

Title:

Platinum Tours and Travel, Inc. vs. Jose M. Panlilio, G.R. No. 129391, January 28, 1999

Facts:

1. **Initial Complaint**: On April 27, 1994, Platinum Tours and Travel, Inc. (Platinum) filed a complaint against Pan Asiatic Travel Corporation (PATC) and its president, Nelida G. Galvez, for a sum of money with damages. The case was docketed as Civil Case No. 94-1634.
2. **Default Judgment**: On October 24, 1994, the Regional Trial Court (RTC) of Makati, Branch 62, rendered a judgment by default in favor of Platinum. PATC and Galvez were ordered to pay Platinum P359,621.03 with legal interest, P50,000 attorney's fees, and other costs.
3. **Writ of Execution**: On February 10, 1995, a writ of execution was issued on Platinum's motion. Manila Polo Club Proprietary Membership Certificate No. 2133 in Galvez's name was levied upon and sold for P479,888.48 to Ma. Rosario Khoo.
4. **Motion to Intervene**: On June 2, 1995, Jose M. Panlilio filed a motion to intervene in Civil Case No. 94-1634, claiming a chattel mortgage over Galvez's shares of stock to secure a P1 million loan.
5. **Denial of Intervention**: On June 9, 1995, the trial court denied Panlilio's intervention motion.
6. **Nullification of Execution Sale**: On January 29, 1996, the trial court declared the execution sale null and void due to irregularities.
7. **New Collection Case**: On May 3, 1996, Panlilio filed a separate collection case against Galvez, docketed as Civil Case No. 96-365, in RTC Makati, Branch 146. Panlilio incorporated a motion to consolidate this case with Civil Case No. 94-1634.
8. **Consolidation Order**: On June 13, 1996, Judge Salvador Tensuan of Branch 146 granted the motion for consolidation subject to Judge Roberto Diokno of Branch 62's non-objection. On July 23, 1996, Judge Diokno allowed the consolidation.
9. **Motion for Reconsideration**: Platinum moved to reconsider the July 23, 1996 order, which was denied.
10. **Petition for Certiorari**: On January 31, 1997, Platinum filed a petition for certiorari at

the Court of Appeals challenging the consolidation.

11. **Court of Appeals Decision**: On January 15, 1998, the Court of Appeals annulled the consolidation but allowed Judge Diokno to decide whether to keep Civil Case No. 96-365 separate or return it to Branch 146.

12. **Further Motion by Platinum**: Platinum filed a motion for partial reconsideration requesting the transfer of Civil Case No. 96-365, which was denied.

Issues:

1. **Jurisdiction**: Whether the RTC Makati, Branch 62, had jurisdiction to retain and try Civil Case No. 96-365 after the consolidation order was annulled.
2. **Authority to Decide**: Whether the Court of Appeals erred in leaving to Judge Diokno the discretion to decide on the retention or transfer of Civil Case No. 96-365.
3. **Premature Petition**: Whether the petition by Platinum was premature given the absence of a decision by Judge Diokno on the retention or transfer of Civil Case No. 96-365.

Court's Decision:

Jurisdiction:

- The Supreme Court ruled that jurisdiction refers to the court's power to hear and decide a case, not to the correctness of its decisions or orders.
- The RTC Makati, Branch 62, had jurisdiction over Civil Case No. 96-365 by virtue of the nature of the action and the subject matter.
- Annulment of the consolidation order did not divest Branch 62 of its jurisdiction over the case.

Authority to Decide:

- The Supreme Court agreed with the Court of Appeals that leaving the decision to Judge Diokno on whether to retain Civil Case No. 96-365 or return it to Branch 146 was proper.
- The discretion lay within the authority of Judge Diokno, and the court found no empowerment violation.

Premature Petition:

- The Supreme Court noted that the petition was premature and speculative.
- Platinum should have awaited Judge Diokno's decision regarding the disposition of Civil Case No. 96-365.
- The petition was dismissed for being anticipatory and hasty.

Doctrine:

- **Jurisdiction vs. Exercise of Jurisdiction**: Jurisdiction is the authority of the court over the subject matter and persons involved, which does not depend on the regularity of court orders or decisions. Errors in the exercise of jurisdiction are distinct and do not affect the actual jurisdiction.

Class Notes:

- **Jurisdiction**: Power to hear and try cases, derived from law.
- **Exercise of Jurisdiction**: How a court applies its jurisdiction, where errors do not void the jurisdiction itself.
- **Consolidation of Cases**: Combining two cases for joint proceedings, which requires agreement from both parties and judicial discretion.
- **Certiorari**: A procedural remedy to correct excesses of judicial power or jurisdictional errors.

Historical Background:

- This case illustrates procedural dynamics post-1997 Rules of Civil Procedure amendments in the Philippines.
- The period saw frequent challenges to the inclusivity and scope of juridical authority, gamboled partly by procedural errors amidst the burgeoning economy driving complex commercial disputes.