

SECOND DIVISION

[G.R. No. 103412, February 03, 2000]

REPUBLIC OF THE PHILIPPINES, REPRESENTED BY THE DIRECTOR OF LANDS, PETITIONER, VS. COURT OF APPEALS, A. SISON & SONS, INC., BASILIO FRANCISCO, SPS. JUAN BASA AND FLORDELIZA R. MIRAVITE, SPS. JUAN BASA AND ELISEA C. BASA, SPS. AMORSOLO L. BALOY AND BARBARA BALOY, SPS. ELISEO D. JOSE AND ERLINDA B. JOSE, SPS. GEORGE C. BESA AND ENCARNACION FAUSTINO, SPS. MARIANO BANES AND MINDA BALOY, SPS. JOSE ANGELES AND JOSEFINA M. ANGELES, SPS. LORENZO D. RAMIREZ AND SEVILLA P. RAMIREZ, SPS. CONRADO Q. VASQUEZ AND PACITA V. VASQUEZ, SOLEDAD BAUTISTA, VIRGINIA V. DE CASTRO, FLORDELIZA J. TOLEDO, SPS. IMOGENE T. PROXEDES, JOSE P. PROXEDES AND NOEL J. TOLEDO, SPS. EUFRONIO M. HERNANDO AND ADORACION HERNANDO, SPS. TOMAS B. DE VERA, JR., AND CONCEPCION F. DE VERA, MELODINA DE CASTRO, SPS. GUILLERMO SABADISTO AND ERLINDA SABADISTO, SPS. RAMON R. VICENTE AND FORTUNATA S. CRUZ, SPS. BIENVENIDO CRUZ AND LIBERTAD S. CRUZ, SPS. ANTONIO G. SAN AGUSTIN AND VIOLETA Q. SAN AGUSTIN, SPS. GODOFREDO O. PLATA, JR. AND LETICIA V. PLATA, AND THE REGISTRAR OF DEEDS OF CAVITE CITY, RESPONDENTS.

D E C I S I O N

QUISUMBING, J.:

For review is the Decision of the Court of Appeals dated December 27, 1991 in CA-G.R. No. SP 20113, which dismissed, on the ground of *res judicata*, petitioner's action for recovery of foreshore areas, cancellation of titles, and injunction.

The facts, which we find supported by the records, are as follows:

On January 18, 1985, petitioner filed with the Regional Trial Court (RTC) of Cavite City a complaint docketed as Civil Case No. N-4614 to nullify Transfer Certificate of Title (TCT) No. (555) RT-2957 and its derivative titles, and to revert the lands covered by these titles to the public domain. The complaint alleged that said TCT was a falsely reconstituted title, issued by an unauthorized recorder at the Office of the Register of Deeds. It further alleged that the lot covered by said title was foreshore land and cannot be privately appropriated.

On January 8, 1986, private respondent A. Sison & Sons, Inc., moved to dismiss the complaint, which the RTC granted on the ground of lack of jurisdiction.

On March 18, 1986, petitioner moved for reconsideration. The motion was denied.

According to the trial court, since petitioner's objective was reversion of the lots to the public domain, a reopening of the land registration case would be necessary, and it had no jurisdiction to do so.^[1]

On April 22, 1986, petitioner filed with the appellate court a "Motion for Extension of Time to File Petition for Review" of the orders of the trial court. The matter was docketed as CA-G.R. SP No. 08803. Without waiting for the results of CA-G.R. SP No. 08803, petitioner, on June 27, 1986, filed a special civil action for certiorari with this Court to nullify the orders in Civil Case No. N-4614. This petition was docketed as G.R. No. 74943. On October 9, 1986, the appellate court resolved to deem CA-G.R. SP No. 08803 as abandoned. On June 19, 1989, we dismissed the petition in G.R. No. 74943 for failure to show grave abuse of discretion on the trial court's part.^[2]

On February 27, 1990, petitioner filed another petition for review of the lower court's orders in Civil Case No. N-4614 docketed as CA-G.R. No. 20113 with the Court of Appeals. It reiterated the same matters covered in Civil Case No. N-4614 and sought essentially the same reliefs. On October 4, 1990, A. Sison & Sons, Inc., filed its answer contending that CA-G.R. No. 20113 was barred by *res judicata* and forum-shopping.

On December 27, 1991, the Court of Appeals dismissed the petition due to *res judicata*. The appellate court found that the main question before it was whether or not the lands covered by the titles in question were foreshore lands. It ruled that several courts had already passed upon it. Civil Cases Nos. N-1924 and N-2052 decided by the then Court of First Instance (CFI) of Cavite in May 17, 1978 and June 4, 1985, respectively, declared the questioned land as not foreshore land. These judgments were affirmed *in toto* by the Court of Appeals in CA-G.R. Nos. 65033-R and 65034-R, respectively. We upheld the appellate court's ruling in our resolution of October 12, 1983 in G.R. Nos. 62676-77. In Civil Case No. 2494, the same CFI held that the disputed property was not foreshore land. This was affirmed on appeal in CA-G.R. CV No. 70426. An order of dismissal was issued in Civil Case No. N-4614, which was affirmed in CA-G.R. SP No. 08803. The appellate court likewise pointed to our ruling in G.R. No. 74943 dismissing petitioner's special civil action for certiorari. Finding that *res judicata* had set in, the appellate court held that the issue of whether or not the questioned land is foreshore area is already a settled one and conclusive upon the parties.^[3]

The Court of Appeals disposed:

"Hence, the issue of whether or not the questioned land is a portion of the foreshore area can no longer be inquired into, the issue being a settled one and is conclusive between the parties.

WHEREFORE, in view of the foregoing, the instant petition is hereby ordered DISMISSED. No pronouncement as to costs.

SO ORDERED."^[4]

Petitioner now, before this court, contends that:

"[T]he Court of Appeals dismissed the petition on the ground that it was barred by *res judicata*, although the evidence did not show that the prior judgments were judgments on the merits and final, and that there was identity of parties, subject matter, and causes of action between said prior judgments and CA-G.R. No. 20113 as required by the Rules of Court and the doctrine pronounced in *Suarez v. Court of Appeals*, 193 SCRA 183, and *Nabus v. Court of Appeals*, 193 SCRA 732."^[5]

Did the Court of Appeals err in finding petitioner's claim barred by *res judicata*?

The doctrine of *res judicata* provides that a final judgment on the merits rendered by a court of competent jurisdiction, is conclusive as to the rights of the parties and their privies and constitutes an absolute bar to subsequent actions involving the same claim, demand, or cause of action.^[6]

For *res judicata* to apply, the following elements must be satisfied:

1. There must be a final judgment;
2. It must have been rendered by a court having jurisdiction over the subject matter and the parties;
3. It must be a judgment on the merits; and
4. There must be between the first and second actions an identity of parties, identity of subject matter, and identity of causes of action.^[7]

There is no dispute as to the presence of the first two elements of *res judicata*.

Anent the third element, petitioner argues that the order of dismissal in Civil Case No. N-4614 is not a decision on the merits and that it was error for the appellate court to rule otherwise.

A judgment is on the merits when it determines the rights and liabilities of the parties based on the ultimate facts as disclosed by the pleadings or issues presented for trial.^[8] It is not necessary that there should have been a trial, actual hearing, or arguments on the facts of the case.^[9] For as long as the parties had full legal opportunity to be heard on their respective claims and contentions, the judgment is on the merits.^[10]

In the present case, the order of dismissal in Civil Case No. N-4614 was issued only after an actual hearing and after the lower court had considered the evidence of both parties. Further, petitioner was given an opportunity to be heard on its motion for reconsideration. Without doubt, the order of dismissal in Civil Case No. N-4614 is a judgment on the merits.

In G.R. No. 74943, we denied certiorari through a minute resolution. Minute resolutions of this Court denying due course to petitions or dismissing cases summarily, for failure to comply with the formal or substantial requirements laid down therefor by law, are dispositions on the merits.^[11]