THIRD DIVISION

[G.R. No. 113867, July 13, 2000]

CAROLINA QUINIO, PETITIONER, VS. COURT OF APPEALS, TOYOTA BEL-AIR, INC., ROBERT L. YUPANGCO, LEONARDO BAHIA AND ATTY. RUDY B. CANAL, RESPONDENTS.

DECISION

PURISIMA, J.:

At bar is a petition for review on certiorari under Rule 45 of the Rules of Court of the Decision dated May 28,1993 of the Court of Appeals in C.A. G.R. SP No. 29810.

The facts that matter are as follows:

Toyota Bel-Air, Inc. (TOYOTA) commenced Civil Case No. 91-1808 before the Regional Trial Court, Makati, Metro Manila^[1] for recovery of damages with prayer for replevin of three (3) Toyota cars purchased by Manila Construction Development of the Philippines or John Doe, Austria Fil-Homes, Inc. or Roger Doe and Atty. Honor P. Moslares or Peter Doe. As prayed for, the lower court issued a Writ of Replevin for the seizure of the three vehicles involved.

Pursuant to the prayer for the issuance of a writ of replevin, the trial court judge, in an Order dated June 28,1991, allowed the seizure of the three vehicles. Said writ resulted in the seizure of two (2) units, one of which was that of Carolina Quinio (Quinio), herein petitioner.

Petitioner Carolina Quinio, identifying herself as one of the John Does in the Complaint of TOYOTA, presented a Motion to Dismiss on the ground of lack of cause of action but in its Order of July 12, 1991 the trial court deferred resolution of subject motion until "trial on the merits pursuant to Sec. 3, Rule 16 of the Rules of Court".[2]

A Petition for Certiorari with Prayer for Issuance of Writ of Preliminary Injunction was then brought before the Court of Appeals, [3] by the petitioner to annul (1) the Order deferring resolution of her Motion to Dismiss, and (2) the Writ of Replevin; theorizing that the same were issued with grave abuse of discretion.

On October 31, 1991, the Court of Appeals^[4] decided in favor of petitioner Quinio by annulling the challenged Writ of Replevin and disposing thus:

"IN VIEW OF THE FOREGOING, the order granting the application for a writ of replevin issued by respondent Judge is hereby set aside and respondent Sheriff is directed to return the vehicles seized from petitioners (sic) pursuant to said writ.

The action may proceed with regard to private respondent's claim for damages and for recovery of the purchase price of the subject vehicles."
[5]

With Toyota failing to appeal from the aforesaid decision, the same became final.

On May 25, 1992, petitioner Quinio filed with the Regional Trial Court of Makati, Branch 58, a "Motion to Order Plaintiff to Comply with the Court of Appeals' Final Resolution". [6]

On June 24, 1992, petitioner also filed an "Ex-Parte Motion to Direct the Deputy Sheriff Honorio Santos and Plaintiff, thru its President and General Manager to comply with the Court of Appeals' Decision".[7]

On July 1, 1992, the Makati Regional Trial Court directed the President and General Manager of TOYOTA to return petitioner Quinio's motor vehicles within five (5) days from receipt of said order.^[8]

TOYOTA, thru its President Leonardo Bahia and General Manager Robert L. Yupangco, failed to comply with the said Order such that petitioner resorted to a Motion^[9] to cite Bahia, Yupangco and their counsel, Atty. Rudy Canal, in contempt under Section 3, Rule 71 of the Rules of Court for failing to comply with the said Order of July 1, 1992.

After the private respondents had filed their Comment, [10] the trial court issued the assailed Order of October 5, 1995, holding private respondents guilty of indirect contempt pursuant to Section 3, Rule 71 of the Rules of Court and sentencing them thus:

"xxx Accordingly, each of the respondents are directed to pay a fine of P500.00 each pursuant to Section 6, Rule 71 of the Rules of Court. It is noted that per sheriff's return dated July 27,1992, the respondents herein were duly notified of the Order of July 1, 1992 directing them to return the car subject of this case to movant Carolina Quinio, and that despite said notice, said respondents failed to comply thereto without any justifiable reason." [11]

Denial of her Motion for Reconsideration of such Order prompted petitioner Quinio to bring a Petition for Certiorari before the Court of Appeals docketed as C.A. G.R. SP. No. 29810.

On May 21, 1993, the Court of Appeals came out with its disposition denying the petition. Petitioner Quinio's Motion for Reconsideration met the same fate. It was similarly denied.

Undaunted, petitioner found her way to this Court via the present petition, posing as sole issue - whether or not the private respondents, after having been declared guilty of indirect contempt under Section 3, Rule 71, should have been indefinitely incarcerated pursuant to Section 7, Rule 71 until the act ordered by the court has been obeyed, and not merely fined Five Hundred (P500.00) Pesos each under Section 6, Rule 71.

Petitioner posits that since the Court has adjudged the private respondents guilty of indirect contempt under Section 3, Rule $71^{[12]}$ of the Rules of Court, thus indefinite incarceration under Section 7, Rule $71^{[13]}$ of the Rules of Court should have been imposed in order to compel TOYOTA to comply with subject disobeyed Order of the Court.

Private respondents, on the other hand, agreed with the ruling of the Court of Appeals that the applicable provision is Section 6, Rule 71^[14] which reads:

Section 6. Punishment if found guilty.- If the accused is thereupon adjudged guilty of contempt committed against a superior court or judge, he may be fined not exceeding one thousand pesos or imprisoned not more than six (6) months, or both, if adjudged guilty of contempt committed against an inferior court or judge, he may be fined not exceeding one hundred pesos or imprisoned not more than one (1) month, or both, and if the contempt consist in the violation of an injunction, he may also be ordered to make complete restitution to the party injured by such violation.

The Court of Appeals also ratiocinated:

"Thus, Section 6, Rule 71, of the Revised Rules of Court provides for the punishment if the accused is adjudged guilty of contempt while Section 7 of the same Rule, for imprisonment to compel the accused to perform an act which is within his power to do. xxx xxx xxx And it is discretionary on the part of the Court to avail itself of that provision. Note the rule as worded, 'When the contempt consists in the omission to do an act which is yet in the power of the accused to perform, he may be imprisoned by order of a superior court until he performs it.' In not granting the petitioner's motion for reconsideration (Annex K, petition), the Regional Trial Court must have been persuaded by the respondents' argument that the return of the subject vehicle to the petitioner should be made after the main case (Civil Case No. 91-1808) shall have been finally resolved. Besides, a contempt proceeding partakes of the nature of a criminal action (Pajao vs. Provincial Board of Canvassers, 88 Phil 588; Concepcion, Jr. vs. Gonzales, 4 SCRA 1124; Fuentes vs. Leviste, 117 SCRA 958). xxx"[15]

The petition is meritorious.

There is no question that private respondents are guilty of indirect contempt pursuant to Section 3(b) of Rule 71 of the Rules of Court. What petitioner assails is the imposition of a fine of Five Hundred (P500.00) Pesos and the non-application of Section 7, Rule 71 on indefinite incarceration.

It has been held that:

"xxx contempt of court is a defiance of the authority, justice or dignity of the court, such conduct as tends to bring the authority and administration of the law into disrespect or to interfere with or prejudice parties litigant or their witnesses during litigation. It is defined as a