

**CARMEN DEL ROSARIO ILACAD, IN HER OWN RIGHT AND AS
GUARDIAN OF THE MINORS ORLANDO, JOSE, JR., EDUARDO,
RAMONCITO, ENRICO AND ARTURO, ALL SURNAMED ILACAD, AS
THE INTESTATE HEIRS ...**

G.R. No. L-24435. August 26, 1977

Ponente: FERNANDEZ, J.

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FERNANDEZ, J.:

This is a special civil action for certiorari seeking to annul the amendatory decision[1] and a subsequent amendatory resolution[2] of the Court of Appeals (Special Fifth Division with Justice Edmundo S. Piccio, Chairman, ponente, and Justice Gregorio S. Narvasa and Justice Hermogenes Concepcion Jr., members) of its original decision promulgated on May 25, 1964, in CA-G. R. No. 23988-R, entitled "Prudential Bank & Trust Co., vs. Lanuza Bay Lumber Co., Inc. et al.,[3], which had become final and executory,[4] and the resolution denying the petitioner's motion for reconsideration of the amendatory decision and resolution with the alternative prayer that in the event that the first relief is untenable, to consider the petition as a review by certiorari of the original decision as amended.[5]

The records disclose that a complaint dated January 10, 1957 for the recovery of a sum of money based on an actionable document, a promissory note, was filed by private respondent, Prudential Bank & Trust Company, hereinafter referred to as Respondent Bank for short, against Lanuza Bay Lumber Co. Inc.[6] When the answer of the defendant company alleged, among others, that its President, Jose N. Ilacad who executed the actionable document was not authorized by the Board of Directors of the said corporation,[7] the plaintiff therein, respondent bank herein, with leave of court, amended its complaint to include as party defendant Jose N. Ilacad.[8]

The plaintiff, private respondent herein, adduced its evidence. On June 3, 1958, the date set for hearing of the defendants' evidence, both defendants and their counsel failed to appear. The trial court granted the motion of the plaintiff, private respondent herein, that the case be decided on the evidence of the plaintiff.[9]

The trial court, in its decision dated August 13, 1958, dismissed the case with costs against the plaintiff therein, respondent bank herein.[10]

The plaintiff appealed the decision dismissing its complaint to the Respondent Court of Appeals which promulgated a decision on May 25, 1964,[11] the dispositive part of which reads:

"x x x Accordingly, defendant Jose Ilacad either exceeded his authority in executing said promissory note, or was not so authorized, so much so that he should be as he is here-by held personally liable for the payment of P1,5000.00 (sic) with 8% interests annually from October 20, 1956, till fully paid, in favor of plaintiff bank.

The appealed judgment is reversed, with costs against defendants."

In June 1964, the prevailing party, respondent bank herein, filed a motion to correct a clerical error[12] with the

Respondent Court of Appeals. It sought to correct merely the proper place of the comma in the principal amount by placing said comma between the digits 5 and 0 so that the principal debt will read P15,000.00

On August 10, 1964, the Respondent Court of Appeals granted the said motion for correction of clerical error in its resolution[13] of August 10, 1964.

There is no controversy that the original decision of the Respondent Court of Appeals had already become final and executory.[14] It is a fact that an entry of judgment was issued by the Clerk of Court of the Respondent Court of Appeals on June 26, 1964. The record of the case was remanded to the court of origin on September 14, 1964.[15]

The plaintiff filed with the trial court a motion for a writ of execution. The motion was granted. However, the Clerk of Court of Manila refused to place in the writ of execution the amount of "P15,000.00 with 8% interest annually from October 20, 1956", contending that the Entry of Judgment of the Respondent Court of Appeals merely stated that "The appealed judgment is reversed, with the costs against the defendants".

Respondent Bank, to obviate any further delay in the execution of the judgment, filed on November 11, 1964 a motion for clarification with the Respondent Court of Appeals praying that the dispositive portion of its decision be amended to make "it unmistakably clear and state that defendant Jose Ilacad is held liable to plaintiff for the payment of P15,000.00, with 8% interest annually from October 20, 1956." [16] The Respondent Court its said motion for clarification by issuing amendatory decision[17] on November 23, 1964 by making the dispositive part read as follows:

"The appealed judgment is hereby reversed, with the costs against defendants, requiring the latter to pay plaintiff the sum of fifteen thousand pesos (P15,000.00) with 8% interests annually from October 20, 1956, till fully paid."

By the foregoing, the Respondent Court of Appeals had varied the import of its judgment. While under its original judgment it was only defendant Jose Ilacad who was held liable for the payment of the P15,000.00 with 8% interest annually from October 20, 1956, the above-quoted amendatory decision held that the defendants are liable. Upon another motion filed by Respondent Bank, the Respondent Court of Appeals rectified the patent variation of its original judgment by rendering another amendatory resolution[18] on November 28, 1964, the dispositive part of which reads:

"The appealed judgment is hereby reversed, with costs against defendant Jose Ilacad, requiring the latter to pay plaintiff the sum of Fifteen Thou-sand Pesos (P15,000.00) with 8% inte-rests annually from October 20, 1956, till fully paid."

On December 14, 1964 petitioners herein, through counsel of record of their predecessor, Jose Ilacad, received the said amendatory resolution of November 28, 1964 and through new counsel filed on December 29, 1964 a motion for substitution of the parties herein in lieu of the original defendant Jose Ilacad who had since died allegedly on February 28, 1962 and for an extension of time to file a motion for reconsideration. The said motion[19] was filed on January 27, 1965. (Brief for the Petitioners, pp. 8-9)

On February 8, 1965 the Respondent Court of Appeals granted the prayer for substitution of parties sought by the petitioners herein but denied the motion to set aside the amended decision. The resolution of denial[20] was received by petitioner's counsel on March 30, 1965. Hence, this petition was filed on April 14, 1965.

The legal issues to be resolved in this case are: (1) Whether or not the alleged amendatory decision and resolution of the Respondent Court of Appeals were issued without or in excess of its jurisdiction or with grave abuse of discretion and (2) whether or not a final and executory judgment of the Respondent Court of Appeals can

still be the subject of a review by certiorari by this Court.

The records of this case show that the filing of the motion to amend the decision of the Court of Appeals was brought about by the error of omission committed by the Clerk of Court of the Respondent Court of Appeals. In making the Entry of Judgment in CA-G. R. No. 23988-R, on June 26, 1964, the Clerk of Court, instead of reproducing the entire dispositive portion of the decision rendered therein, merely quoted the last sentence thereof - "The ap-pealed judgment is reversed, with costs against defendants." - leaving the preceding portion which resolved the issues pertaining to the rights and obligations brought on appeal by the contending parties therein. The omitted decretal portion states that "Accordingly, defendant Jose Ilacad either exceeded his authority in executing said promissory note, or was not so authorized, so much so that he should be, as he is hereby held personally liable for the payment of P15,000.00 with 8% interests annually from October 20, 1956, till fully paid, in favor of plaintiff bank." It was this particular omission that snarled the proceedings incident to the execution of said judgment. The Clerk of Court of the court of origin refused to embody in the writ of execution to be issued the said omitted portion of the decretal part of the decision, contending that the dispositive part consisted merely of what is stated in the Entry of Judgment. Respondent bank, to avoid further delay in the execution of the judgment, filed with the Respondent Court of Appeals the Motion for Clarification that resulted in the issuance of an amendatory decision varying the original dispositive portion of the original decision. The amendatory resolution dated November 28, 1964 last issued by the Respondent Court of Appeals, merely corrected the error of making the defendants liable instead of Jose Ilacad only. The Respondent Court of Appeals, in correcting the position of the comma to make the amount appear as P15,000.00 and rectifying the mistake in the formulation of the dispositive portion of the first amendatory decision may not be said to have committed a grave abuse of discretion amounting to lack of jurisdiction or in excess of its jurisdiction.

As held by this Court in the case of *Filipino Legion Corporation vs. Court of Appeals*,^[21] a judgment, even after it had become final, where there is an ambiguity caused by an omission or mistake in the dispositive portion, the court may clarify such ambiguity, mistake or omission by an amendment and in so doing it may resort to the pleadings filed by the parties, the court's findings of facts and conclusions of law as expressed in the body of the decision. The pertinent portion of the decision reads:

"This Court in various instances stated the rule that the dispositive part of a decision contains the judgment of the court which is to be the subject of execution, irrespective of all seemingly contrary statements in the body of the decision itself, and in case of any omission, or discrepancy between the opinion set forth in the decision proper and the dispositive part, the latter prevails.

Equally true, however, are the following principles also enunciated by the Court, viz: that the dispositive part of a decision must find support from the decision's ratio decidendi (*Morelos vs. Go Chin Ling, et al.*, 105 Phil. 814, 817) because

'While the opinion of the court is not part of the judgment, it may, in case of uncertainty or ambiguity, be referred to for the purpose of construing the Judgment particularly where the law require the judge to state the reason for the judgment as in case of an opinion by an appellate court or where the judgment itself refers to the opinion in such a way as to make it part of the record.'

that where there is ambiguity caused by an omission or mistake in the dispositive portion of a decision the court may clarify such ambiguity by an amendment even after the judgment had become final, and for this purpose it may resort to the pleadings filed by the parties, the court's findings of facts and conclusions of law as expressed in the body of the decision."^[22]

Equally applicable is the case of *Padua vs. Robles*,^[23] where this Court, through Associate Justice now Chief Justice Fred Ruiz Castro, said:

"The sufficiency and efficacy of a judgment must be tested by its substance rather than its form. In construing a judgment, its legal effects including such effects that necessarily follow because of legal implications, rather than the language used, govern. Also, its meaning, operation, and consequences must be ascertained like any other written instrument. Thus, a judgment rests on the intention of the court as gathered from every part thereof, including the situation to which it applies and the attendant circumstances.

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There is indeed much to be desired in the formulation by Judge Amores of that part of the decretal portion of the judgment in Criminal Case 1158-0 referring to the civil liability of Punzalan resulting from his criminal conviction. The judge could have been forthright and direct instead of circuitous and ambiguous. But, as we have above explained, the statement on the civil liability of Punzalan must surely have a meaning, and even if the statement were reasonably susceptible of two or more interpretations, that which achieves moral justice should be adopted, eschewing the other interpretations which in effect would negate moral justice.

It is not amiss at this juncture to emphasize to all magistrates in all levels of the Judicial hierarchy that extreme degree of care should be exercised in the formulation of the dispositive portion of a decision, because it is this portion that is to be executed once the decision becomes final. The adjudication of the rights and obligations of the parties, and the dispositions made as well as the directions and instructions given by the court in the premises in conformity with the body of the decision, must all be spelled out clearly, distinctly and unequivocally leaving absolutely no room for dispute, debate or interpretation." [24]

We will now come to the alternative relief prayed for by petitioners herein to review belatedly by way of certiorari the judgment of the Respondent Court of Appeals which they admitted had already become final and executory.

It is a settled rule that the office of a writ of certiorari is to correct defects in jurisdiction solely and cannot legally be used for any other purpose. It is not intended to correct errors of procedure or mistakes in the judge's findings or conclusions. [25] Equally settled is the rule that once a court renders a final judgment, all the issues between or among the parties before it are deemed resolved and its judicial function as regards matters related to the controversy litigated comes to an end, and the same cannot be relitigated on its merits in the lower court as well as the appellate courts. [26]

As clearly explained in the case of *Macabingkil vs. PHHC, et al.*, supra, there are only three (3) ways by which a final and executory judgment may be set aside, thus:

"Under existing rules, there are three (3) ways by which a final and executory judgment may be set aside. The first is by petition for relief from judgment under Rule 38 of the Revised Rules of Court, when judgment has been taken against the party through fraud, accident, mistake or excusable negligence, in which case the petition must be filed within sixty (60) days after the petitioner learns of the judgment, but not more than six (6) months after which judgment was entered. The second is by direct action to annul and enjoin the enforcement of the judgment. This remedy presupposes that the challenged judgment is not void upon its face, but is entirely regular in form, and the alleged defect is one which is not apparent upon its face or from the recitals contained in the judgment. As explained in *Banco Español-Filipino v. Palanca*, (37 Phil. 291,) under accepted principles of law and practice, long recognized in American courts, the proper remedy in such case, after the time for appeal or review has passed, is for the aggrieved party to bring an action enjoining the judgment, if not already carried into effect; or if the property has already been disposed of, he may institute suit to recover it. The third is either a direct action, as certiorari, or by a collateral attack against the challenged judgment (which) is void upon its face, or that the nullity of the judgment is apparent by virtue of its own recitals." [27]

Since the judgment rendered by the Respondent Court of Appeals in CA-G. R. No. 23988-R, which had become

final and executory, is not void upon its face and as a matter of fact its original decretal portion has only been clarified without any legal right or obligation originally adjudicated to the contending parties taken out or added therein, the same can only be annulled or set aside by direct action on the ground of extrinsic fraud. And speaking of extrinsic fraud, it is that fraudulent scheme of the prevailing litigant which prevents a party from having his day in court or from presenting his case. Fraud has been regarded as extrinsic or collateral, within the meaning of the rule, "where it is one the effect of which prevents a party from having a trial, or real contest, or from presenting all of his case to the court, or where it operates upon matters pertaining not to the judgment itself, but to the manner by which it was procured so that there is not a fair submission of the controversy. In other words, extrinsic fraud refers to any fraudulent act of the pre-vailing party in the litigation which is committed outside of the trial of the case, where the defeated party has been prevented from presenting fully his side of the case, by fraud or deception practiced on him by his opponent." [28]

The petitioners herein can not complain that their predecessor-in-interest was prevented from presenting fully his case because of any fraudulent scheme employed by the Respondent Bank outside of the trial.

WHEREFORE, the petition for certiorari is hereby DISMISSED, with costs against the petitioners.

SO ORDERED.

Teehankee, (Chairman), Makasiar, Muñoz Palma, Martin, and Guerrero, JJ., concur.

[1] Annex "D" of Petition, Rollo p. 32

[2] Annex "E" of Petition, Rollo p. 33

[3] Annex "A" of Petition, Rollo pp. 24-28

[4] Entry of Judgment, Annex "B" of Petition, Rollo p. 29

[5] Petition, Rollo pp. 21-22

[6] Record on Appeal, pp. 1-4, Rollo p. 51

[7] Id., pp. 11-13

[8] Id., pp. 27-29

[9] Id., pp. 50-51

[10] Record on Appeal, pp. 51-53

[11] Annex "A" to Petition, Rollo p. 28

[12] Appendix "A" Brief for the Respondents, pp. 22-24

[13] Annex "C" to Petition, Rollo p. 30

[14] See footnote No. 4

[15] Brief for the Petitioner, p. 7

[16] Brief for the Petitioner, p. 7

[17] Annex "D" to Petition, Rollo p. 32

[18] Annex "E" to Petition, Rollo p. 33

[19] Annex "F" of Petition

[20] Annex "G" of Petition

[21] G. R. L-22364 & L-28330, April 30, 1974, 56 SCRA 674, 690-691, citing the cases Locsin vs. Paredes, et al. 63 Phil. 87, 91, also Republic et al., vs. Hon. de los Angeles L-26112, October 4, 1971, 41 SCRA 422.

[22] Ibid., pp. 690-691

[23] G. R. L-40486, August 29, 1975, 66 SCRA 485.

[24] Ibid., pp. 488-490

[25] Macabingkil vs. PHHC, et al., L-29080, August 12, 1976, 72 SCRA 326, 339-340.

[26] Ibid., p. 341

[27] loc cit footnote No. 23, 72 SCRA 343.

[28] Libudan vs. Gil, 45 SCRA 17, 28-29; Cruz vs. Navarro, 54 SCRA 109, 117; Macabingkil vs. PHHC, et al., 72 SCRA 326, 343-345.

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