

FIRST DIVISION

[G. R. No. 127543, August 16, 2001]

**INTERNATIONAL PIPES, INC. AND ITALIT CONSTRUCTION AND
DEVELOPMENT CORPORATION, PETITIONERS, VS. F.F. CRUZ &
CO., INC., RESPONDENT.**

D E C I S I O N

PARDO, J.:

The case is an appeal via *certiorari* from the decision^[1] of the Court of Appeals that denied petitioners International Pipes, Inc. (IPI) and Italit Construction and Development Corporation's (ITALIT) motion to intervene in the case of respondent F.F. Cruz and Co., Inc.'s (FF Cruz) petition for *certiorari*, prohibition and mandamus assailing the resolution of MWSS board of trustees rejecting all bids, including the winning bid of FF Cruz for the supply, delivery and installation of water pipes for project APM-01 of the Angat Water Supply Optimization Program (ASOP) and to undertake the project by administration.^[2]

On February 29, 1996, the Court of Appeals promulgated its decision that nullified and set aside the resolution of Metropolitan Waterworks and Sewerage System (MWSS) that had rejected all bids and opted to pursue the project by administration.^[3]

On November 19, 1996, petitioners filed with the Court of Appeals a motion for leave to intervene and to admit their comment-in-intervention.^[4]

On December 23, 1996, the Court of Appeals denied petitioners' motion to intervene,^[5] ruling that petitioners "have not demonstrated that they have a legal interest in the matter in litigation, or in the success of either of the parties or an interest against both, or that they are so situated as to be adversely affected by a distribution or disposition of property in the custody of the court or an officer thereof, in the contemplation of the rules of court and the precedents thereunder."^[6]

Hence, this petition.^[7]

It may be mentioned, at this juncture, that another controversy between FF Cruz and the MWSS arose in connection with companion project APM-02 of AWSOP. As a result, on April 10, 1996, FF Cruz filed with the Court of Appeals a petition for *certiorari*, prohibition and mandamus against MWSS.^[8] On October 29, 1996, the Court of Appeals promulgated a decision in favor of the MWSS.^[9] On May 13, 1997, FF Cruz filed with the Supreme Court a petition for review on *certiorari*.^[10]

Subsequently, FF Cruz and MWSS commenced negotiations to amicably settle the