



Republic of the Philippines
Supreme Court
Office of the Court Administrator
Manila

OCA CIRCULAR NO. 105 - 2021

TO: ALL JUDGES OF THE REGIONAL TRIAL COURTS DESIGNATED AS SPECIAL COMMERCIAL COURTS AND COURTS HEARING COMMERCIAL CASES

RE: DELAY IN THE RESOLUTION OF REHABILITATION, INSOLVENCY, AND LIQUIDATION CASES

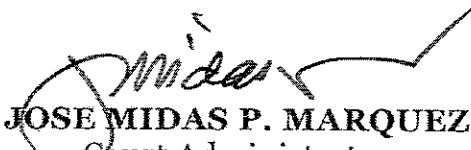
The Office of the Court Administrator (OCA) received a letter from Hon. Carlos G. Dominguez, Secretary, Department of Finance, urging the OCA to "ensure that courts comply with their mandate," considering "the delay in resolution of various commercial cases filed in courts such as rehabilitation, insolvency, and liquidation cases, among others." Cited is the case of the Land Bank of the Philippines, "a creditor-party in numerous rehabilitation and insolvency proceedings where there appears to be a questionable trend of unwarranted delay and/or circumvention of court proceedings," suggesting that "some case proceedings may have been deliberately delayed" and "have remained pending for more than one (1) year without any approved rehabilitation plans."

In view of the foregoing, all judges of the Special Commercial Courts and those handling commercial cases are hereby **STRONGLY REMINDED** that pursuant to Sec. 72, Republic Act No. 10142,¹ courts "shall have a maximum period of one (1) year from the date of the filing of the petition to confirm a Rehabilitation Plan."

Judges are likewise enjoined to "remain in full control of the proceedings in (their) sala and should adopt a firm policy against improvident postponements. More importantly, (they) should follow the time limit set for deciding cases,"² and that "failure to decide cases and other matters within the reglementary period constitutes gross inefficiency and warrants the imposition of administrative sanctions against the erring magistrate."³

For the guidance and compliance of all concerned.

27 July 2021


JOSE MIDAS P. MARQUEZ
Court Administrator

¹ Financial Rehabilitation and Insolvency Act (FRIA) of 2010.

² *Hernandez v. de Guzman*, 322 Phil. 65, 22 January 1996.

³ *Gallego v. Doronila*, 389 Phil. 677, 26 June 2000.