

**SIGMA HOMEBUILDING CORPORATION, PETITIONER, VS.
INTER-ALIA MANAGEMENT CORPORATION, DEVELOPMENT BANK
OF RIZAL, INTERCON FUND RESOURCES CORPORATION, HASTING
REALTY AND DEVELOPMENT...**

G.R. No. 177898. August 13, 2008

Ponente: CORONA, J.

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CORONA, J.:

Petitioner Sigma Homebuilding Corporation filed a complaint for annulment of sale, cancellation of titles, reconveyance and damages[1] against respondents, namely, Inter Alia Management Corporation (Inter-Alia), Intercon Fund Resources Corporation (Intercon), Hasting Realty and Development Corporation (Hasting),[2] Development Bank of Rizal (DBR)[3] and the Register of Deeds of the Province of Cavite, in the Regional Trial Court (RTC) of Trece Martires City, Cavite, Branch 23.

Petitioner alleged that its real properties[4] in Tanza, Cavite were sold by its assistant vice-president, Augusto S. Parcero, to Inter-Alia without its knowledge and consent and without the requisite board resolution authorizing the same. Inter-Alia, in turn, sold them to DBR. DBR then sold the same to Intercon which conveyed them to Hasting.

Summonses were served on all respondents, except Inter-Alia as it no longer held office at its given address.

For its part, Hasting filed a motion to dismiss on the ground that the complaint stated no cause of action, among others. It stated that the annotations in petitioner's cancelled TCTs (which were attached to the complaint) clearly showed that Parcero was authorized to sell the lots to Inter-Alia. Also attached to the complaint were the duly notarized deed of absolute sale (signed and executed by Parcero, in representation of petitioner) and the acknowledged receipt of the total consideration in the amount of P1,522,920.00. Hasting went on to allege that, based on the complaint, petitioner might not even be a real party in interest to the subsequent successive transfers of the properties to the different respondents. Thus, it had no cause of action for annulment of sale.

In its comment/opposition to Hasting's motion to dismiss, petitioner merely insisted that it had a cause of action but did not controvert Hasting's material assertions.

Respondent Intercon filed an answer.[5] The other respondents, however, were not able to file their respective responsive pleadings.

Subsequently, in an order dated July 3, 2002, the RTC dismissed the complaint for failure to state a cause of action. It also ruled that the action for reconveyance was not proper since the properties had already passed on to the hands of innocent purchasers in good faith and for value. Petitioner moved for reconsideration. It was denied.[6]

Petitioner appealed to the CA.[7] The appellate court affirmed the decision of the court a quo.[8] The CA also

denied petitioner's motion for reconsideration.[9]

Petitioner's petition for review on certiorari in this Court[10] was denied for failure to show that the appellate court had committed any reversible error in the assailed judgment.[11] Its motion for reconsideration was likewise denied.[12]

Thereafter, petitioner filed in the CA a petition for annulment of the order dated July 3, 2002 of the RTC on the ground of lack of jurisdiction under Rule 47 of the Rules of Court.[13] It argued that the trial court overstepped its boundaries when it dismissed the complaint not only against Hasting but also against the other respondents despite the fact that it was only Hasting that moved for its dismissal.

The CA denied the petition outright.[14] It held that for an action for annulment of judgment based on lack of jurisdiction to prosper, it was not sufficient that respondent court committed grave abuse of discretion amounting to lack of jurisdiction; petitioner must show that said court absolutely lacked jurisdiction or that it should not have taken cognizance of the case because the law did not vest it with jurisdiction over the subject matter.

More importantly, the appellate court found that petitioner had already availed of the remedy of ordinary appeal before the CA and this Court. Having been unsuccessful in its appeal before the CA under Rule 41 and the Supreme Court under Rule 45, petitioner could no longer avail of the petition for annulment of judgment, especially since the issue relied upon in the petition could have been properly raised in its appeal in the CA (as, in fact, it was so raised by petitioner and passed upon by the appellate court in said appeal). The CA denied petitioner's motion for reconsideration.[15]

Undeterred, petitioner filed a petition for review on certiorari in this Court. It was, however, denied on August 8, 2007 for late filing.[16] On November 26, 2007, its motion for reconsideration was denied with finality. Thus, the August 8, 2007 resolution became final and executory on January 18, 2008. Entry of judgment was made on April 25, 2008.

But petitioner stubbornly refuses to give up. In a letter-appeal dated June 30, 2008,[17] it implored this Court to take another hard look at the merits of its case. Petitioner reiterated that it was effectively deprived of its right to due process when the RTC dismissed the complaint against the other respondents. It also pleaded for a liberal interpretation of the rules of procedure.

The letter-appeal is without merit.

The letter-appeal is actually in the nature of a second motion for reconsideration which is a prohibited pleading under the Rules of Court.[18] Worse, it was filed despite the fact that an entry of judgment had already been made. It was obviously a ruse meant to evade the effects of the final and executory resolutions of this Court.

Moreover, even if we were to grant petitioner's letter-appeal based on its alleged substantial compliance with the pertinent rules of procedure, the substantive aspect of its arguments left much to be desired.

Petitioner cannot successfully argue that the dismissal of the complaint *motu proprio* against the other respondents effectively deprived it of its right to due process. It must be pointed out that petitioner's complaint went to great lengths to trace who the first buyer of its properties was (Inter-Alia) down to the current owner thereof, which is Hasting. As title to the contested properties is now vested in Hasting, there was really no need for petitioner to implead all the other respondents for the successful prosecution of its action for annulment of sale against Hasting. A perusal of the complaint reveals that all the other respondents were not even real parties in interest[19] in this case, to begin with. The only real parties in interest in this particular controversy were petitioner and Hasting for they were the only ones who stood to be benefitted or injured, as the case may be, by the judgment in

the suit.

Furthermore, the CA was correct in holding that, as petitioner had already availed of the remedy of appeal, it could no longer avail of a petition for annulment of judgment. A petition for annulment of judgment is an extraordinary remedy and is not to be granted indiscriminately by the Court. It is allowed only in exceptional cases and cannot be used by a losing party to make a mockery of a duly promulgated decision long final and executory.[20] The remedy may not be invoked where the party has availed himself of the remedy of new trial, appeal, petition for relief or other appropriate remedy and lost, or where he has failed to avail himself of those remedies through his own fault or negligence.[21]

Litigation must end sometime. It is essential to an effective and efficient administration of justice that, once a judgment becomes final, the winning party should not be deprived of the fruits of the verdict. Courts must therefore guard against any scheme calculated to bring about that undesirable result.[22] Thus, we deem it fit to finally put an end to the present controversy.

WHEREFORE, the letter-appeal is hereby DENIED for lack of merit.

Treble costs against petitioner.

No further pleadings shall be entertained in this case.

SO ORDERED.

Puno, C.J., (Chairperson), Carpio, Azcuna, and Leonardo-De Castro, JJ., concur.

[1] Docketed as Civil Case No. TMCV-0021-02.

[2] Also referred to as Hastings in some of the pleadings.

[3] Philippine Deposit Insurance Corporation (PDIC), as receiver of respondent DBR, was named as one of the defendants in petitioner's complaint for annulment of sale. However, it was no longer impleaded as a respondent in the petition for review filed in this Court.

[4] With an approximate total area of 126,910 sq. m.

[5] It essentially denied the material allegations in the complaint and claimed that it bought the subject realties in good faith.

[6] Dated October 25, 2002.

[7] Docketed as CA-G.R. CV No. 76928.

[8] Penned by Associate Justice Eliezer R. de los Santos (now retired) and concurred in by Associate Justices Eugenio S. Labitoria (now retired) and Arturo D. Brion (now a member of this Court) of the Former Third Division of the Court of Appeals. Rollo, pp. 120-134. Dated August 10, 2005.

[9] Id., p.146. Dated October 20, 2005.

[10] Docketed as G.R. No. 170174.

[11] Resolution dated February 1, 2006.

[12] Dated April 5, 2006.

[13] Docketed as CA-G.R. SP No. 98170.

[14] Penned by Associate Justice Mariano C. Del Castillo and concurred in by Associate Justices Lucenito N. Tagle (retired) and Romeo F. Barza of the Former Special Seventeenth Division of the Court of Appeals. Rollo, pp. 24-25.

[15] Id., p. 27.

[16] Petitioner filed a motion for extension of time to file petition for review on certiorari. It was denied in a resolution dated June 18, 2007 for failure of petitioner's counsel to submit his IBP O.R. No. showing proof of payment of IBP dues for the current year (as the IBP O.R. No. is dated November 20, 2006) and for submitting an affidavit of service of the motion that fails to comply with the 2004 Rules on Notarial Practice on competent evidence of affiant's identity. Petitioner filed a motion for reconsideration of said resolution. Its counsel contended that while his IBP O.R. is dated November 20, 2006, he actually made two (2) payments on said date - one for the year 2006 and past years and another for the year 2007. Said counsel admitted his non-compliance with the 2004 Rules on Notarial Practice on competent evidence of affiant's identity. However, he explained that the same was due to mere inadvertence on his part and that he subsequently filed a petition for review with due compliance with the rules. Petitioner's motion was denied on October 3, 2007.

[17] Received by this Court on said date. Rollo, pp. 214-230.

[18] Section 4 of Rule 56-B, which pertains to the procedure in the Supreme Court for appealed cases, provides:

Sec. 4. Procedure. - The appeal shall be governed by and disposed of in accordance with the applicable provisions of the Constitution, laws, Rules 45, 48, sections 1, 2 and 5 to 11 of Rules 51, 52 and this Rule.

Reference to Section 2, Rule 52, which governs motions for reconsideration filed in the Court of Appeals and which equally applies to the filing of such a motion in the Supreme Court as explicitly stated in Section 4, Rule 56-B, would reveal that:

Sec. 2. Second motion for reconsideration. - No second motion for reconsideration of a judgment or final resolution by the same party shall be entertained.

[19] Section 2, Rule 3 of the Rules of Court defines a real party in interest:

Sec. 2. Parties in interest. - A real party in interest is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party in interest.

[20] *Veneracion v. Mancilla*, G.R. No. 158238, 20 July 2006, 495 SCRA 712, 724 and *Republic v. "G" Holdings*, G.R. No. 141241, 22 November 2005, 475 SCRA 608, 617.

[21] Id., *Republic v. "G" Holdings*, pp. 617-618.

[22] *Republic v. "G" Holdings*, supra at 622.

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