493 Phil. 616

# THIRD DIVISION

# [ G.R. NO. 140746, March 16, 2005 ]

## PANTRANCO NORTH EXPRESS, INC., AND ALEXANDER BUNCAN, PETITIONERS, VS. STANDARD INSURANCE COMPANY, INC., AND MARTINA GICALE, RESPONDENTS.

## D E C I S I O N

**SANDOVAL-GUTIERREZ, J.:**

Before us is a petition for review on *certiorari* assailing the Decision[1] dated July 23 1999 and Resolution[2] dated November 4, 1999 of the Court of Appeals in CA-G.R. CV No. 38453, entitled "*Standard Insurance Company, Inc., and Martina Gicale vs. PANTRANCO North Express, Inc., and Alexander Buncan.*"

In the afternoon of October 28, 1984, Crispin Gicale was driving the passenger jeepney owned by his mother Martina Gicale, respondent herein. It was then raining. While driving north bound along the National Highway in Talavera, Nueva Ecija, a passenger bus, owned by Pantranco North Express, Inc., petitioner, driven by Alexander Buncan, also a petitioner, was trailing behind. When the two vehicles were negotiating a curve along the highway, the passenger bus overtook the jeepney. In so doing, the passenger bus hit the left rear side of the jeepney and sped away.

Crispin reported the incident to the Talavera Police Station and respondent Standard Insurance Co., Inc. (Standard), insurer of the jeepney. The total cost of the repair was P21,415.00, but respondent Standard paid only P8,000.00. Martina Gicale shouldered the balance of P13,415.00.

Thereafter, Standard and Martina, respondents, demanded reimbursement from petitioners Pantranco and its driver Alexander Buncan, but they refused. This prompted respondents to file with the Regional Trial Court (RTC), Branch 94, Manila, a complaint for sum of money.

In their answer, both petitioners specifically denied the allegations in the complaint and averred that it is the Metropolitan Trial Court, not the RTC, which has jurisdiction over the case.On June 5, 1992, the trial court rendered a Decision[3] in favor of respondents Standard and Martina, thus:

> "WHEREFORE, and in view of the foregoing considerations, judgment is hereby rendered in favor of the plaintiffs, Standard Insurance Company and Martina Gicale, and against defendants Pantranco Bus Company and Alexander Buncan, ordering the latter to pay as follows:
>
> (1) to pay plaintiff Standard Insurance the amount of P8,000.00 with interest due thereon from November 27, 1984 until fully paid;

(2) to pay plaintiff Martina Gicale the amount of P13,415.00 with interest due thereon from October 22, 1984 until fully paid;

(3) to pay the sum of P10,000.00 for attorney's fees;

(4) to pay the expenses of litigation and the cost of suit.

SO ORDERED."

On appeal, the Court of Appeals, in a Decision[4] dated July 23, 1999, affirmed the trial court's ruling, holding that:

"The appellants argue that appellee Gicale's claim of P13,415.00 and appellee insurance company's claim of P8,000.00 individually fell under the exclusive original jurisdiction of the municipal trial court. This is not correct because under the Totality Rule provided for under Sec. 19, Batas Pambansa Bilang 129, it is the sum of the two claims that determines the jurisdictional amount.

x x x

In the case at bench, the total of the two claims is definitely more than P20,000.00 which at the time of the incident in question was the jurisdictional amount of the Regional Trial Court.

Appellants contend that there was a misjoinder of parties. Assuming that there was, under the Rules of Court (Sec. 11, Rule 7) as well as under the Rules of Civil Procedure (ditto), the same does not affect the jurisdiction of the court nor is it a ground to dismiss the complaint.

x x x

It does not need perspicacity in logic to see that appellees Gicale's and insurance company's individual claims against appellees (sic) arose from the same vehicular accident on October 28, 1984 involving appellant Pantranco's bus and appellee Gicale's jeepney. That being the case, there was a question of fact common to all the parties: Whose fault or negligence caused the damage to the jeepney?

Appellants submit that they were denied their day in court because the case was deemed submitted for decision "without even declaring defendants in default or to have waived the presentation of evidence." This is incorrect. Of course, the court did not declare defendants in default because that is done only when the defendant fails to tender an answer within the reglementary period. When the lower court ordered that the case is deemed submitted for decision that meant that the defendants were deemed to have waived their right to present evidence. If they failed to adduce their evidence, they should blame nobody but themselves. They failed to be present during the scheduled hearing for the reception of their evidence despite notice and without any motion or explanation. They did not even file any motion for reconsideration of the

order considering the case submitted for decision.

Finally, contrary to the assertion of the defendant-appellants, the evidence preponderantly established their liability for quasi-delict under Article 2176 of the Civil Code."

Petitioners filed a motion for reconsideration but was denied by the Appellate Court in a Resolution dated November 4, 1999.

Hence, this petition for review on *certiorari* raising the following assignments of error:

"I

WHETHER OR NOT THE TRIAL COURT HAS JURISDICTION OVER THE SUBJECT OF THE ACTION CONSIDERING THAT RESPONDENTS' RESPECTIVE CAUSE OF ACTION AGAINST PETITIONERS DID NOT ARISE OUT OF THE SAME TRANSACTION NOR ARE THERE QUESTIONS OF LAW AND FACTS COMMON TO BOTH PETITIONERS AND RESPONDENTS.

II

WHETHER OR NOT PETITIONERS ARE LIABLE TO RESPONDENTS CONSIDERING THAT BASED ON THE EVIDENCE ADDUCED AND LAW APPLICABLE IN THE CASE AT BAR, RESPONDENTS HAVE NOT SHOWN ANY RIGHT TO THE RELIEF PRAYED FOR.

III

WHETHER OR NOT PETITIONERS WERE DEPRIVED OF THEIR RIGHT TO DUE PROCESS."

For their part, respondents contend that their individual claims arose out of the same vehicular accident and involve a common question of fact and law. Hence, the RTC has jurisdiction over the case.

I

Petitioners insist that the trial court has no jurisdiction over the case since the cause of action of each respondent did not arise from the same transaction and that there are no common questions of law and fact common to both parties. Section 6, Rule 3 of the Revised Rules of Court,[5] provides:

"Sec. 6. *Permissive joinder of parties.* – All persons in whom or against whom any right to relief in respect to or arising out of the same transaction or series of transactions is alleged to exist, whether jointly, severally, or in the alternative, may, except as otherwise provided in these Rules, join as plaintiffs or be joined as defendants in one complaint, where any question of law or fact common to all such plaintiffs or to all such defendants may arise in the action; but the court may make such orders as may be just to prevent any plaintiff or defendant from being embarrassed or put to expense in connection with any proceedings in which he may have no interest."