

THIRD DIVISION

[G.R. No. 159277, December 21, 2004]

PHILIPPINE SCHOOL OF BUSINESS ADMINISTRATION – QUEZON CITY, PETITIONER, VS. HON. LITA S. TOLENTINO-GENILO, AS PRESIDING JUDGE, REGIONAL TRIAL COURT OF QUEZON CITY, BRANCH 91, DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS, LIGHT RAIL TRANSIT AUTHORITY, CITY ENGINEER OF QUEZON CITY, AND BUILDING OFFICIAL OF QUEZON CITY, RESPONDENTS.

D E C I S I O N

GARCIA, J.:

Challenged in this petition for review on certiorari under Rule 45 of the Rules of Court are the following issuances of the Court of Appeals in **CA-G.R. SP No. 56430**, to wit:

1. **Decision dated January 30, 2003^[1]**, affirming an earlier resolution of the Regional Trial Court at Quezon City, Branch 91, which denied petitioner's application for a temporary restraining order and writ of preliminary injunction; and
2. **Resolution dated July 2, 2003**, denying petitioner's motion for reconsideration.

On August 27, 1999, in the Regional Trial Court at Quezon City, Branch 91, petitioner Philippine School of Business Administration filed a complaint for reformation of contract with prayer for a temporary restraining order and writ of preliminary injunction, against the Department of Public Works and Highways (DPWH, for short), the Light Rail Transit Authority, and the Building Official and the City Engineer of Quezon City.^[2]

In its complaint, petitioner alleged, inter alia, that on August 27, 1997, it entered into a deed of conditional sale with the Republic of the Philippines, through the DPWH, whereunder it would convey to DPWH a parcel of land with a area of 1,128 square meters upon DPWH's payment of the sum of P10,467,840.00, at the rate of P9,200.00 per square meter, a condition which was duly satisfied by DPWH.

In the same complaint, petitioner principally prayed for the reformation of the aforementioned deed of conditional sale on account of an alleged mutual mistake committed by the parties relative to the actual area subject of the deed. Petitioner claimed that the area it sold to DPWH was erroneously placed at 1,128 square meters when, in truth and in fact, its intention was to cede only the area of the land outside its existing perimeter fence, consisting of 543 square meters.

Petitioner further alleged that respondents, to pave the way for the construction of the Light Rail Transit Line 2 Project, were poised to take the land within its present perimeter fence and demolish its existing improvements thereon, such as its school bookstore, clinic, canteen, water reservoir, septic vault and drainage system, all located within the area mistakenly conveyed by it to the DPWH under the aforementioned deed of conditional sale.

As provisional remedies, petitioner implored the trial court to issue a temporary restraining order and writ of preliminary injunction enjoining all the named defendants [now private respondents] from proceeding with the take over of portion of its property mistakenly included in the aforementioned deed of conditional sale and the demolition of its existing improvements thereon.

In a resolution dated September 7, 1999, the trial court denied petitioner's application for a temporary restraining order and writ of preliminary injunction.^[3] Says the trial court in the same resolution:

xxx Movant argued that they are not enjoining the government project but what they are against is the demolition of the school building as it is without due process. The Court believes that the government infrastructure cannot be accomplished without demolishing plaintiff's structure. This is a situation wherein the welfare of the plaintiff has to be sacrificed in favor of the welfare of the State. Further, as stated in their pleading, what is to be demolished is a one-storey building used as canteen, bookstore, etc. Plaintiff failed to prove that these services could not be housed in another area of the premises. Movant failed to show to the Court that the damage or injury to be suffered is irreparable. Further, whether or not P.D. 1818 is constitutional cannot be resolved in a summary proceeding. Since no forum has made the pronouncement that it is unconstitutional, the presumption that all laws are constitutional holds.

The Court finds no reasonable ground established by the plaintiff to warrant the grant of the temporary restraining order and/or injunction, pursuant to Section 3, Rule 58, Rules of Civil Procedure.

Further, the Supreme Court has issued an Administrative Circular No. 07-99 regarding the utmost caution and prudence of all lower court judges in issuance of TRO and Writs of Preliminary Injunction. xxx

With its motion for reconsideration having been denied by the same court in its subsequent resolution of October 28, 1999,^[4] petitioner filed a petition for certiorari before the Court of Appeals, whereat its recourse was docketed as **CA-G.R. SP No. 56430**.

In the herein assailed **decision dated January 30, 2003**,^[5] the Court of Appeals denied the petition. In time, petitioner moved for a reconsideration, but the motion was similarly denied by the appellate court in its resolution of July 2, 2003.^[6]

Petitioner is now with us *via* the instant recourse on the following assigned errors:

THE HONORABLE COURT OF APPEALS COMMITTED REVERSIBLE ERROR WHEN IT UPHELD THE COURT A *QUO*'S DENIAL OF THE ISSUANCE OF A TEMPORARY RESTRAINING ORDER, WHEN ALL THE REQUISITES FOR THE ISSUANCE THEREOF ARE PRESENT IN THIS CASE:

- A. THE CONSTITUTION GUARANTEES THAT NO PERSON CAN BE DEPRIVED OF PROPERTY WITHOUT DUE PROCESS OF LAW.
- B. THE DEMOLITION, AND/OR TAKING OF PSBA'S PROPERTY HAS VIOLATED PSBA'S CONSTITUTIONAL RIGHT TO DUE PROCESS.
- C. PSBA, NOT TO MENTION, ITS STUDENT POPULATION, WILL SUFFER GRAVE AND IRREPARABLE INJURY IF THE TAKING OF ITS PROPERTY IS NOT ENJOINED.

II

THE HONORABLE COURT OF APPEALS COMMITTED REVERSIBLE ERROR WHEN IT AFFIRMED *IN TOTO* THE DECISION OF THE COURT A *QUO* DENYING THE ISSUANCE OF A TEMPORARY RESTRAINING ORDER AND THE WRIT OF PRELIMINARY INJUNCTION, ON THE BASIS OF PRESIDENTIAL DECREE NO. 1818 ("P.D. 1818). P.D. 1818 IS NOT APPLICABLE, CONSIDERING THAT:

- A. WHAT PSBA SOUGHT TO ENJOIN IS NOT A GOVERNMENT INFRASTRUCTURE PROJECT, BUT THE DEMOLITION AND TAKING OF PSBA'S PROPERTY WITHOUT DUE PROCESS OF LAW.
- B. THE PROHIBITION IN P.D. 1818 APPLIED ONLY TO TRO'S AND INJUNCTIONS AGAINST ADMINISTRATIVE ACTS IN CONTROVERSIES INVOLVING FACTS OR THE EXERCISE OF DISCRETION IN TECHNICAL CASES; IT DOES NOT APPLY TO CASES, SUCH AS THIS ONE, INVOLVING QUESTIONS OF LAW.
- C. THE PROHIBITION IN P.D. 1818 DOES NOT APPLY IN CASES, SUCH AS THIS ONE, WHERE THERE IS CLEAR GRAVE ABUSE OF DISCRETION ON THE PART OF THE GOVERNMENT AGENCY SOUGHT TO BE ENJOINED.

III

THE SUPREME COURT ADMINISTRATIVE CIRCULARS IMPLEMENTING P.D. 1818 DO NOT PROHIBIT COURTS OF LAW FROM ISSUING TROS AND INJUNCTIONS. WHAT IS PROHIBITED IS THE INDISCRIMINATE ISSUANCE THEREOF.

IV