

FIRST DIVISION

[G.R. No. 145408, August 20, 2008]

CALIFORNIA BUS LINES, INC., PETITIONER, VS. COURT OF APPEALS, HON. PRISCILLA C. MIJARES, IN HER CAPACITY AS PRESIDING JUDGE OF THE REGIONAL TRIAL COURT OF PASAY CITY, BRANCH 108, SP CIVIL ACTION NO. 98-2004, HON. MARIA A. CANCINO-ERUM, IN HER CAPACITY AS PRESIDING JUDGE OF METROPOLITAN TRIAL COURT OF PASAY CITY, BRANCH 46, CIVIL CASE NO. 127-93, SHERIFF RONNIE LAMPITOC, AND MANILA INTERNATIONAL AIRPORT AUTHORITY, RESPONDENTS.

DECISION

LEONARDO-DE CASTRO, J.:

Petitioner California Bus Lines, Inc. (CBL) filed this Petition for Certiorari under Rule 65 of the Rules of Court with application for writ of preliminary injunction and prayer for temporary restraining order to prohibit public respondent Judge PRISCILLA C. MIJARES (JUDGE MIJARES), Regional Trial Court (RTC), Branch 108, and public respondent Judge MARIA A. CANCINO-ERUM (JUDGE ERUM), Metropolitan Trial Court (MTC) of Pasay City, Branch 46, from implementing the Alias Writ of Execution, dated January 13, 1998, in *Civil Case No. 127-93*, and private respondent MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA) and its officers, directors, agents and representatives from implementing and enforcing said writ while the instant petition is pending before this Court. The petition seeks the nullification of (1) the Resolution^[1] dated August 22, 2000, and the Resolution^[2] dated October 11, 2000, both issued by the Court of Appeals (CA), in relation to its Decision^[3] in *CA-G.R. Sp. No. 51664*, entitled *California Bus Line, Inc. v. Hon. Priscilla C. Mijares, et al.*; (2) the Alias Writ of Execution^[4], dated January 13, 1998, issued by the Pasay City MTC, Branch 46 in *Civil Case No. 127-93*, entitled *Manila International Airport Authority v. California Bus Lines, Inc.*; and (3) the Compromise Agreement^[5], dated November 3, 1993, which was the subject of the aforementioned Alias Writ of Execution. Furthermore, the petition also prays that judgment be rendered making the preliminary injunction permanent.

The factual antecedents of this case are as follows:

On May 20, 1993, MIAA filed a civil action for ejectment, docketed as *Civil Case No. 127-93*, against CBL with the Pasay City MTC, Branch 46. The MTC rendered a decision^[6], dated July 30, 1993, in favor of MIAA, and ordered CBL to vacate the leased premises and to pay rental in arrears, attorney's fees and costs. The dispositive portion of the said decision reads:

WHEREFORE, judgment is hereby rendered in favor of the plaintiff and against the defendants:

1. Ordering the defendant and all other persons/parties claiming possession under it to vacate and surrender to the plaintiff the premises known as, *California Bus Lines, Inc.* Bus Terminal located at Domestic Road, MIA, Pasay City;
2. Ordering the defendant to pay the amount of P27,017,295.95 as rentals in legal arrears, interest, penalties and other charges;
3. Ordering the defendant to pay the sum of P430,462.60 a month commencing February, 1993 as reasonable rentals on the premises with interest at a legal rate until such time defendant and all other parties claiming under it shall have finally vacated the premises;
4. Ordering the defendant to pay the sum of P20,000.00 for and as attorney's fees;
5. Ordering the defendant to pay the costs of the suit.

Defendant's counterclaim is hereby dismissed for lack of merit."

The MTC decision became final and executory for failure of CBL to appeal the same. Thus, MIAA filed a Motion for the Issuance of Writ of Execution dated August 2, 1993 which was granted on August 9, 1993.

On November 3, 1993, the parties entered into a Compromise Agreement^[7] which was approved by the MTC in the decision^[8] dated December 13, 1993, the dispositive portion of which reads:

"WHEREFORE, finding said Compromise Agreement to be in accordance with law and not contrary to public policy, the same is hereby approved and judgment is hereby rendered in consonance thereto and the parties are enjoined to follow the terms and conditions thereof."

However, CBL failed to comply with the terms and conditions of the Compromise Agreement. Hence, MIAA filed a Motion for Issuance of Writ of Execution, which was granted by the MTC on February 10, 1994^[9]. The properties of CBL were levied upon by the MTC Sheriff but this levy was subsequently lifted when CBL issued postdated checks to secure payment of the debt pursuant to the Compromise Agreement.^[10]

Again, CBL failed to comply with the schedule of payment stipulated in the Compromise Agreement prompting MIAA to file a Motion for the Issuance of Alias Writ of Execution^[11]. This was granted by the MTC on December 12, 1997 and the assailed Alias Writ of Execution was issued on January 13, 1998^[12].

In reaction to the issuance of the aforementioned writ, CBL filed a Petition for Certiorari under Rule 65 of the Revised Rules of Civil Procedure with the Pasay City RTC, Branch 108.

In the RTC, CBL insisted that the alias writ of execution was issued by the MTC with grave abuse of discretion amounting to lack of jurisdiction. CBL argued that the decision dated July 30, 1993 of the MTC had already attained finality; that CBL overpaid the same by seven million pesos; and that the Compromise Agreement is void because it was entered into in its behalf by a person not authorized to do so and because it was entered into after the finality of the decision dated July 30, 1993

of the MTC.^[13]

The RTC dismissed the petition which prompted CBL to file a Petition for Review on Certiorari under Rule 42 with the CA. While the said petition was pending before the CA, MIAA filed another Motion for Issuance of Alias Writ of Execution with Notice of Change of Address^[14] dated June 30, 1999.

On August 23, 1999, the CA rendered a Decision^[15] dismissing CBL's petition. CBL filed a motion for reconsideration but the same was denied for lack of merit in the Resolution^[16] dated October 19, 1999.

Unperturbed, CBL filed an Urgent Motion for Issuance of Temporary Restraining Order and Writ of Preliminary Injunction which the CA denied in its subsequent Resolution^[17] dated August 22, 2000. Petitioner also filed a Motion to Set Aside Entry of Judgment which the CA likewise denied via the Resolution^[18] dated October 11, 2000.

CBL is now before us, via this special civil action under Rule 65 of the Revised Rules of Court with application for writ of preliminary injunction and prayer for temporary restraining order. ^[19]

In the Resolution^[20] dated November 20, 2000, the Court denied the petition for "failure of the petition to sufficiently show that any grave abuse of discretion was committed by the CA in rendering the challenged resolutions which, on the contrary, appear to be in accord with the facts and the applicable law and jurisprudence."

Undeterred, CBL filed a Motion for Reconsideration^[21] on December 22, 2000 raising the following issues:

I.

THE COMPROMISE AGREEMENT ENTERED INTO BY THE PARTIES SUBSTANTIALLY ALTERED THE JUDGMENT DATED JULY 30, 1993, HENCE THE WRIT OF EXECUTION BASED ON THE COMPROMISE AGREEMENT WAS NULL AND VOID.

II.

THE MOTION FOR AN ALIAS WRIT OF EXECUTION WHICH WAS FILED AFTER MORE THAN FIVE (5) YEARS FROM THE FINALITY OF JUDGMENT HAD ALREADY PRESCRIBED.

III.

THE AWARD OF ONE MILLION PESOS (P1,000,000.00) AS ATTORNEY'S FEE IS UNCONSCIONABLE.

In the Resolution^[22] dated June 20, 2001, the Court granted CBL's motion for reconsideration and reinstated its petition, which was later on given due course in the Resolution^[23] dated September 17, 2001. Both parties had since then filed their

respective memoranda.

On December 18, 2007, MIAA filed a Manifestation with Fifth (5th) Motion for Early Resolution^[24] informing the Court that on October 2, 2007, CBL filed a Petition for Voluntary Insolvency before the Pasay City RTC, Branch 117, which declared CBL insolvent on October 15, 2007 and that MIAA filed its Notice of Claim thereat.

We resolve to dismiss the petition.

At the outset, private respondent questioned the appropriateness of the instant petition as a remedy to review the assailed CA decision and resolution. MIAA argues that the petition for review under Rule 42 was filed by CBL with the CA pursuant to its appellate jurisdiction over the final Orders of the RTC. Therefore, the assailed Decision and its related Resolutions of the CA which are considered the judgment and final order of the CA should have been elevated before this Court through an appeal by certiorari under Rule 45 and not through a special civil action under Rule 65.

CBL maintains that the herein petition is not based on the ground of error of judgment or errors of law which are the proper subject matter of ordinary appeal under Rule 45. Instead, it claims that the same is based on lack or excess of jurisdiction or grave abuse of discretion amounting to lack of jurisdiction, which is the issue to be resolved under Rule 65. According to CBL, the MTC exceeded its jurisdiction in issuing the challenged Alias Writ of Execution and there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law. Additionally, CBL maintains that the CA acted with grave abuse of discretion amounting to lack of jurisdiction in rendering its decision and in issuing the two (2) assailed Resolutions dated August 22, 2000 and October 11, 2000, which denied respectively CBL's Urgent Motion for Issuance of Temporary Restraining Order and Writ of Preliminary Injunction and Motion to Set Aside Entry of Judgment.

For a special civil action on certiorari to prosper, the following requisites must concur: (1) the writ is directed against a tribunal, a board or an officer exercising judicial or quasi-judicial functions; (2) such tribunal, board or officer has acted without or in excess of jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction; and (3) there is no appeal or any plain, speedy and adequate remedy in the ordinary course of law.^[25] The general rule is that a writ of certiorari will not issue where the remedy of appeal is available to the aggrieved party.^[26] The party aggrieved by a decision of the CA is proscribed from assailing the decision or final order of said court *via* Rule 65 because such recourse is proper only if the party has no plain, speedy and adequate remedy in the course of law.^[27]

Here, it is apparent that CBL's immediate issue is with the CA's Decision and its related Resolutions which denied CBL's erroneously filed petition for review under Rule 42 against the RTC which earlier denied CBL's petition for certiorari under Rule 65 against the MTC. The proper remedy for CBL in this situation, as correctly pointed out by the CA, should have been an ordinary appeal to the CA since the RTC decision was made in the exercise of the RTC's original jurisdiction.

Moreover, Rule 45 of the Rules of Court is clear that decisions, final orders or resolutions of the CA in any case, *i.e.*, regardless of the nature of the action or

proceeding involved, may be appealed to the Supreme Court by filing a petition for review, which would be but a continuation of the appellate process over the original case.^[28] Thus, contrary to CBL's assertions, it has a plain, speedy and adequate remedy in the course of law.

Even if we assume for the sake of argument that the instant petition is proper, the petition still fails to persuade as regards the remaining issues.

CBL contends that when the Compromise Agreement was approved by the MTC, its earlier decision dated July 30, 1993 was already final and executory. Thus, the Compromise Agreement substantially altered the July 30, 1993 MTC decision, and the subsequent application for an Alias Writ of Execution after more than seven (7) years cannot be entertained since "it is fundamental that a final and executory decision cannot be amended or corrected except for clerical errors or mistakes."^[29]

The argument is specious. As correctly emphasized by the CA in its Decision,^[30] "it is also well-settled that the court is authorized to modify or alter a judgment after the same has become executory, whenever the circumstances transpire rendering its execution unjust and equitable."^[31] The Compromise Agreement, thus, explicitly justified the amicable settlement reached by the parties after "having seriously considered in all good faith, the financial position and the capacity of the defendant CBL to fulfill its obligation under the decision promulgated in this case and cognizant over the fate of almost seven hundred employees and the riding public in the event the decision is executed...".

The parties voluntarily entered into the Compromise Agreement which accorded to each party mutually acceptable concessions. MIAA agreed that the obligation of CBL be paid in installments in accordance with a schedule of installments disputed by the parties and CBL was allowed to stay in the leased premises provided the rentals mentioned in the Agreement are paid. Furthermore, the parties themselves invoked the jurisdiction of the MTC by submitting with the assistance of their counsel the Compromise Agreement for approval after the July 30, 1993 MTC decision has become final and executory.

Considering the foregoing circumstance, it would be highly inequitable to rule that the MTC has no jurisdiction to amend the final and executory July 30, 1993 MTC decision, when the MTC decision of December 13, 1993, approving the Compromise Agreement, was rendered at the instance of both CBL and MIAA and for their mutual benefit.

Moreover, CBL had complied with the terms of said Compromise Agreement for a period of five (5) years from its execution on November 3, 1993 until November 1998. CBL cannot question the MTC decision based on said Compromise Agreement and insist upon the execution of the July 30, 1993 MTC decision without trifling with court processes. Accordingly, we find the December 13, 1993 MTC decision, based on the Compromise Agreement, to be valid and binding upon the parties thereto.

Having upheld the validity and binding effect of the December 13, 1993 MTC decision, MIAA was well within the five-year reglementary period dictated by Section 6, Rule 39 of the Rules of Court^[32] when it filed its first Motion for the Issuance of a Writ of Execution of the said decision on February 3, 1994 due to CBL's non-