

THIRD DIVISION

[G.R. No. 141407, September 09, 2002]

**LAPULAPU DEVELOPMENT AND HOUSING CORPORATION,
PETITIONER, VS. GROUP MANAGEMENT CORPORATION,
RESPONDENT.**

DECISION

PANGANIBAN, J.:

Having the same power and prerogatives, courts of coequal and coordinate jurisdiction cannot interfere with each other's orders and judgments. The ultimate test to determine the existence of forum shopping is the vexation caused the courts and the litigants by the repeated invocation of substantially the same facts, issues and reliefs, thereby unnecessarily clogging court dockets and creating the possibility of conflicting rulings and decisions.

The Case

Before us is a Petition for Review on *Certiorari* under Rule 45, seeking the annulment of the April 30, 1999 Decision and the December 29, 1999 Resolution of the Court of Appeals (CA).^[1] The assailed Decision disposed as follows:

"WHEREFORE, the petition being partly meritorious, the Court hereby resolves as follows:

'1. To AFFIRM the Orders of May 28, 1998 and August 4, 1998, in Civil Case No. 2203-L insofar as they set aside the order holding respondent Register of Deeds guilty of indirect contempt of court and to NULLIFY said orders insofar as they set aside the directives contained in paragraphs (a), (b), and (c) of the order dated November 28, 1997;

'2. To DECLARE without FORCE and EFFECT insofar as petitioner Group Management Corporation is concerned, the decision in Civil Case No. R-82-3429 as well as the orders and writs issued for its execution and enforcement; and

'3. To ENJOIN respondent Lapulapu Development and Housing Corporation, along with its agents and representatives and/or persons/public officials/employees acting in its interest, specifically respondent Regional Trial Court of Manila, Branch 38, and respondent Register of Deeds of Lapulapu City, from obstructing, interfering with or in any manner delaying the implementation/execution/enforcement by the Lapulapu City RTC of its order and writ of execution in Civil Case No. 2203-L.

'4. For lack of sufficient basis, the charge of contempt of court against respondent Lapulapu Development and Housing Corporation and the

public respondents is hereby DISMISSED.”[2]

The assailed Resolution denied petitioner’s Motion for Partial Reconsideration.[3]

The Facts

The procedural and factual antecedents of this case are summarized by the CA in this wise:

“LLDHC, formerly known as the B. Sunga Corporation, was the registered owner of seventy-eight (78) lots, with an aggregate area of 423,117 square meters, located at Barrio Marigondon, Lapu-lapu City.

“On February 4, 1974, LLDHC entered into a Project and Loan Agreement with GSIS, whereby the latter undertook to extend a loan of P25 million to be used by LLDHC in developing, subdividing and selling to GSIS members, its property at Marigondon, Lapu-lapu City. To implement the Agreement, GSIS extended to LLDHC an ad interim medium term loan of P2,500,000.00 of which P710,400.00 was released. To secure payment of the loan, LLDHC executed a real estate mortgage over its 78 lots at Marigondon, Lapulapu City in favor of GSIS.

“LLDHC having failed to develop the property and defaulted in the payment of its loan, GSIS foreclosed the mortgage. And, being the lone bidder in the public auction sale, GSIS acquired the mortgaged lots. After the lapse of the redemption period, GSIS consolidated its ownership over the mortgaged lots and the corresponding transfer certificates of title were issued in its name.

“On February 26, 1980, GSIS, as new owner, executed a Deed of Conditional Sale covering its Marigondon lots in favor of GMC.

“On April 23, 1980, LLDHC filed a complaint for Annulment of Foreclosure with Writ of Mandatory Injunction against GSIS. Originally docketed as Civil Case No. 131332 of the Regional Trial Court of Manila, the complaint (re-docketed as Civil Case No. R-82-3429) was assigned to Branch 38 thereof.

“On November 3, 1989, GMC filed a complaint for Specific Performance with Damages against GSIS, docketed as Civil Case No. 2203-L of the Regional Trial Court of Lapu-Lapu City. The complaint seeks to compel GSIS to execute a Final Deed of Sale in favor of GMC covering the Marigondon lots, the purchase price thereof having been paid in full by GMC to GSIS.

“Allowed to intervene in Civil Case No. 2203-L, LLDHC filed a Motion to Dismiss the complaint for specific performance. Said motion having been denied by the Lapu-Lapu City RTC, LLDHC filed its Answer in Intervention and thereafter participated in the proceedings as intervenor.

“On February 24, 1992, after a full-blown trial, a decision was rendered in Civil Case No. 2203-L, the dispositive portion of which reads:

‘WHEREFORE, judgment is hereby rendered ordering defendant to:

'1. Execute the final deed of absolute sale and deliver the seventy-eight (78) certificates of title covering said seventy-eight (78) parcels of land to the plaintiff:

'2. Pay plaintiff actual damages, plus attorney's fees and expenses of litigation, in the amount of P285,638.88 and P100,000.00 exemplary damages;

'3. dismissing in toto intervenor's complaint-in-intervention for lack of evidence of legal standing and legal interest in the suit, as well as failure to substantiate any cause of action against either plaintiff or defendant.

'SO ORDERED.

"LLDHC, as intervenor, and GSIS as defendant, filed their respective Notices of Appeals on March 11, 1992 and March 20, 1992. However, on December 6, 1993, their appeals were dismissed by the Lapu-Lapu City RTC.

"On May 10, 1994, a decision was rendered in Civil Case No. R-82-3429 of the Manila RTC, Branch 38, the decretal portion of which reads:

'WHEREFORE, judgment is hereby rendered:

'1. ANNULING the foreclosure by the defendant GSIS of the mortgage over the seventy-eight (78) parcels of land here involved:

'2. CANCELLING the consolidated certificates of titles issued in the name of GSIS and directing the Register of Deeds of Lapu-Lapu City to issue new certificates of titles over those seventy-eight (78) parcels of land in the name of the plaintiff, in exactly the same condition as they were before the foreclosure;

'3. ORDERING the plaintiff to pay the GSIS the amount of P9,200,000.00 with interest thereon at the rate of twelve (12%) percent per annum commencing from October 12, 1989 until fully paid; and

'4. ORDERING defendant GSIS to execute a properly registrable release of discharge of mortgage over the parcels of land here involved after full payment of such amount by the plaintiff.

'All claims and counterclaims by the parties as against each other are hereby dismissed.

'No pronouncement as to costs.

'SO ORDERED.'

"On July 27, 1994, LLDHC filed a Complaint with this Court, docketed as CA-G.R. SP No. 34696, seeking the annulment of the decision in Civil Case No. 2203-L.

"In a decision dated December 29, 1994, this Court dismissed the complaint for annulment of judgment, on the following ground:

'In fine, there being no showing from the allegations of the petition that the respondent court is without jurisdiction over the subject matter and of the parties in Civil Case No. 2309 [2203-L], petitioner has no cause of action for the annulment of judgment. The complaint must allege ultimate facts for the annulment of the decision (*Avendana v. Bautista*, 142 SCRA 39). We find none in this case.

"On January 28, 1995, no appeal having been taken by LLHDC, the decision of this Court in CA-G.R. SP No. 34696 became final and executory, and entry of judgment was made on August 18, 1995.

"On February 2, 1995, LLDHC filed a petition for *certiorari* with the Supreme Court, docketed as G.R. No. 118633. Like the complaint in CA-G.R. SP No. 34696, the petition also seeks the annulment of the February 24, 1992 decision in Civil Case No. 2203-L.

"In its Resolution, dated September 6, 1996, the Supreme Court dismissed LLDHC's petition, in G.R. No. 118633, stating *inter alia*, thus:

'In a last ditch attempt to annul the February 24, 1992 Decision of the respondent court, this petition was brought before us on February 2, 1995.

'Dismissal of this petition is inevitable.

'The instant petition which is captioned, For: *Certiorari* With Preliminary Injunction, is actually another Petition for Annulment of Judgment of the February 24, 1992 Decision of the respondent Regional Trial Court of Lapu-lapu City, Branch 27 in Civil Case No. 2203-L. A close perusal of this petition as well as the Petition for Annulment of Judgment brought by the petitioner before the Court of Appeals in CA-G.R. No. SP 34696 reveals that the instant petition is a mere reproduction of the petition/complaint filed before the appellate tribunal for annulment of judgment. Paragraphs two (2) to eighteen (18) of this petition were copied verbatim from the Petition for Annulment of Judgment earlier filed in the court *a quo*, except for the designation of the parties thereto, i.e., plaintiff was changed to petitioner, defendant to respondent. In fact, even the prayer in this petition is the same prayer in the Petition for Annulment of Judgment dismissed by the Court of Appeals, to wit:

'1. That Restraining Order/Writ of Preliminary Injunction issue commanding the Respondent to cease and desist from enforcing the judgment of Respondent Judge Teodoro K. Risos in Civil Case No. 2203-L dated February 24, 1992 and all orders and processes pertaining to his decision in the said case.

'2. Annulling the decision of defendant Judge Teodoro K. Risos of RTC of Cebu, Branch 27, in Civil Case No. 2203-L.

'3. Granting Petitioner such other relief as law and justice may warrant in this case.'

'Under Section 9(2) of Batas Pambansa Blg. 129, otherwise known as 'The Judiciary Reorganization Act of 1980,' it is the Court of Appeals (then the Intermediate

Appellate Court), and not this Court, which has jurisdiction to annul judgments of Regional Trial Courts, viz:

'SEC. 9. *Jurisdiction* -- The Intermediate Appellate Court shall exercise:

x x x

x x x

x x x

'(2) Exclusive original jurisdiction over actions for annulment of judgments of Regional Trial Courts; and

x x x

x x x

x x x

'Thus, this Court apparently has no jurisdiction to entertain a petition which is evidently another petition to annul the February 24, 1992 Decision of the respondent Branch 27, Regional Trial Court of Lapu-lapu City, it appearing that jurisdiction thereto properly pertains to the Court of Appeals. Such a petition was brought before the appellate court, but due to petitioner's failure to nullify Judge Risos' Decision in said forum, LLDHC, apparently at a loss as to what legal remedy to take, brought the instant petition under the guise of a petition for *certiorari* under Rule 65 seeking once again to annul the judgment of Branch 27.

'Instead of filing this petition for *certiorari* under Rule 65, which is essentially another Petition to Annul Judgment, petitioner LLDHC should have filed a timely Petition for Review under Rule 45 of the Revised Rules of Court of the decision of the Court of Appeals, dated December 29, 1994, dismissing the Petition for Annulment of Judgment filed by the petitioner LLDHC before the court *a quo*. But, this is all academic now. The appellate court's decision had become final and executory on January 28, 1995.

'Nevertheless, it is worthwhile to mention that this petition, which is truly for annulment of judgment, cannot prosper on its merits. [I]t has been settled that a judgment can be annulled only on two (2) grounds: (a) that the judgment is void for want of jurisdiction or lack of due process of law; or (b) that it has been obtained by fraud.

'Neither of these grounds obtain in the case at bench. x x x.

'It cannot likewise be successfully argued that there was lack of due process in the proceedings before Branch 27 of the RTC of Lapulapu. Petitioner had ample participation in Civil Case No. 2203-L as intervenor, as it in fact filed a Motion to Dismiss said case on December 7, 1989 which was, however, denied by respondent Judge. Thereafter, a full-blown trial was held which culminated in the subject decision sought to be annulled by the petitioner.

'In the same manner, the February 24, 1992 decision of respondent court cannot be assailed on the ground of fraud. In order for fraud to serve as a basis for the annulment of judgment, it must be extrinsic or collateral in character, otherwise there would be no end to litigations. Extrinsic fraud refers to any fraudulent act of the prevailing party which is committed outside of the trial of the case, whereby the defeated party [petitioner herein] has been prevented from exhibiting fully his side of the case, by fraud or deception practiced on him by his opponent. This type of fraud is decidedly absent in the case at bench. Petitioner has not pointed to any act of the prevailing party (Group Management Corporation) preventing it (petitioner) from fully ventilating its case as intervenor in Civil Case No. 2203-L. If ever the petitioner's complaint-in-intervention did not prosper in said case, it was because