



MisADC Batt
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court
Third Division

JUL 06 2020

Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

MUNICIPALITY OF FAMY, G.R. No. 203806
LAGUNA,

Petitioner,

Present:

-versus-

LEONEN, J., Chairperson,
GESMUNDO,
CARANDANG,*
ZALAMEDA, and
GAERLAN, JJ.

MUNICIPALITY OF SINILOAN,
LAGUNA,

Respondent.

Promulgated:
February 10, 2020

MisADC Batt

X-----X

DECISION

LEONEN, J.:

In the absence of grave abuse of discretion, this Court shall not intervene in the trial court's exercise of discretion in injunctive matters.¹

For this Court's resolution is the Petition for Review on Certiorari² challenging the Decision³ and Resolution⁴ of the Court of Appeals. The

* On special leave.

¹ Cortez-Estrada v. Heirs of Samut, 491 Phil. 458 (2005) [Per J. Carpio Morales, Third Division].

² Rollo, pp. 7-36.

³ Id. at 37-51. The August 22, 2011 Decision in CA-G.R. SP No. 105671 was penned by Associate Justice Noel G. Tijam (now a retired member of this Court) and concurred in by Associate Justices Marlene Gonzales-Sison and Jane Aurora C. Lantion of the Special Eleventh Division of the Court of Appeals, Manila.

⁴ Id. at 52-57. The October 11, 2012 Resolution in CA-G.R. SP No. 105671 was penned by Associate Justice Noel G. Tijam and concurred in by Associate Justices Marlene Gonzales-Sison and Jane Aurora C. Lantion of the Former Special Eleventh Division, Court of Appeals, Manila.

Court of Appeals affirmed the Regional Trial Court's Orders⁵ granting the Municipality of Siniloan, Laguna's application for a writ of preliminary injunction and subsequently denying the Motion for Reconsideration of the Municipality of Famy, Laguna.⁶

Both municipalities of Famy and Siniloan are public corporations existing under Philippine law.⁷

Over a century ago, Famy was incorporated into Siniloan through Act No. 939, series of 1903. However, through Executive Order No. 72, series of 1909, Famy was separated and became another entity. This eventually led to a boundary dispute between the now different municipalities over two (2) barangays, Kapatalan and Liyang. To resolve the dispute, the Provincial Board of Laguna (Provincial Board) rendered its March 26, 1962 Decision ruling that Siniloan had jurisdiction over the barangays.⁸

Much later, in 2001, when an elementary school in Famy was transferred to Barangay Kapatalan, it was considered under Famy's jurisdiction. Its barangay officials were also elected and declared under Famy's authority.⁹

These prompted then Siniloan Vice Mayor Roberto J. Acoba to write to Provincial Legal Officer Antonio Relova (Relova), seeking the implementation of the Provincial Board's March 26, 1962 Decision. Eventually, and upon Relova's advice, Siniloan filed a Petition to Revive Judgment before the Sangguniang Panlalawigan of Laguna (Sangguniang Panlalawigan).¹⁰

Opposing Siniloan's Petition, Famy submitted a copy of an earlier July 4, 1942 Decision rendered by the Provincial Board, where it had granted Famy jurisdiction over the disputed barangays.¹¹

The Sangguniang Panlalawigan sustained Famy's position. In its Resolution No. 498, series of 2005, it found that the March 26, 1962 Decision could not be executed because it did not specify the metes and bounds of the municipalities' territories. It noted that placing the barangays under Siniloan's jurisdiction significantly reduced Famy's population and land area to a point that went below the law's requirements. Additionally,

⁵ Id. at 97-105. The February 20, 2008 and August 1, 2008 Orders in Civil Case No. S-1013 were penned by Acting Presiding Judge Agripino G. Morga of Branch 33, Regional Trial Court of Siniloan, Laguna.

⁶ Id. at 38.

⁷ Id.

⁸ Id.

⁹ Id.

¹⁰ Id. at 38-39.

¹¹ Id. at 40.

Siniloan was found to have abandoned its claim over Barangay Kapatalan when it ceased its internal revenue allotment to the barangay.¹²

Siniloan moved for reconsideration, but its Motion was denied in the Sangguniang Panlalawigan's Resolution No. 88, series of 2006.¹³

Thus, Siniloan filed before the Regional Trial Court a Petition for Certiorari and Prohibition, with a prayer that a temporary restraining order and a writ of preliminary injunction be issued. Accordingly, the trial court issued a temporary restraining order prohibiting both parties from exercising authority over the barangays.¹⁴

On February 20, 2008, the Regional Trial Court issued a writ of preliminary injunction to restrain the Sangguniang Panlalawigan from implementing its Resolutions No. 498 and 88.¹⁵

The dispositive portion of the Order read:

WHEREFORE, premises considered, the application for the issuance of a Writ of Preliminary Injunction of petitioner is GRANTED.

Let a Writ of Preliminary Injunction issue to restrain the Sangguniang Panlalawigan of Laguna and Governor Teresita S. Lazaro and all persons acting for and in their behalf, from implementing Resolution No. 498, S-2005 and Resolution No. 88, S-2006 pending resolution of this petition, or until further orders from this Court. Likewise, respondent Municipality of Famy, Laguna and all persons acting for and its (*sic*) behalf are enjoined from further intruding into the territorial jurisdiction of petitioner Municipality of Siniloan, Laguna, particularly in Barangays Kapatalan and Liyang, and from further introducing whatever improvements thereon, while this petition is pending and until further orders from this Court.

Petitioner is hereby directed to post a bond amounting to One Hundred Thousand (Php100,000.00) Pesos, to answer for whatever damages which the Respondent Municipality of Famy, Laguna, may suffer or sustain by reason of the injunction. The Writ of Preliminary Injunction shall not be issued without payment of the bond herein fixed.

SO ORDERED.¹⁶

In its August 1, 2008 Order,¹⁷ the Regional Trial Court denied Famy's

¹² Id.

¹³ Id.

¹⁴ Id. at 40-41.

¹⁵ Id. at 97-103.

¹⁶ Id. at 103.

¹⁷ Id. at 104-105.

subsequent Motion for Reconsideration.

Famy then filed a Petition for Certiorari¹⁸ before the Court of Appeals, seeking to annul the Regional Trial Court's Orders. Among others, it claimed that the trial court gravely erred in issuing the injunctive relief, as the writ cannot be issued incidental to a petition for prohibition.¹⁹ Moreover, even if the writ could be issued, Famy contended that the conditions for issuing it were not fulfilled. It also insists that by issuing the writ, the trial court effectively resolved the case on the merits.²⁰

Siniloan countered that the writ was properly issued and was solely within the trial court's discretion.²¹ It also manifested that criminal cases involving the two (2) barangays were being heard before its courts, the barangay's residents were registered voters in Siniloan, and their realty taxes were being paid to its municipal treasurer.²²

In its August 22, 2011 Decision,²³ the Court of Appeals upheld the Regional Trial Court's Orders, ruling that the writ of preliminary injunction was correctly issued. It found that the Sangguniang Panlalawigan Resolutions would cause disorder to Siniloan's governance over the two (2) barangays and reduce its internal revenue allotment—effectively invading its clear and unmistakable right.²⁴ The Court of Appeals also dismissed Famy's assertion that the case had already been disposed of; on the contrary, the writ was a temporary remedy pending the Petition's resolution.²⁵

The dispositive portion of the Court of Appeals Decision read:

WHEREFORE, the instant petition is **DENIED**. The assailed Orders, dated February 20, 2008 and August 1, 2008, of the Public Respondent Regional Trial Court of Siniloan, Laguna, Branch 33, in Civil Case No. S-1013, are hereby **AFFIRMED**.

SO ORDERED.²⁶ (Emphasis in the original)

Famy's Motion for Reconsideration was also denied in the Court of Appeals' October 11, 2012 Resolution.²⁷

¹⁸ Id. at 58–96.

¹⁹ Id. at 42.

²⁰ Id. at 43 and 68.

²¹ Id. at 43–44.

²² Id. at 48.

²³ Id. at 37–51.

²⁴ Id. at 48–49.

²⁵ Id. at 50.

²⁶ Id. at 51.

²⁷ Id. at 52–57.

Thus, on November 29, 2012, Famy filed this Petition for Review for Certiorari²⁸ against Siniloan.

In its December 10, 2012 Resolution,²⁹ this Court required respondent to comment on the Petition.

On April 15, 2013, respondent filed its Comment,³⁰ as noted in this Court's July 10, 2013 Resolution,³¹ where it also directed petitioner to reply.

Petitioner later filed its Reply³² on September 10, 2013.

On October 9, 2013, this Court issued a Resolution³³ giving due course to the Petition and ordering the parties to submit their memoranda. Petitioner³⁴ and respondent³⁵ filed their respective Memoranda, as noted in this Court's February 17, 2014³⁶ and June 23, 2014 Resolutions.³⁷

For its part, petitioner contends that the Court of Appeals erred in upholding the trial court's issuance of the writ of preliminary injunction incidental to the Petition for Certiorari and Prohibition. It avers that since the writ of prohibition itself "is unavailing to prevent an erroneous decision or an enforcement of an erroneous judgment,"³⁸ the injunctive relief should have been denied, it being a mere incident to the Petition for Prohibition.³⁹ As with prohibition, petitioner asserts that certiorari is not the proper remedy either, since it cannot substitute respondent's lost right to appeal.⁴⁰

Petitioner also maintains that the implementation of the Sangguniang Panlalawigan Resolutions would not cause serious or irreparable damage since respondent failed to show its clear, unmistakable right that was violated.⁴¹ It claims that respondent failed to substantiate its main contention that the March 26, 1962 Decision was final and executory,⁴² as it

²⁸ Id. at 7–36. Petitioner initially moved to extend time to file its Petition, (*rollo*, pp. 3–5) which was granted in this Court's December 10, 2012 Resolution.

²⁹ Id. at 355.

³⁰ Id. at 376–398. On March 22, 2013, respondent filed a Notice of Entry of Appearance with Motion for Extension of Time to File Comment (*rollo*, pp. 362–365) and on April 3, 2013, a Second Motion for Extension of Time (*rollo*, pp. 372–375). These were granted in this Court's July 10, 2013 Resolution.

³¹ Id. at 413–414.

³² Id. at 415–431.

³³ Id. at 432–432-A.

³⁴ Id. at 433–480.

³⁵ Id. at 493–516.

³⁶ Id. at 486. In the same Resolution, this Court granted respondent's Motion for Extension to file its Memorandum.

³⁷ Id. at 518. This Court also granted respondent's second Motion for Extension.

³⁸ Id. at 440.

³⁹ Id. at 441.

⁴⁰ Id. at 443.

⁴¹ Id. at 450.

⁴² Id. at 454.

was never shown that petitioner had received a copy of this 1962 Decision, which would have been the day from which finality of judgment is reckoned.⁴³

Moreover, petitioner claims that even if the 1962 Decision had been final, it had prescribed in 1972, thereby extinguishing respondent's right long before the resolutions were issued.⁴⁴

In any case, petitioner maintains that government recognition of the 1962 Decision does not suffice to show its finality, since other government agencies have also acknowledged petitioner's right to govern over the two (2) contested barangays.⁴⁵

Respondent, on the other hand, counters that petitioner could have appealed an unfavorable decision in due course, instead of filing a petition for certiorari or prohibition.⁴⁶

Respondent also reiterates that taxes for real estate properties in Barangays Kapatalan and Liyang were being paid to the Municipal Treasurer of Siniloan. Were the injunctive relief not granted, it posits that its internal revenue allotment would have been considerably reduced.⁴⁷

Moreover, respondent asserts that petitioner's resort to this Court is based on a falsified document. It claims that the Sangguniang Panlalawigan gave undue credence to a purported photocopy of a 1942 unsigned decision, despite overwhelming evidence in respondent's favor. Moreover, it posits that the Sangguniang Panlalawigan had no jurisdiction to overturn the March 26, 1962 Decision, which had long attained finality.⁴⁸

For this Court's resolution is the lone issue of whether or not the Court of Appeals erred in affirming the Regional Trial Court's issuance of a writ of preliminary injunction in favor of respondent Municipality of Siniloan.

This Court denies the Petition for lack of merit.

Rule 58, Section 1 of the Rules of Court defines preliminary injunction:

⁴³ Id. at 452.

⁴⁴ Id. at 456.

⁴⁵ Id. at 459.

⁴⁶ Id. at 501.

⁴⁷ Id. at 502-503.

⁴⁸ Id. at 508-511.

SECTION 1. *Preliminary Injunction Defined; Classes.* — A preliminary injunction is an order granted at any stage of an action or proceeding *prior to the judgment or final order*, requiring a party or a court, agency or a person to refrain from a particular act or acts. It may also require the performance of a particular act or acts, in which case it shall be known as a preliminary mandatory injunction. (Emphasis supplied)

Otherwise stated, a writ of preliminary injunction is:

... an *ancillary* and *interlocutory* order issued as a result of an impartial determination of the context of both parties. It entails a procedure for the judge to assess whether the reliefs prayed for by the complainant will be rendered moot simply as a result of the parties' having to go through the full requirements of a case being fully heard on its merits.⁴⁹ (Emphasis supplied)

Preliminary injunction may either be prohibitory, when it bars an act, or mandatory, when it requires the performance of a particular act. As an interlocutory order, it is a provisional remedy,⁵⁰ temporary in nature.⁵¹ It is ancillary, an incident adjunct to a main action.⁵²

Contrary to petitioner's claim, preliminary injunction is "subject to the final disposition of the principal action."⁵³ The trial court's order issuing the injunction is neither a judgment on the merits nor a final disposition of the case.

Rule 58, Section 3 of the Rules of Court enumerates the grounds when a writ of preliminary injunction is proper:

SECTION 3. *Grounds for issuance of preliminary injunction.* — A preliminary injunction may be granted when it is established:

(a) That the applicant is entitled to the relief demanded, and the whole or part of such relief consists in restraining the commission or continuance of the act or acts complained of, or in requiring performance of an act or acts, either for a limited period or perpetually;

⁴⁹ *Bicol Medical Center v. Botor*, 819 Phil. 447, 457 (2017) [Per J. Leonen, Third Division] citing *Department of Public Works and Highways v. City Advertising Ventures Corp.*, 799 Phil. 47, 66 (2016) [Per J. Leonen, Second Division].

⁵⁰ *Raymundo v. Court of Appeals*, 288 Phil. 344, 349 (1992) [Per J. Nocon, Second Division].

⁵¹ *Dungog v. Court of Appeals*, 455 Phil. 675, 685 (2003) [Per J. Carpio, First Division].

⁵² *Raymundo v. Court of Appeals*, 288 Phil. 344, 349 (1992) [Per J. Nocon, Second Division].

⁵³ *Dungog v. Court of Appeals*, 455 Phil. 675, 685 (2003) [Per J. Carpio, First Division].

(b) That the commission, continuance or non-performance of the act or acts complained of during the litigation would probably work injustice to the applicant; or

(c) That a party, court, agency or a person is doing, threatening, or is attempting to do, or is procuring or suffering to be done, some act or acts probably in violation of the rights of the applicant respecting the subject of the action or proceeding, and tending to render the judgment ineffectual.

Jurisprudence provides that the following must be proven for a writ of preliminary injunction to be issued:

- (1) The applicant must have a clear and unmistakable right to be protected, that is a right *in esse*;
- (2) There is a material and substantial invasion of such right;
- (3) There is an urgent need for the writ to prevent irreparable injury to the applicant; and
- (4) No other ordinary, speedy, and adequate remedy exists to prevent the infliction of irreparable injury.⁵⁴

Courts are given wide discretion in granting a writ of preliminary injunction. However, this discretion is with limit and must be exercised with great caution.⁵⁵ In the absence of grave abuse of discretion, this Court shall not intervene in their exercise of discretion in injunctive matters.⁵⁶ In *Ong Lay Hin v. Court of Appeals*,⁵⁷ this Court defined grave abuse of discretion as:

... the “arbitrary or despotic exercise of power due to passion, prejudice or personal hostility; or the whimsical, arbitrary, or a capricious exercise of power that amounts to an evasion or a refusal to perform a positive duty enjoined by law or to act at all in contemplation of law.”⁵⁸

Injunction should not be issued “if there is *no clear legal right* materially and substantially breached from a *prima facie* evaluation of the evidence of the complainant.”⁵⁹

⁵⁴ *Bicol Medical Center v. Botor*, 819 Phil. 447, 458 (2017) [Per J. Leonen, Third Division] citing *St. James College of Parañaque v. Equitable PCI Bank*, 641 Phil. 452, 466 (2010) [Per J. Velasco, Jr., First Division]. See also *Biñan Steel Corporation v. Court of Appeals*, 439 Phil. 688, 703–704 (2002) [Per J. Corona, Third Division] and *Hutchison Ports Philippines, Ltd. v. Subic Bay Metropolitan Authority*, 393 Phil. 843, 859 (2000) [Per J. Ynares-Santiago, First Division].

⁵⁵ *Spouses Nisce v. Equitable PCI Bank*, 545 Phil. 138, 160 (2007) [Per J. Callejo, Sr., Third Division].

⁵⁶ *Cortez-Estrada v. Heirs of Samut*, 491 Phil. 458 (2005) [Per J. Carpio Morales, Third Division].

⁵⁷ 752 Phil. 15 (2015) [Per J. Leonen, Second Division].

⁵⁸ *Id.* at 24 citing *Lagua v. The Hon. Court of Appeals*, 689 Phil. 452 (2012) [Per J. Sereno, Second Division].

⁵⁹ *Bicol Medical Center v. Botor*, 819 Phil. 447, 457 (2017) [Per J. Leonen, Third Division].

Parties seeking injunction must present evidence to demonstrate their justification for the relief pending final judgment.⁶⁰ The evidence need not be complete and conclusive proof; *prima facie* evidence suffices:

It is crystal clear that at the hearing for the issuance of a writ of preliminary injunction, *mere prima facie evidence is needed* to establish the applicant's rights or interests in the subject matter of the main action. It is not required that the applicant should conclusively show that there was a violation of his rights as this issue will still be fully litigated in the main case. Thus, an applicant for a writ is required *only to show that he has an ostensible right to the final relief prayed for* in his complaint.⁶¹ (Emphasis in the original)

Spouses Nisce v. Equitable PCI Bank,⁶² this Court explained that litigants applying for injunctive relief must exhibit their “present and unmistakable right to be protected; that the facts against which injunction is directed violate such right; and there is a special and paramount necessity for the writ to prevent serious damages.”⁶³

Here, as an incident to its Petition for Certiorari and Prohibition, respondent prayed for injunctive relief to curtail the implementation of the Sangguniang Panlalawigan Resolutions, which had declared Barangays Kapatalan and Liyang to be under petitioner's jurisdiction. Evidently, this was unfavorable to respondent. The parties respectively presented proof, and the Regional Trial Court found the following:

First. It is not disputed that petitioner, before and after the Decision of March 26, 1962 was rendered by the Provincial Board of Laguna, has continuously exercised its dominion over Barangays Kapatalan and Liyang. In fact, based on the said 1962 Decision, criminal cases involving residents of the two barangays were heard and tried before the Justice of the Peace of Siniloan. Then, real properties in said barangays were tax declared in Siniloan (Exhibits S to X, including their submarkings). The residents of the two barangays are registered voters of Siniloan and that all government infrastructure projects such as school buildings ([Exhibit] Q), barangay halls, health or puericulture centers and barangay roads were constructed with Siniloan as the recognized territorial jurisdiction.

Second. It has been also shown that taxes for certain real properties located in Barangay Kapatalan and Liyang were and are being

⁶⁰ Id.

⁶¹ *Department of Public Works and Highways v. City Advertising Ventures Corporation*, 799 Phil. 47, 64 (2016) [Per J. Leonen, Second Division] citing *Republic v. Evangelista*, 504 Phil. 115, 123 (2005) [Per J. Puno, Second Division].

⁶² 545 Phil. 138 (2007) [Per J. Callejo, Sr., Third Division].

⁶³ Id. at 160.

l

paid to the Municipal Treasurer of Siniloan. While it is true that there are other properties in Kapatalan and Liyang registered in respondent Famy and taxes therefor being paid thereat (Exhibits "2" to "3-P"), the same shall not be adversely affected should the writ be issued simply because the writ shall respect the status quo. The same applies to the present set up of the barangay officials in both the petitioner and respondent Famy.

Third. The Decision of the Sangguniang Panlalawigan contained in the assailed Resolution No. 498, S-2005, and Resolution No. 88, S-2006, shall have a bearing in the computation of the Internal Revenue Allotment of both petitioner and respondent Famy. There will obviously be a considerable reduction of the IRA of petitioner should the questioned Resolutions be [implemented].⁶⁴

A perusal of the records reveals that respondent sufficiently alleged and substantiated its clear legal right sought to be protected through the writ of preliminary injunction. Respondent, who had in its favor a March 26, 1962 Decision declaring its jurisdiction over the barangays, stood to suffer irreparable injury through the Sangguniang Panlalawigan Resolutions. It exhibited that since the ruling was issued, it had exercised jurisdiction over Barangays Kapatalan ang Liyang on adjudication of criminal cases, payment of real property taxes, and construction of infrastructure projects. Further, it posited that it was bound to lose a portion of its internal revenue allotment, pending the disposition of its case.

Preliminary injunctions are issued to preserve the status quo,⁶⁵ "the last actual, peaceful, and uncontested status that precedes the actual controversy, that which is existing at the time of the filing of the case."⁶⁶ In this case, the injunctive relief was sought to bar the implementation of the Sangguniang Panlalawigan Resolutions, which would have significantly affected the exercise of power of the municipalities in conflict.

Contrary to petitioner's actuations, there need not be a determination of whether the March 26, 1962 Decision had attained finality. The trial court did not pass upon its finality when it determined that the writ of preliminary injunction should be issued. Respondent satisfactorily showed that its circumstances merited the temporary injunctive relief, lest the reliefs it prayed for in its main Petition be rendered moot when the case have been heard on the merits.

The Regional Trial Court did not commit grave abuse of discretion in issuing the writ of preliminary injunction. Thus, it is directed to proceed with trial and resolve respondent's Petition for Certiorari and Prohibition.

⁶⁴ *Rollo*, p. 102.

⁶⁵ *Dungog v. Court of Appeals*, 455 Phil. 675, 685 (2003) [Per J. Carpio, First Division].

⁶⁶ *Cortez-Estrada v. Heirs of Samut*, 491 Phil. 458, 472 (2005) [Per J. Carpio Morales, Third Division] citing *PEZA v. Vianzon*, 319 Phil. 186 (2000) [Per J. Gonzaga-Reyes, Third Division].

WHEREFORE, the Court of Appeals' August 22, 2011 Decision and October 11, 2012 Resolution in CA-G.R. SP No. 105671 are **AFFIRMED**. The Regional Trial Court is directed to proceed with trial and resolve the Petition in Civil Case No. S-1013.

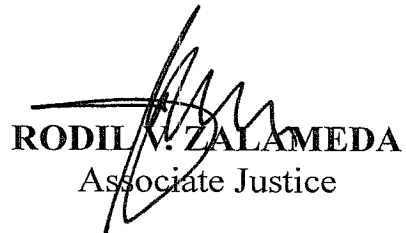
SO ORDERED.



MARVIC M.V.F. LEONEN
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Associate Justice


On special leave
ROSMARI D. CARANDANG
Associate Justice


RODIL V. ZALAMEDA
Associate Justice


SAMUEL H. GAERLAN
Associate Justice

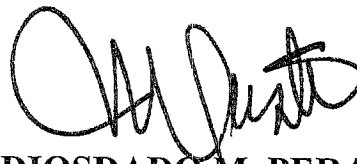
ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARVIC M.V.F. LEONEN
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



DIOSDADO M. PERALTA
Chief Justice

CERTIFIED TRUE COPY

Mis RDC Batt
MISAELO DOMINGO C. BATTUNG III
Division Clerk of Court
Third Division

JUL 06 2020