of his authority to act as agent or of the extent of his authority as agent. Thus, absent such clear proof, the Court cannot accept at face value, such authority to sign in behalf of the corporation.

xxx xxx xxx

Another perusal of the registry return receipts attached to the petition for review (Nos. 182, 183 and 184) shows that copies of the Manifestation

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[12] *Rollo* at 14-15.

[13] *Id.* at 90-101.

[14] *Id.* at 98.

[15] *Ibid.*

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and Petition for Review were served to private respondent's (sic) counsel, the Office of the President, and the Department of Environment and Natural Resources, on *March 2, 2000*. However, *it does not indicate therein when the petition for review was filed with the Court.* The registry return receipts (No. 185, 186, 187 and 188) being referred to by petitioner shows (sic) the date *March 2, 2000* only on that numbered 188, and does (sic) not show the dates on those numbered 185-187. In fact, said receipts do not even indicate which pertain to the copy filed with the Court.

Moreover, the Court cannot sustain petitioner's supposition that a post office employee might have stamped the wrong date, **March 3, 2000,** without any proof whatsoever of such error. *The date stamped on the envelope which contained the Manifestation and Petition for Review clearly shows that the same was filed on* **March 3, 2000,** *and petitioner having failed to rebut the presumption of regularity in the performance of official functions, the same must prevail.*[16] (Citations omitted; emphasis in the original; italics supplied)

Petitioner thus filed on September 27, 2000 before this Court a "Petition For Time" to file its petition for review.

On October 30, 2000, petitioner filed a Petition for Review on *Certiorari* raising the following issues:

I

WHETHER OR NOT THE PERSONS WHO EXECUTED THE VERIFICATION AND CERTIFICATION OF NON-FORUM SHOPPING ATTACHED TO PSI'S MANIFESTATION/PETITION FOR REVIEW FILED WITH THE COURT OF APPEALS WERE AUTHORIZED TO DO SO.

II

WHETHER OR NOT PSI'S MANIFESTATION/PETITION FOR REVIEW WAS FILED WITHIN THE REGLEMENTARY PERIOD.[17]

By Resolution[18] of December 6, 2000, this Court denied the Petition for Review in view of petitioner's failure to submit a valid

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[16] *Id.* at 11-12.

[17] *Id.* at 29.

[18] *Id.* at 102-103.

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affidavit of service pursuant to Section 13 of Rule 13 and Sections 3 and 5 of Rule 45 in relation to Section 5 (d) of Rule 56 of the Rules of Court and attach to the petition a duplicate original or certified true copy of the assailed CA resolutions pursuant to Sections 4 (d) and 5 of Rule 45 in relation to Section 5 (d) of Rule 56 of the Rules of Court.

Petitioner filed a Motion for Reconsideration,[19] averring that it had already attached certified true copies of the assailed resolutions of the CA in its "Petition for Time" filed before this Court on September 27, 2000, and while it was the affidavit before the CA which was inadvertently attached to its petition before this Court, the messengerial staff of petitioner's counsel did in fact serve copies of the petition on counsel for respondents, the DENR, the OP and the court *a quo* as evidenced by registry receipts and return cards[20] which it attached to its Motion for Reconsideration.

By Resolution[21] of March 7, 2001, this Court, finding petitioner's explanation satisfactory, granted the Motion for Reconsideration and reinstated the petition, now the subject of this Decision.

The petition is impressed with merit.

Section 6 (d) of Rule 43 in relation to Section 2 of Rule 42 of the Rules of Court mandates that a petition for review shall contain a sworn certification against forum shopping in which the petitioner shall attest that he has not commenced any other action involving the same issues in this 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 before this 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 days therefrom.

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[19] *Id.* at 105-121.

[20] *Id.* at 120, 139 and 140.

[21] *Id.* at 142.

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For failure to comply with this mandate, Section 7 of Rule 43 provides:

SEC. 7. *Effect of failure to comply with requirements.*— The failure of the petitioner to comply with any of the foregoing requirements regarding the payment of the docket and other lawful fees, the deposit for costs, proof of service of the petition, and the contents of and the documents which should accompany the petition shall be sufficient ground for the dismissal thereof.

The requirement that the petitioner should sign the certificate of non-forum shopping applies even to corporations, considering that the mandatory directives of the Rules of Court make no distinction between natural and juridical persons.[22]

In the case at bar, the CA dismissed the petition before it on the ground that Lombos and Pascual, the signatories to the verification and certification on non-forum shopping, failed to show proof that they were authorized by petitioner's board of directors to file such a petition.

Except for the powers which are expressly conferred on it by the Corporation Code and those that are implied by or are incidental to its existence, a corporation has no powers. It exercises its powers through its board of directors and/or its duly authorized officers and agents.[23] Thus, its power to sue and be sued in any court is lodged with the board of directors that exercises its corporate powers.[24] 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 a specific act of the board of directors.[25]

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[22] *Zulueta v. Asia Brewery*, 354 SCRA 100, 108 (2001).

[23] *National Steel Corporation v. Court of Appeals*, 388 SCRA 85, 91-92 (2002) (citation omitted), *BA Savings Bank v. Sia*, 336 SCRA 484, 488 (2000).

[24] *Shipside Incorporated v. Court of Appeals*, 352 SCRA 334, 345 (2001) (citation omitted).

[25] *Firme v. Bukal Enterprises and Development Corporation*, 414 SCRA 190, 209 (2003) (citation omitted).

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It is undisputed that when the petition for *certiorari* was filed with the CA, there was no proof attached thereto that Lombos and Pascual were authorized to sign the verification and non-forum shopping certification. Subsequent to the CA's dismissal of the petition, however, petitioner filed a motion for reconsideration to which it attached a certificate issued by its board secretary stating that on February 11, 2000 or prior to the filing of the petition, Lombos and Pascual had been authorized by petitioner's board of directors to file the petition before the CA.

This Court has ruled that the subsequent submission of proof of authority to act on behalf of a petitioner corporation justifies the relaxation of the Rules for the purpose of allowing its petition to be given due course.[26]

Thus, in *Shipside Incorporated v. Court of Appeals,*[27] this Court held:

> xxx Moreover, in *Loyola, Roadway* and *Uy*, the Court excused *non-compliance* with the requirement as to the certificate of non-forum shopping. With more reason should we allow the instant petition since petitioner herein *did submit a certification on non-forum shopping,* failing only to show proof that the signatory was authorized to do so. That petitioner subsequently submitted a secretary's certificate attesting that Balbin was authorized to file an action on behalf of petitioner likewise mitigates this oversight.
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> It must also be kept in mind that while the requirement of the certificate of non-forum shopping is mandatory, nonetheless the requirements must not be interpreted too literally and thus defeat the objective of preventing the undesirable practice of forum shopping.[28]

As for the timeliness of the filing of its petition for review before the CA, petitioner maintains in the affirmative.

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[26] *Novelty Philippines, Inc. v. Court of Appeals*, 411 SCRA 211, 219 (2003) (citation omitted), *National Steel Corporation v. Court of Appeals*, 388 SCRA 84, 92 (2002). *BA Savings Bank v. Sia*, 336 SCRA 484, 489 (2000).

[27] 352 SCRA 334 (2001).

[28] *Id.* at 346-347.

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Sections 3 and 12 of Rule 13 of the Rules of Court provide:

SEC. 3. *Manner of filing.*— The filing of pleadings, appearances, motions, notices, orders, judgments and all other papers shall be made by presenting the original copies thereof, plainly indicated as such, personally to the clerk of court or by sending them by registered mail. In the first case, the clerk of court shall endorse on the pleading the date and hour of filing. In the second case, the date of the mailing of motions, pleadings, or any other papers or payments or deposits, as shown by the post office stamp on the envelope or the registry receipt, shall be considered as the date of their filing, payment, or deposit in court. The envelope shall be attached to the record of the case.

SEC. 12. *Proof of filing.*— The filing of a pleading or paper shall be proved by its existence in the record of the case. If it is not in the record, but is claimed to have been filed personally, the filing shall be proved by the written or stamped acknowledgment of its filing by the clerk of court on a copy of the same; if filed by registered mail, by the registry receipt and by the affidavit of the person who did the mailing, containing a full statement of the date and place of depositing the mail in the post office in a sealed envelope addressed to the court, with postage fully prepaid, and with instructions to the postmaster to return the mail to the sender after ten (10) days if not delivered.

*Registry Receipt Nos. 185-188* covering the envelopes bearing the copies of the petition which were sent to the CA indicate that such copies were filed by registered mail at the Domestic Airport Post Office (DAPO) *on March 2, 2000.*[29]

The *Affidavit of Service*[30] filed by the person who did the mailing of the petition in behalf of petitioner states that such petition was filed by registered mail by depositing seven copies thereof in four separate sealed envelopes and mailing the same to the Clerk of Court of the CA through the DAPO *on March 2, 2000.* The affidavit likewise states that on even date, the petition was served on counsel for respondents, the DENR and the OP by depositing copies of the

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[29] *Rollo* at 87.

[30] *Id.* at 40.

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same in sealed envelopes and mailing them to said parties' respective addresses through the DAPO.

And in the Certification[31] dated October 26, 2000 issued by Postmaster Cesar A. Felicitas of the DAPO, he states that the registered mail matter covered by Registry Receipt Nos. 185-188 addressed to the Clerk of Court of the CA was posted at their office for mailing on *March 2, 2000*, but that it was "dispatched to the CMEC on March 3, 2000 for proper disposition." This could very well explain why the latter date was stamped on the envelope received by the CA containing the petition.

At all events, strict adherence to rules of procedure must give way to considerations of equity and substantial justice where, as in this case, there is evidence showing that the appeal was filed on time.[32]

**WHEREFORE**, the petition is *GRANTED*. The Resolutions dated May 17, 2000 and August 23, 2000 of the Court of Appeals are *SET ASIDE*. The case, CA-G.R. SP No. 57274, is *REMANDED* to the appellate court which is hereby directed to give due course to the appeal of petitioner.

No costs.

**SO ORDERED.**

*Panganiban (Chairman), Sandoval-Gutierrez,* and *Garcia, JJ.*, concur.

*Corona, J.*, on leave.

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[31] *Id.* at 89.

[32] *South Villa Chinese Restaurant v. NLRC*, 250 SCRA 246 (1995).