THIRD DIVISION

[G.R. No. 125799, August 21, 2003]

DANILO CANSINO AND LINDA DE JESUS, PETITIONERS, VS. COURT OF APPEALS, HON. JUDGE, RTC OF KALOOCAN CITY, BR. 120 AND SPS. FRANCISCO E. CASTRO AND ROSARIO B. CASTRO AND, CESAR L. CRUZ, SHERIFF IV, RTC KALOOKAN CITY, BR. 120, RESPONDENTS.

DECISION

PUNO, J.:

Having gone through the summary procedure in the Metropolitan Trial Court (MeTC), an appeal to the Regional Trial Court (RTC) and a petition for *certiorari* to the Court of Appeals (CA), this ejectment case is now before this Court on a Petition for Review on Certiorari.

The case stemmed from a complaint for unlawful detainer filed by respondent spouses Francisco and Rosario Castro against Danilo Cansino, Linda de Jesus and Elena Mesa^[1] before the Metropolitan Trial Court. The subject matter of the controversy is a parcel of land located at Maligaya Park Subdivision, Kalookan City. In their complaint, respondents alleged that petitioners, "by strategy and stealth unlawfully constructed their respective houses inside plaintiffs(') (herein respondents) aforementioned parcel of land."^[2] In their answer with counterclaim, petitioners Cansino and de Jesus averred that their possession was "premised upon the honest belief that the lot they were and are still occupying was a public land;" that they "had been in possession of the subject premises ever since 1977;" and that "the failure (of herein respondents) to allege when possession of defendants (herein petitioners) started and taken cognizance of by plaintiffs (herein respondents) created (*sic*) doubts" as to the jurisdiction of the MeTC.^[3]

The MeTC took cognizance of the case and treated the complaint as one for ejectment under the Rules on Summary Procedure. It ordered the parties to submit their respective affidavits and those of their witnesses along with their other evidence. Thereafter, the MeTC in its decision dated August 12, 1994, dismissed the complaint holding that in an ejectment case, the plaintiff has the burden of proving prior physical possession of the property. Respondents failed to discharge the burden.^[4]

On appeal with the RTC of Kalookan City, Br. 120, the court, on January 11, 1995, affirmed *in toto* the decision of the MeTC. It held that respondents were not able to present evidence of their actual possession of the property prior to that of petitioners, while the latter were able to prove their possession of the property since 1977.^[5]

Respondents filed a motion for reconsideration where they appended more documentary evidence showing their ownership over the subject property, as well as the ownership and possession of their predecessors-in-interest. On March 14, 1995, the RTC reversed its previous decision. It ruled that respondents were able to prove the ownership and possession of their predecessors-in-interest, which dated back to 1964, way before the 1977 possession of petitioners. Moreover, it rejected the claim of petitioners that the subject land is public property since it has been proven that the lot is titled and the title has been transferred to respondents on January 29, 1993. The title being incontrovertible after a year, petitioners can no longer assail it. The court considered petitioners as intruders or squatters on the subject lot. [6]

Thus, petitioners filed a petition for review with the Court of Appeals. They assailed the right of the RTC to decide the issue of ownership without any fair trial and the propriety of the action of the RTC in considering the documentary evidence attached by respondents in their motion for reconsideration which were not made part of the position paper they (respondents) previously submitted.^[7]

The Court of Appeals affirmed the ruling of the RTC. It held that petitioners were unable to substantiate their possession of the property. Their "occupancy is at best due to the tolerance of the registered owners, private respondent spouses." Moreover, "since respondents had prior legal possession of the property, they had in their favor priority of time that legally entitles them to stay in the said property." With regard to the action taken by the RTC in considering the documentary evidence attached only in the motion for reconsideration, the appellate court ruled that under Section 5, Rule 135 of the Revised Rules of Court, the RTC has the inherent power to amend and control its process and orders so as to make them conformable to law and justice. [9]

Petitioners brought the case at bar to this Court on a petition for review on certiorari. They raise the following issues:

Ι

WHETHER OR NOT SECTION 5, RULE 135 OF THE REVISED RULES OF COURT IS APPLICABLE IN A MOTION FOR RECONSIDERATION WHERE DOCUMENTS IN THE MOTION FOR RECONSIDERATION ARE NOT TO BE CONSIDERED AS EVIDENCE TO PROVE SUPERVENING EVENTS.

Π

WHETHER OR NOT THE PRIVATE RESPONDENTS HAVE A CLEAR RIGHT TO POSSESS THE SUBJECT LAND.[10]

Anent the first issue, Section 5, Rule 135 of the Revised Rules of Court provides:

Sec. 5. Inherent powers of courts. - Every court shall have the power:

 $X X X \qquad X X X \qquad X X X$

(g) To amend and control its process and orders so as to make them conformable to law and justice;

The Court of Appeals upheld the RTC in reconsidering its prior decision on the basis of new evidence attached to the motion for reconsideration on the ground that it is the inherent right of the court to amend and control its processes. It further ruled that procedural technicalities should not override substantial justice.^[11]

We disagree. It is true that the rules provide that courts have the inherent power to amend their decisions to make them conformable to law and justice. This prerogative, however, is not absolute. The rules do not contemplate amendments that are substantial in nature. [12] They merely cover formal changes or such that will not affect the crux of the decision, like the correction of typographical or clerical errors. Courts will violate due process if they make substantial amendments in their decisions without affording the other party the right to contest the new evidence presented in a motion for reconsideration.

Under Rule 37 of the Revised Rules of Court, a party may file a motion for reconsideration on the ground, among others, that "x x x, the evidence is insufficient to justify the decision or final order, or the decision or final order is contrary to law."^[13] It requires the motion to point out specifically the findings or conclusions of the judgment or final order which are not supported by the evidence or which are contrary to law, making specific reference to the testimonial or documentary evidence presented or to the provisions of law alleged to be violated. [14]

It is implicitly clear from Rule 37 that a motion for reconsideration cannot be used as a vehicle to introduce new evidence. Petitioners correctly contend that if respondents wanted to present further evidence, they should have filed a motion for new trial based on newly discovered evidence. However, for newly discovered evidence to warrant a new trial, (a) it must have been discovered after trial, (b) it could not have been discovered or produced at the trial despite reasonable diligence, (c) it must be material and not merely collateral, cumulative, corroborative or purely for impeaching a witness, merely important evidence being not enough, and (d) if presented, would probably alter the result of the action. [15]

In the case at bar, respondents attached for the first time in their motion for reconsideration, evidence to prove their ownership over the parcel of land subject matter of this controversy. This cannot be countenanced. For one, possession is the only issue in a case for unlawful detainer. [16] More importantly, there is no justification for the delay in presenting said evidence. We note that although it was respondents who filed an appeal to the RTC, they failed to submit their memorandum as required by the said court. [17] It was only after the RTC rendered an unfavorable decision that respondents filed a motion for reconsideration and appended their new evidence. Piecemeal presentation of evidence is not in accord with orderly justice.

But considering the totality of evidence, we still rule in favor of petitioners. Respondents appended to its motion for reconsideration the following evidence: Transfer Certificate of Title No. T-45212 issued on August 16, 1972 in the name of the predecessors-in-interest of respondents, Estrella Crisostomo and Azucena