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SECOND DIVISION

[G.R. No. 145254. July 20, 2006]

KNECHT, INCORPORATED, as trustee for the stockholders and creditors of ROSE PACKING CO., INC., *petitioner, vs.* **MUNICIPALITY OF CAINTA and ENCARNACION GONZALES-WONG,** *respondents.*

SYLLABUS

1. **REMEDIAL LAW; CIVIL PROCEDURE; ANNULMENT OF JUDGMENT; GROUNDS; LACK OF JURISDICTION AND EXTRINSIC FRAUD; NOT PRESENT IN CASE AT BAR.**— Annulment of judgment may be restored to only on two grounds: lack of jurisdiction and extrinsic fraud. Neither was present here. We therefore hold that RTC-Pasig City and RTC-Antipolo had the competence and jurisdiction to issue the assailed orders since the dissolution of UCC did not deprive them of the authority to take cognizance of Civil Case No. 9165, Civil Case No. 90-1817 and LRC Case No. 96-1743. Thus, the CA could not have annulled the orders of the trial courts on the ground of lack of jurisdiction. The orders could not be annulled based on extrinsic fraud either. Extrinsic or collateral fraud means fraud which prevents the aggrieved party from having a trial or presenting his case to the court, or was used to procure the judgment without fair submission of the controversy. This refers to acts intended to keep the unsuccessful party away from the courts as when there is a false promise of compromise or when one is kept in ignorance of the suit. Certainly, judging from the nauseating number of petitions filed by Rose Packing and/or petitioner in the RTC, the CA and this Court, it is clear that they were *never* prevented from ventilating or defending their case nor was judgment rendered against them without a fair and complete consideration of the issues.

2. **ID.; SPECIAL CIVIL ACTIONS; EXPROPRIATION; REPUBLIC ACT NO. 7160 NOW REQUIRES THE DEPOSIT OF AN AMOUNT EQUIVALENT TO FIFTEEN PERCENT (15%) OF THE FAIR MARKET VALUE OF THE PROPERTY BASED ON ITS CURRENT TAX DECLARATION.**— We, however, have to correct the erroneous reliance of RTC-Antipolo on

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Presidential Decree (PD) 1533 in the expropriation case of the Municipality of Cainta. Its order dated June 16, 1992 in Civil Case No. 90-1817 mandated the deposit of 10% of the assessed value of the property. In *Export Processing Zone Authority v. Dulay*, a 1987 case, we struck down PD 1533 as unconstitutional. Moreover, the exercise of the power of eminent domain by a local government unit is now governed by Section 19 of Republic Act 7160. For properties under expropriation, the law now requires the deposit of an amount equivalent to fifteen percent (15%) of the fair market value of the property based on its current tax declaration.

3. ID.; CASE DISPOSED WITH FINALITY BY THE COURT.— In conclusion, we once and for all declare that UCC ought to reap the fruits of the 1969 decision in its favor. Its interest in the property sought to be expropriated having been clearly established, UCC is adjudged the proper party-defendant in Civil Case No. 90-1817 (the expropriation case). Knecht, Inc./ Rose Packing was correctly excluded from the case since its interest in the subject property had already passed onto UCC. UCC's interest likewise prevails over that of PCIB since PCIB's foreclosure sale of the same property was already invalidated with finality by this Court.

4. ID.; PETITIONER'S CLEVER SCHEMES TO DELAY THE IMPLEMENTATION OF A FINAL AND EXECUTORY DECISION, SPANNING ALMOST THREE DECADES, MANIFEST ITS UTTER DISREGARD AND DISRESPECT FOR THE JUDICIAL SYSTEM.— This Court is not unmindful of petitioner's dilatory tactics, spanning almost three decades, against the execution of the 1969 decision in Civil Case No. 9165 and the subsequent related orders in Civil Case No. 90-1817 and LRC Case No. 96-1743. Its clever schemes to delay the implementation of a final and executory decision manifest its utter disregard and disrespect for our justice system. Petitioner is strongly reminded, as this Court admonished it in *Knecht and Knecht, Inc. v. United Cigarette Corporation*, that: Every litigation must come to an end. While a litigant's right to initiate an action in court is fully respected, however, once his case has been adjudicated by a competent court in a valid final judgment, he should not be permitted to initiate similar suits hoping to secure a favorable ruling, for this will result to endless litigations detrimental to the administration of justice,

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as in this case. In that case, petitioner was already assessed treble costs. In filing this petition and once again resurrecting an issue which has long been settled with finality, petitioner is trifling dangerously with court processes. Petitioner and/or counsel is warned one final time of the dire consequences of ignoring this reminder.

APPEARANCES OF COUNSEL

Virgilio Yparraguirre and *Abrahan T. Asia* for Municipality of Cainta.

Gutierrez Sundiam Villanueva & Doronila for respondent E. Wong.

D E C I S I O N

CORONA, *J.*:

This petition for review on *certiorari* seeks the reversal of the September 27, 2000 decision[1] of the Court of Appeals (CA) in CA-G.R. SP No. 48440, a petition for annulment of judgment.

The decision in CA-G.R. SP No. 48440 affirmed various orders of different trial courts in three separate and distinct proceedings, namely:

(1) March 24, 1994 order of *RTC-Pasig City, Branch 151* (formerly, CFI-Rizal, Branch I) *in Civil Case No. 9165* (a case for specific performance and damages) authorizing the issuance of an alias writ of execution in favor of UCC;

(2) June 16, 1992 order of *RTC-Antipolo, Branch 73 in Civil Case No. 90-1817* (an expropriation case) directing the Municipality of Cainta to deposit 10% of the provisional value of the property;

(3) June 22, 1992 orders of *RTC-Antipolo, Branch 73 in Civil Case No. 90-1817* declaring that the Municipality of Cainta had the

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[1] Penned by Associate Justice Jose L. Sabio, Jr. and concurred in by Associate Justices Buenaventura J. Guerrero (now retired) and Eliezer R. de los Santos of the Seventh Division of the Court of Appeals; *rollo*, pp. 76-88.

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lawful right to expropriate the property and also granting the municipality's motion for a writ of possession;

(4) June 26, 1992 order of *RTC-Antipolo, Branch 73 in Civil Case No. 90-1817* excluding Rose Packing (petitioner's predecessor-in-interest) as party-defendant in the expropriation proceedings;

(5) February 21, 1994 order of *RTC-Antipolo, Branch 73 in Civil Case No. 90-1817* denying Rose Packing's motion for reconsideration of the order of its exclusion; and

(6) April 24, 1997 order of RTC of *RTC-Antipolo, Branch 73 in LRC Case No. 96-1743* dismissing petitioner's petition for cancellation of encumbrances annotated on TCT No. 613113 in its name.

The facts and issues of each case are summarized below.

CIVIL CASE NO. 9165

In 1965, Rose Packing Co., Inc. (Rose Packing) sold three parcels of land situated in Sto. Domingo, Cainta, Rizal to United Cigarette Corporation (UCC). The largest parcel was covered by Transfer Certificate of Title (TCT) No. 73620 while the two other parcels were unregistered. TCT No. 73620 was mortgaged to the Philippine Commercial and Industrial Bank (PCIB).[2]

When Rose Packing, however, refused to comply with its commitments under the contract, UCC filed a suit for specific performance and damages against it and its president, Rene Knecht, in the then Court of First Instance (CFI) of Rizal, Branch I. It was docketed as Civil Case No. 9165.

On July 15, 1969, the trial court decided in favor of UCC.[3] The CFI decision was upheld on appeal by the CA and

[2] Now the Equitable-PCI Bank.

[3] The dispositive portion of the CFI decision read:

> PREMISES CONSIDERED, this Court orders defendants [Rose Packing] and its President, Rene Knecht to convey and deliver to [UCC], the three parcels of land object of the complaint, together with all the buildings and improvements thereon, with the exception of machines for canning factory and to execute the corresponding deed of sale with mortgage covering said properties for the purchase

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subsequently by this Court.[4] Entry of judgment was accordingly made on March 23, 1977.

The judgment in favor of UCC, however, could not be immediately implemented because PCIB, during the pendency of Civil Case No. 9165, foreclosed on the mortgage on the lot covered by TCT No. 73620. Rose Packing tried to stop the foreclosure by filing a separate case but the trial court[5] denied its prayer for temporary restraining order (TRO) or preliminary injunction. PCIB subsequently purchased the lot in the foreclosure sale, consolidated its title over the property and had it registered in its name. TCT No. 73620 was thus cancelled and TCT No. 286176 was issued in PCIB's name.

Rose Packing questioned the validity of the foreclosure in the CA[6] but the CA ruled in favor of PCIB. When the case was elevated to this Court, however, we invalidated[7] the foreclosure, in effect reverting the title to Rose Packing.

Interpreting our decision as removing the impediment to the execution of judgment in Civil Case No. 9165, UCC, through its liquidator Alberto Wong,[8] moved for the execution of the 1969 decision in that case.

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price of ₱800,000.00 under the following terms and conditions: xxx (*Knecht and Knecht, Inc. v. United Cigarette Corporation*, 433 Phil. 380, 384 [2002]).

[4] The CA affirmed this on June 22, 1976 (CA-G.R. No. 45525-R). This Court denied the petition for review on *certiorari* on January 5, 1977 (G.R. No. L-4977).

[5] Civil Case No. 11015 in CFI-Rizal, Branch II, presided by Judge Rodolfo Bonifacio.

[6] Docketed as CA-G.R. No. 43198-R.

[7] *Rose Packing v. Court of Appeals*, G.R. No. L-33084, 14 November 1988, 167 SCRA 309.

[8] Alberto Wong, one of UCC's major stockholders, was appointed trustee/liquidator of the dissolved corporation when *UCC's corporate life expired on March 30, 1973.* (*Knecht and Knecht, Inc. v. United Cigarette Corp.*, *supra* note 3, at 385) Private respondent Encarnacion Gonzales Wong substituted her husband. Alberto Wong, as liquidator of UCC by virtue of an order dated March 22, 1995 issued by RTC-Pasig.

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On March 24, 1994, the Regional Trial Court (RTC) of Pasig City, Branch 151 (formerly, CFI-Rizal, Branch I),[9] ordered the issuance of an *alias* writ of execution in favor of UCC.[10]

The March 24, 1994 order was among those questioned in and affirmed by the CA in its September 27, 2000 decision on petitioner's suit for annulment of judgment (CA-G.R. SP No. 48440). The CA decision in turn is now under our review.

CIVIL CASE NO. 90-1817

In the meantime, on June 22, 1990, the Municipality of Cainta filed a complaint for expropriation against PCIB and Rose Packing in the RTC of Antipolo, Rizal, Branch 73.[11] It was docketed as Civil Case No. 90-1817.

In its complaint, the Municipality of Cainta alleged that Rose Packing owned a parcel of land in Brgy. Sto. Domingo, Cainta, Rizal which was foreclosed by PCIB in whose name it was then registered under TCT No. 286176.

The expropriation complaint was based on Sangguniang Bayan (SB) Resolution No. 89-020 which sought to purchase the land as the site of the municipal administration compound and SB Resolution No. 89-021 which called for the condemnation of said land if the negotiation for its voluntary sale failed. The negotiation did fail, hence, the complaint for expropriation.[12]

On November 29, 1990, Rose Packing moved to dismiss the complaint for failure to state a cause of action. Subsequently, Rose Packing filed a supplemental motion to dismiss alleging that it never received a formal offer to purchase from the municipality. It also averred that it could no longer be sued in view of its dissolution in 1986.[13] It added that the property

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[9] With the enactment of BP 129 (The Judiciary Reorganization Act of 1981), the CFIs were replaced by RTCs.

[10] Penned by Judge Deogracias O. Felizardo.

[11] Presided by Judge Juan O. Enriquez.

[12] Petition, *rollo*, pp. 16-17.

[13] Rose Packing was dissolved upon the expiration of its corporate charter on June 10, 1986.

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sought to be expropriated was under litigation and its expropriation would only complicate matters.

Meanwhile, Alberto Wong,[14] as liquidator of UCC, filed a motion for leave to intervene in Civil Case No. 90-1817 (the expropriation case), alleging UCC's legal interest in the property[15] as the prevailing party in the 1969 decision in Civil Case No. 9165. This was granted by the RTC-Antipolo.

On September 27, 1991, the RTC-Antipolo denied Rose Packing's motion to dismiss the expropriation case.

On June 16, 1992, the trial court issued an order directing the Municipality of Cainta to deposit 10% of the provisional value of the property.[16]

On June 22, 1992, the RTC-Antipolo issued a condemnation order declaring that the Municipality of Cainta had the lawful right to expropriate the property. On the same date, the trial court issued another order granting the municipality's motion for a writ of possession.[17]

UCC/Wong subsequently filed a motion to exclude Rose Packing as party-defendant in the expropriation proceedings on the ground that any interest of Rose Packing in the property had already passed onto UCC.[18] On June 26, 1992, the trial

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[14] Upon his death, he was substituted by his wife, private respondent Encarnacion Gonzales-Wong (*supra* note 8).

[15] *Supra* note 3.

[16] The dispositive portion of which read:

> WHEREFORE, pursuant to Sec. 2 of P.D. 1533 and Sec. 19 of the Local Government Code of 1991, in order for the [Municipality of Cainta] to take possession of the subject property, the [Municipality of Cainta] is hereby ordered to deposit the amount of ₱4,717,050 with the Philippine National Bank, Cainta Branch, Felix Avenue, Cainta, Rizal, representing 10% of the provisional value of the property sought to be condemned or expropriated. (Petition, *rollo*, p. 19.)

[17] Petition, *rollo*, p. 19.

[18] *See Rose Packing Co., Inc. v. Hon. Bonifacio*, CA-G.R. SP No. 26545. In its decision dated March 5, 1992, the CA nullified the CFI orders holding

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court granted the motion and ordered the exclusion of Rose Packing.

Rose Packing sought reconsideration of the June 26, 1992 order, claiming that UCC had also been dissolved since 1973 but this was denied by the trial court in an order dated February 21, 1994. Petitioner Knecht, Inc. (as successor-in-interest of Rose Packing and trustee of Rose Packing's stockholders and creditors) filed a petition for *certiorari* and prohibition with TRO in the CA[19] to annul and restrain the enforcement of the orders of RTC-Antipolo dated June 16, 1992 (to deposit 10% of the provisional value of the property), June 22, 1992 (to issue the writ of possession), June 26, 1992 (to exclude Rose Packing as party-defendant in the expropriation proceedings) and February 21, 1994 (to deny reconsideration of the order of exclusion of Rose Packing). On October 25, 1994, the CA dismissed the petition.

This setback failed to discourage petitioner, however, because it initiated another case in the CA, this time styled as a "petition for annulment of judgment" (CA-G.R. SP No. 48440) but questioning in reality the same (four) orders of RTC-Antipolo (dated June 16, 1992, June 22, 1992, June 26, 1992 and February 21, 1994) in Civil Case No. 90-1817 (the expropriation case). The CA once more upheld these orders in the September 27, 2000 decision under our review.

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that UCC's intervention in Civil Case No. 11015 was not warranted since the only purpose was to execute the judgment obtained by the UCC against Rose Packing in Civil Case No. 9165. The CA stressed that UCC's right to execute the judgment in Civil Case No. 9165 had not yet prescribed insofar as the parcel of land covered by TCT No. 73620 was concerned. Pursuant to the decision in CA-G.R. SP No. 26545, RTC-Pasig issued an order granting UCC's motion for the issuance of a writ of execution of the judgment in Civil Case No. 9165 with respect to the land covered by TCT No. 73620 (then still in the name of PCIB under TCT No. 286176). *See also Knecht and Knecht Inc. v. United Cigarette Corp.*, *supra* note 3, at 387-388.

[19] CA-G.R. No. 33357.

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LRC CASE NO. 96-1743

The condemnation order in favor of the Municipality of Cainta dated June 22, 1992 was annotated in TCT No. 613113 (formerly TCT No. 73620 then TCT No. 286176) in the name of petitioner Knecht, Inc.[20] The September 27, 1991 order (denying Rose Packing's motion to dismiss the expropriation case) was also annotated later on.

Petitioner, unwilling to accept the legal adversities building up against it, filed a petition for cancellation of all these encumbrances in its title. The petition was raffled to RTC-Antipolo, Branch 73 and docketed as LRC Case No. 96-1743.

On April 24, 1997, the petition was dismissed for lack of merit.[21] Petitioner appealed the dismissal to this Court on a pure question of law via a petition for review on *certiorari*.[22] This Court dismissed it on July 23, 1997 and thereafter denied reconsideration with finality.

Petitioner stubbornly refused to accept the Supreme Court decision, however. This time, it went to the CA and again questioned the same April 24, 1997 order of RTC-Antipolo, Branch 73 (LRC Case No. 96-1743) in the same petition for annulment of judgment docketed as CA-G.R. SP No. 48440. The CA affirmed the April 24, 1997 order.

In sum, the CA upheld all the assailed orders of RTC-Pasig City in Civil Case No. 9165 and RTC-Antipolo in Civil Case No. 90-1817 and LRC Case No. 96-1743. In so doing, the CA also upheld the jurisdiction of the aforementioned trial courts over the cited cases.

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[20] The title was formerly TCT No. 73620 in the name of Rose Packing, which later on became TCT No. 286176 in the name of PCIB. For unknown reasons, title over the subject realty then already under the name of PCIB (TCT No. 286176) was transferred in the name of Knecht, Inc. under TCT No. 613113. *See Knecht and Knecht, Inc. v. United Cigarette Corporation*, *supra* note 3, at 390.

[21] Penned by Judge Mauricio Rivera.

[22] G.R. No. 129027.

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Now petitioner is back before us again questioning the jurisdiction of RTC-Pasig City to issue the assailed order in Civil Case No. 9165 and RTC-Antipolo to issue the assailed orders in Civil Case No. 90-1817 and LRC Case No. 96-1743. Petitioner prays for the annulment of the orders of these courts.

We deny the petition.

The present petition, like all the others previously filed by petitioner and its predecessor-in-interest (Rose Packing) before this Court, is intended to achieve only one thing: to frustrate the execution of the July 15, 1969 decision (as directed in the March 24, 1994 order of RTC-Pasig City) of the then CFI-Pasig in Civil Case No. 9165 awarding the property covered by TCT Nos. 73620/286176/613113 to UCC.

As a consequence of the legal maneuvers against the implementation of that decision, even the orders of RTC-Antipolo (in Civil Case No. 90-1817 and LRC Case No. 96-1743), being ultimately rooted in the 1969 decision, became ineffective. But the 1969 decision has long become final and executory. In fact, entry of judgment was made more than 29 years ago, on March 23, 1977.

As in all its previous cases,[23] petitioner's main argument rests on the very weak premise that a dissolved corporation is,

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[23] These were enumerated in *Knecht and Knecht, Inc. v. United Cigarette Corp.*, *supra* note 3, at 393-395, as follows:

1. CA-G.R. SP No. 28333 – petition for *certiorari* to annul the June 17, 1992 order of the RTC- Pasig, Branch 151 allowing the issuance of a writ of execution to enforce the decision in Civil Case No. 9165. This was dismissed;

2. G.R. No. 109385 – petition for review on *certiorari* filed with this Court questioning the CA decision in CA-G.R. SP No. 28333 where this Court found no reversible error on the part of the CA;

3. CA-G.R. SP No. 33852 – petition for *certiorari* to enjoin the enforcement of an *alias* writ of execution issued by the trial court on April 19, 1994. Petitioners interposed the argument that the judgment in Civil Case No. 9165 cannot be enforced due to the dissolution of UCC on March 30, 1973. The CA dismissed the petition;

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in all respects, a dead entity. UCC's dissolution in 1973 allegedly divested RTC-Pasig City of the jurisdiction to enforce its July 15, 1969 judgment in Civil Case No. 9165 (through the March 24, 1994 order for the issuance of an *alias* writ of execution); hence, RTC-Antipolo's subsequent, related orders (dated June 16, 1992, June 22, 1992, June 26, 1992 and February 21, 1994 in Civil Case No. 90-1817, and dated April 24, 1997 in LRC Case No. 96-1743) in favor of the dissolved UCC were also supposedly void. But this issue was already addressed and settled completely in *Knecht and Knecht, Inc. v. United Cigarette Corporation.*[24]

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4. G.R. Nos. 118183 and 118184 – petitions for review on *certiorari* filed with this Court questioning the CA Decision in CA-G.R. SP No. 33852. These were dismissed;

5. CA-G.R. SP No. 39003 – petition for *certiorari* and prohibition with prayer for TRO seeking, among others, the annulment of the second *alias* writ of execution issued by the trial court on November 8, 1995. Petitioners reiterated that the judgment in Civil Case No. 9165 cannot anymore be enforced for having been rendered moot and academic by the dissolution of UCC. This was dismissed;

6. G.R. No. 124983 – petition for review on *certiorari* filed with this Court questioning the CA decision in CA-G.R. SP No. 39003. This was denied;

7. CA-G.R. SP No. 47978 – petition for *certiorari* seeking to annul the June 27, 1997 order of the trial court directing sheriff Eduardo L. Bolima of Branch 151. RTC-Pasig to execute the corresponding deed of sale with mortgage in compliance with the judgment and the second *alias* writ of execution issued in Civil Case No. 9165. Petitioners persistently claimed that the decision in Civil Case No. 9165 is voided by the expiration of UCC's three-year period of liquidation from its dissolution. Furthermore, they theorized that the second *alias* writ of execution is improper because it varied the terms of the judgment and also deprived Knecht, Inc. of its property without due process of law. The CA denied this petition and cited petitioners guilty of forum shopping;

8. G.R. No. 139370 – petition for review questioning the decision of the CA in CA-G.R. SP No. 47978. This was denied and the assailed decision was affirmed. *Treble costs* were adjudged against petitioner.

[24] *Supra* note 3.

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There is no doubt that the judgment in Civil Case No. 9165 became final and executory on March 23, 1977. That this judgment is still enforceable was decided with finality by this Court in G.R. No. 109385.

In *Reburiano vs. Court of Appeals*, a case with similar facts, this Court held:

> [T]he trustee (of a dissolved corporation) may commence a suit which can proceed to final judgment **even beyond the three-year period (of liquidation) x x x, no reason can be conceived why a suit already commenced by the corporation itself during its existence**, not by a mere trustee who, by fiction, merely continues the legal personality of the dissolved corporation, **should not be accorded similar treatment — to proceed to final judgment and execution thereof**.

Indeed, the rights of a corporation (dissolved pending litigation) are accorded protection by law. This is clear from Section 145 of the Corporation Code, thus:

> Section 145. *Amendment or repeal.* **No right or remedy in favor of** or against **any corporation**, its stockholders, members, directors, trustees, or officers, nor any liability incurred by any such corporation, stockholders, members, directors, trustees, or officers, **shall be removed or impaired either by the subsequent dissolution of said corporation** or by any subsequent amendment or repeal of this Code or of any part thereof.

The dissolution of UCC itself, or the expiration of its three-year liquidation period, should not be a bar to the enforcement of its rights as a corporation. One of these rights, to be sure, includes the UCC's right to seek from the court the execution of a valid and final judgment in Civil Case No. 9165 – through its trustee/liquidator Encarnacion Gonzales Wong – for the benefit of its stockholders, creditors and any other person who may have legal claims against it. To hold otherwise would be to allow petitioners to unjustly enrich themselves at the expense of UCC. This, in effect, renders nugatory all the efforts and expenses of UCC in its quest to secure justice, not to mention the undue delay in disposing of this case prejudicial to the administration of justice.[25]

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[25] *Id.* at 395-396. Citations omitted.

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If only for this, the entire petition loses its bearings. Annulment of judgment may be restored to only on two grounds: lack of jurisdiction and extrinsic fraud.[26] Neither was present here. We therefore hold that RTC-Pasig City and RTC-Antipolo had the competence and jurisdiction to issue the assailed orders since the dissolution of UCC did not deprive them of the authority to take cognizance of Civil Case No. 9165, Civil Case No. 90-1817 and LRC Case No. 96-1743. Thus, the CA could not have annulled the orders of the trial courts on the ground of lack of jurisdiction.

The orders could not be annulled based on extrinsic fraud either. Extrinsic or collateral fraud means fraud which prevents the aggrieved party from having a trial or presenting his case to the court, or was used to procure the judgment without fair submission of the controversy.[27] This refers to acts intended to keep the unsuccessful party away from the courts as when there is a false promise of compromise or when one is kept in ignorance of the suit.[28]

Certainly, judging from the nauseating number of petitions filed by Rose Packing and/or petitioner in the RTC, the CA and this Court, it is clear that they were *never* prevented from ventilating or defending their case nor was judgment rendered against them without a fair and complete consideration of the issues.

PROVISIONAL DEPOSIT OF 10% IN CIVIL CASE NO. 90-1817

We, however, have to correct the erroneous reliance of RTC-Antipolo on Presidential Decree (PD) 1533[29] in the expropriation

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[26] Rules of Court, Rule 47, Sec. 2.

[27] Regalado, *REMEDIAL LAW COMPENDIUM* (1999) (National Book Store, Inc., Manila, Philippines) at 557, 380.

[28] *Id.* at 380-381.

[29] An Act Establishing A Uniform Basis For Determining Just Compensation And The Amount Of Deposit For Immediate Possession Of The Property Involved In Eminent Domain Proceedings.

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case of the Municipality of Cainta. Its order dated June 16, 1992 in Civil Case No. 90-1817 mandated the deposit of 10% of the assessed value of the property.[30]

In *Export Processing Zone Authority v. Dulay*,[31] a 1987 case, we struck down PD 1533 as unconstitutional. Moreover, the exercise of the power of eminent domain by a local government unit is now governed by Section 19 of Republic Act 7160.[32] For properties under expropriation, the law now requires the deposit of an amount equivalent to fifteen percent (15%) of the fair market value of the property based on its current tax declaration.[33]

FINAL DISPOSITION

In conclusion, we once and for all declare that UCC ought to reap the fruits of the 1969 decision in its favor. Its interest in the property sought to be expropriated having been clearly established, UCC is adjudged the proper party-defendant in

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[30] Section 2 thereof reads:

SEC. 2. Upon the filing of the petition for expropriation and the deposit in the Philippine National Bank at its main office or any of its branches of an amount equivalent to ten per cent (10%) of the amount of compensation provided in Section 1 hereof, the government or its authorized instrumentality agency or entity shall be entitled to immediate possession, control and disposition of the real property and the improvements thereon, including the power of demolition if necessary, notwithstanding the pendency of the issues before the courts.

RTC-Antipolo similarly referred to Section 19 of RA 7160 (the Local Government Code) which requires, among others, a deposit with the proper court of at least fifteen percent (15%) of the fair market value of the property based on the current tax declaration of the property to be expropriated before the local government unit can take possession of the property to be expropriated.

[31] G.R. No. L-59603, 29 April 1987, 149 SCRA 305.

[32] The Local Government Code of 1991.

[33] See *City of Iloilo v. Legaspi*, G.R. No. 154614, 25 November 2004, 444 SCRA 269.

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Civil Case No. 90-1817 (the expropriation case). Knecht, Inc./ Rose Packing was correctly excluded from the case since its interest in the subject property had already passed onto UCC.

UCC's interest likewise prevails over that of PCIB since PCIB's foreclosure sale of the same property was already invalidated with finality by this Court.[34]

PETITIONER'S PROPENSITY TO TRIFLE WITH COURT PROCESSES

This Court is not unmindful of petitioner's dilatory tactics, spanning almost three decades, against the execution of the 1969 decision in Civil Case No. 9165 and the subsequent related orders in Civil Case No. 90-1817 and LRC Case No. 96-1743. Its clever schemes to delay the implementation of a final and executory decision manifest its utter disregard and disrespect for our justice system.

Petitioner is strongly reminded, as this Court admonished it in *Knecht and Knecht, Inc. v. United Cigarette Corporation*,[35] that:

> Every litigation must come to an end. While a litigant's right to initiate an action in court is fully respected, however, once his case has been adjudicated by a competent court in a valid final judgment, he should not be permitted to initiate similar suits hoping to secure a favorable ruling, for this will result to endless litigations detrimental to the administration of justice, as in this case.

In that case, petitioner was already assessed treble costs. In filing this petition and once again resurrecting an issue which has long been settled with finality, petitioner is trifling dangerously with court processes. Petitioner and/or counsel is warned one final time of the dire consequences of ignoring this reminder.

WHEREFORE, the petition is hereby *DENIED.*

Treble costs anew against petitioner.

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[34] *Supra* note 7.

[35] *Supra* note 3, at 397-398.

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SO ORDERED.

Puno (Chairman), Sandoval-Gutierrez, Azcuna, and *Garcia, JJ.,* concur.

FIRST DIVISION

[G.R. No. 146874. July 20, 2006]

REPUBLIC OF THE PHILIPPINES, *petitioner, vs.* **SOCORRO P. JACOB,** *respondent.*

SYLLABUS

1. **CIVIL LAW; LAND REGISTRATION; PROPERTY REGISTRATION DECREE; CONFIRMATION OF IMPERFECT TITLE; REQUISITES.**— Applicants for confirmation of imperfect title must, therefore, prove the following: (a) that the land forms part of the disposable and alienable agricultural lands of the public domain; and (b) that they have been in open, continuous, exclusive, and notorious possession and occupation of the same under a *bona fide* claim of ownership either since time immemorial or since June 12, 1945.

2. **ID.; ID.; ID.; ID.; PROPERTY OF THE PUBLIC DOMAIN IS BEYOND THE COMMERCE OF MAN AND NOT SUSCEPTIBLE OF PRIVATE APPROPRIATION AND ACQUISITIVE PRESCRIPTION.**— Under the Regalian doctrine, all lands not otherwise appearing to be clearly within private ownership are presumed to belong to the State. The presumption is that lands of whatever classification belong to the State. Unless public land is shown to have been reclassified as alienable or disposable to a private person by the State, it remains part of the inalienable public domain. Property of the public domain is beyond the commerce of man and not susceptible of private appropriation and acquisitive prescription. Occupation thereof in the concept of owner no matter how long cannot ripen into ownership and be registered as a title. The statute