

THIRD DIVISION

[G.R. No. 197654, August 30, 2017]

**MERCURY DRUG CORPORATION AND ROLANDO J. DEL ROSARIO,
PETITIONERS, VS. SPOUSES RICHARD Y. HUANG & CARMEN G.
HUANG, AND STEPHEN G. HUANG, RESPONDENTS.**

DECISION

LEONEN, J.:

A judgment that lapses into finality becomes immutable and unalterable. It can neither be modified nor disturbed by courts in any manner even if the purpose of the modification is to correct perceived errors of fact or law. Parties cannot circumvent this principle by assailing the execution of the judgment. What cannot be done directly cannot be done indirectly.

This is a Petition for Review on Certiorari^[1] arising from the execution of a final and executory judgment for damages. The Petition particularly assails the January 20, 2011 Decision^[2] and the July 6, 2011 Resolution^[3] of the Court of Appeals in CA-GR. SP No. 106647, which sustained the denial of the Motion to Quash Writ of Execution, Motion for Inhibition, and Urgent Motion to Defer the Implementation of Writ of Execution filed by Mercury Drug Corporation and Rolando J. Del Rosario.^[4]

On April 29, 1997, Stephen Huang (Stephen) and his parents, Spouses Richard Y. Huang and Carmen G. Huang, filed a complaint for damages based on quasi-delict against Mercury Drug Corporation (Mercury Drug) and Rolando J. Del Rosario (Del Rosario).^[5] Mercury Drug was the registered owner of a six (6)-wheeler truck driven by Del Rosario, which figured in an accident with Stephen's car on the night of December 20, 1996. As a result of the tragic incident, Stephen suffered serious spinal cord injuries. He is now a paraplegic.^[6]

After trial, the Regional Trial Court rendered a Decision^[7] dated September 29, 2004 finding Mercury Drug and Del Rosario jointly and severally liable for actual damages, compensatory damages, moral damages, exemplary damages, and attorney's fees and litigation expenses.^[8] The dispositive portion of this Decision stated:

WHEREFORE, judgment is rendered finding defendants Mercury Drug Corporation, Inc. and Rolando del Rosario, jointly and severally liable to pay plaintiffs Spouses Richard Y. Huang and Carmen G. Huang, and Stephen Huang the following amounts:

1. Two Million Nine Hundred Seventy[-]Three Thousand Pesos (P2,973,000.00) actual damages;

2. As compensatory damages:
 - a. Twenty[-]Three Million Four Hundred Sixty[-]One Thousand, and Sixty-Two Pesos (P23,461,062.00) for life care cost of Stephen;
 - b. Ten Million Pesos (P10,000,000.00) as and for lost or impaired earning capacity of Stephen;
3. Four Million Pesos (P4,000,000.00) as moral damages;
4. Two Million Pesos (P2,000,000.00) as exemplary damages; and
5. One Million Pesos (P1,000,000.00) as attorney[']s fees and litigation expense[s].

The defendants' counterclaim is DISMISSED.

SO ORDERED.^[9]

The Court of Appeals affirmed the Regional Trial Court Decision but reduced the award of moral damages from P4,000,000.00 to P1,000,000.00. Mercury Drug and Del Rosario elevated the Court of Appeals Decision to this Court for review.^[10]

On June 22, 2007, this Court in *Mercury Drug Corporation v. Spouses Huang*^[11] affirmed the Decision of the Court of Appeals.^[12] Mercury Drug and Del Rosario moved for reconsideration and/or new trial arguing that Stephen

was not entitled to the entire monetary award because he had partially recovered from his injuries.^[13] The Motion was denied with finality in the Resolution dated August 8, 2007.^[14] Entry of judgment was made on October 3, 2007.^[15]

On February 1, 2008, Stephen and his parents moved for the execution of the judgment^[16] before the Regional Trial Court of Makati to which Mercury Drug and Del Rosario filed an opposition.^[17]

The Regional Trial Court granted the Motion for Execution in the Order^[18] dated July 21, 2008. The corresponding Writ of Execution was then issued,^[19] thus:

You are commanded to demand from MERCURY DRUG CORPORATION and ROLANDO J. DEL ROSARIO at #7 Mercury Avenue, Libis, Quezon City and C. Valle Street, Dolores. Taytay, Rizal, respectively, the judgment obligors, the immediate payment in full of the sums of TWO MILLION NINE HUNDRED SEVENTY[-]THREE THOUSAND PESOS (P2,973,000.00), Philippine Currency, as actual damages; TWENTY[-]THREE MILLION FOUR HUNDRED SIXTY[-]ONE THOUSAND AND SIXTY[-]TWO PESOS (P23,461,062.00) for life care cost of Stephen; TEN MILLION PESOS (P10,000,000.00) as and for lost or impaired earning capacity of Stephen; ONE MILLION PESOS (P1,000,000.00) as moral damages; TWO MILLION PESOS (P2,000,000.00) as exemplary damages; and ONE

MILLION PESOS (P1,000,000.00) as attorney's fees and litigation expense, together with your lawful fees for service of this execution, which SPOUSES RICHARD Y. HUANG & CARMEN G HUANG and STEPHEN G. HUANG, the judgment obligees, recovered in this case against said judgment obligors, and to tender the same to said judgment obligees and return this writ, with the lawful fees, to this Court within thirty (30) days from the date of receipt hereof with your proceedings indorsed thereon.
[20]

On August 26, 2008, Mercury Drug and Del Rosario moved to quash the Writ of Execution^[21] as it allegedly contravened the tenor of the judgment. They also moved for the inhibition of Presiding Judge^[22] Gina M. Bibat-Palamos.^[23] Pending the resolution of these motions, the sheriff began to garnish Mercury Drug and Del Rosario's bank accounts.^[24] Mercury Drug and Del Rosario filed an urgent motion to defer the implementation of the Writ of Execution.^[25] All three (3) motions were denied by the Regional Trial Court.^[26] Mercury Drug and Del Rosario then moved for reconsideration but their motion was denied.^[27]

As a result of the garnishment proceedings, Citibank N.A. issued in favor of Richard Y. Huang a Manager's Check in the amount of P40,434,062.00.^[28] Afterwards, Stephen and his parents filed a Satisfaction of Judgment^[29] before the Regional Trial Court.

On December 18, 2008,^[30] Mercury Drug and Del Rosario filed a Petition for Certiorari^[31] before the Court of Appeals. They argued that the Regional Trial Court committed grave abuse of discretion in allowing the execution of the judgment despite clerical errors in the computation of life care cost and loss of earning capacity.^[32]

In its January 20, 2011 Decision,^[33] the Court of Appeals denied the Petition for Certiorari holding that the Regional Trial Court did not commit grave abuse of discretion.^[34] The Court of Appeals found that "the perceived error in the computation of the award and [its] correction" entailed a substantial amendment of the judgment sought to be enforced.^[35] Under the doctrine on immutability of judgments, courts are precluded from altering or modifying a final and executory judgment.^[36]

Mercury Drug and Del Rosario moved for reconsideration but their Motion was denied in the Resolution^[37] dated July 6, 2011.

On September 1, 2011, Mercury Drug and Del Rosario (petitioners) filed this Petition for Review on Certiorari^[38] before this Court to which Stephen and his parents (respondents) filed a Comment.^[39] Petitioners then filed a Reply^[40] on September 25, 2013.^[41]

In the Resolution^[42] dated December 11, 2013, this Court gave due course to the Petition and required both parties to submit their respective memoranda. The parties filed their respective Memoranda on March 14, 2014.^[43]

Petitioners assert that the dispositive portion of the September 29, 2004 Decision and the corresponding Writ of Execution varied the tenor of the judgment. They point out, in particular, that the amounts of life care cost and loss of earning capacity reflected in the dispositive portion and the writ of execution do not correspond to those stated in the body of the decision.^[44]

According to petitioners, respondent Stephen is only entitled to a life care cost of P7,102,640.00 instead of P23,461,062.00 based on his average monthly expenses and his life expectancy.^[45] Petitioners also point out that the award of P10,000,000.00 as loss of earning capacity is patently excessive.^[46] Based on respondent Stephen's life expectancy, projected monthly salary, and the time within which he could have obtained gainful employment, the award of loss of earning capacity should only be P5,040,000.00.^[47] Petitioners claim that there were clerical errors in the computation of life care cost and loss of earning capacity.^[48] However, at the same time, they contend that the two (2) monetary awards were not "supported in the body of the decision [or in] the records of the case."^[49]

Assuming that there were no clerical errors, petitioners assert that respondents cannot immediately collect the two (2) monetary awards in full.^[50] The amounts of life care cost and loss of earning capacity should be paid in installments or "amortized over the probable lifetime of Stephen."^[51] Petitioners, citing *Advincula v. Advincula*^[52] and *Canonizado v. Benitez*,^[53] argue that life care cost is similar to judicial support.^[54] Hence, it should be paid monthly.^[55] Loss of earning capacity should likewise be amortized since it is akin to a monthly income.^[56]

On the other hand, respondents assert that petitioners are prohibited from questioning the propriety of the monetary awards under the doctrine of immutability of final judgments.^[57] There are no clerical errors in the computation of the two (2) monetary awards.^[58] Respondents contend that the reduction of these amounts would amount to a substantial amendment of a final and executory judgment.^[59]

Respondents add that petitioners are estopped from raising the issues in the present Petition because they have been considered and passed upon by this Court.^[60] Lastly, respondents disagree that the two (2) monetary awards should be paid on installment basis.^[61] The dispositive portion of the judgment sought to be enforced is silent regarding the manner of payment.^[62] Hence, Rule 39, Section 9(a) of the Rules of Court^[63] should govern.^[64]

This case presents the following issues for this Court's resolution:

First, whether or not the case falls under any of the exceptions to the doctrine of immutability of judgments. Subsumed in this issue is whether or not a clerical error exists that would warrant the modification of the dispositive portion of the judgment;^[65]

Second, whether or not the Writ of Execution conforms to the judgment sought to be enforced; and

Lastly, whether or not the monetary awards in dispute should be paid in installments or in lump sum.^[66]

The Petition is denied.

I

A final and executory judgment produces certain effects. Winning litigants are entitled to the satisfaction of the judgment through a writ of execution. On the other hand, courts are barred from modifying the rights and obligations of the parties, which had been adjudicated upon. They have the ministerial duty to issue a writ of execution to enforce the judgment.

It is a fundamental principle that a judgment that lapses into finality becomes immutable and unalterable.^[67] The primary consequence of this principle is that the judgment may no longer be modified or amended by any court in any manner even if the purpose of the modification or amendment is to correct perceived errors of law or fact.^[68] This principle known as the doctrine of immutability of judgment is a matter of sound public policy,^[69] which rests upon the practical consideration that every litigation must come to an end.^[70]

The rationale behind the rule was further explained in *Social Security System v. Isip*,^[71] thus:

The doctrine of immutability and inalterability of a final judgment has a two-fold purpose: (1) to avoid delay in the administration of justice and thus, procedurally, to make orderly the discharge of judicial business and (2) to put an end to judicial controversies, at the risk of occasional errors, which is precisely why courts exist. Controversies cannot drag on indefinitely. The rights and obligations of every litigant must not hang in suspense for an indefinite period of time.^[72]

The doctrine of immutability of judgment, however, is not an ironclad rule.^[73] It is subject to several exceptions, namely:

- (1) [T]he correction of clerical errors;
- (2) [T]he so-called *nunc pro tunc* entries which cause no prejudice to any party;
- (3) [V]oid judgments; and
- (4) [W]henever circumstances transpire after the finality of the decision rendering its execution unjust and inequitable.^[74]

I.A

Clerical errors or ambiguities in the dispositive portion of a judgment may result from inadvertence. These errors can be rectified without violating the doctrine of immutability of judgment provided that the modification does not affect the