

CHANROBLES PUBLISHING COMPANY

**SUPREME COURT
FIRST DIVISION**

**ATLAS DEVELOPER & STEEL
INDUSTRIES, INC.,**
Petitioner,

-versus-

**G.R. No. L-64735
April 5, 1990**

**SARMIENTO ENTERPRISES, INC.,
HON. CICERO C. JURADO, Regional
Trial Judge, Pasig, Metro Manila,**
Respondents.

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DECISION

GRÍÑO-AQUINO, J.:

The legal issue raised in this Petition for Certiorari is whether the venue of the action was properly laid in the Court of First Instance at Pasig, Metro Manila.

On August 25, 1982, respondent Sarmiento Enterprises, Inc. filed in the Court of First Instance of Pasig, Metro Manila, a complaint for collection of the sum of P8,076 representing the cost of steel bars and MS plates purchased from it by the petitioner.

Instead of filing an answer, the petitioner filed on November 2, 1982, a motion to dismiss the complaint on the ground of improper venue because the sales invoice, which was made an integral part of the complaint, provided that:

“If legal action is resorted to for enforcing collection of this account, parties expressly submit to the jurisdiction of the Court of the City of Manila.” (Annex B-2, p. 19, Rollo.)

Petitioner alleged that said stipulation is valid, binding, and enforceable (*Villanueva vs. Judge Mosqueda*, 115 SCRA 904; *Hoechst Phils., Inc. vs. Torres*, 83 SCRA 297; *Bautista vs. De Borja*, 124 Phil. 1056).

The motion to dismiss was denied by Judge Gregorio Pineda, Presiding Judge of the Court of First Instance in Pasig, Metro Manila. The petitioner’s motion for reconsideration was also denied on March 4, 1983 by Judge Cicero Jurado who succeeded Judge Pineda. He ruled that:

“Such stipulation, speaking as it does of jurisdiction and not venue, is void and of no legal effect.” (p. 14, Rollo.)

Petitioner filed a second motion for reconsideration which the trial court also denied. Thereafter, it filed a petition for certiorari directly in this Court.

Judge Jurado’s ruling carried an overly strict and literal interpretation of the stipulation in the sales invoice. Although it provides that the City Court of Manila shall have “jurisdiction” over a legal action arising from the contract, the parties must have intended to fix the venue only, for jurisdiction over an action is conferred by law, and may not be changed by mere agreement of the parties (*Calimlim, et al. vs. Ramirez, et al.*, 118 SCRA 399; *De Jesus, et al. vs. Garcia, et al.*, 19 SCRA 554).

Judge Jurado’s ruling that the Regional Trial Court of Pasig had jurisdiction over the private respondent’s claim was erroneous because the claim of P8,076 did not exceed P20,000, which was, and

still is, the minimum jurisdictional limit for a money claim in the Regional Trial Court.

Sections 19 and 33 of B.P. 129, provide:

“Sec. 33. Jurisdiction of Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts in civil cases. — Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts shall exercise:

(1) Exclusive original jurisdiction over civil actions and probate proceedings, estate and intestate, including the grant of provisional remedies in proper cases, where the value of the personal property, estate, or amount of the demand does not exceed twenty thousand pesos exclusive of interest and costs but inclusive of damages of whatever kind, the amount of which must be specifically alleged.

“Sec. 19. Jurisdiction in civil cases — Regional Trial Courts shall exercise exclusive original jurisdiction:

X X X

“(8) In all other cases in which the demand, exclusive of interest and costs or the value of the property in controversy, amounts to more than twenty thousand pesos (P20,000).”

The venue of an action in the inferior court is “the place specified by the parties by means of a written agreement, whenever the court shall have jurisdiction to try the action by reason of its nature or the amount involved” (Sec. 1-b, Rule 4, Rules of Court).

WHEREFORE, the petition for certiorari is granted. The complaint in the Regional Trial Court at Pasig, Metro Manila, Civil Case No. 47451, entitled “Sarmiento Enterprises, Inc. vs. Atlas Developer and Steel Industries, Inc.,” is dismissed without prejudice to the plaintiffs filing it in the proper inferior court. Costs against the private respondents.

SO ORDERED.

**Narvasa, (*Chairman*), Cruz, Gancayco and Medialdea, *JJ.*,
concur.**

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