

CENTRAL BANK OF THE PHILIPPINES, COMMISSIONER OF CUSTOMS, AND AGRO-INDUSTRIAL PRODUCTS, INC., PETITIONERS, VS. ALFREDO CAJIGAL, et al. RESPONDENTS.

G.R. No. L-19278. December 29, 1962

Ponente: CONCEPCION, J.

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CONCEPCION, J.:

This is a petition for certiorari to set aside a writ of preliminary injunction issued by the Court of First Instance of Ilocos Norte in Civil Case No. 3434 thereof, entitled "Alfredo Cajigal, et al. vs. Agro-Industrial Products, Inc., et al."

The factual background of this case is identical to that of G. R. No. L-19440, entitled "Cesar Climaco, et al. vs. Hon. judge Higinio B. Macadaeg, et al." and G. R. No. L-19447, entitled "Adolfo Columbres, et al. vs. Hon. Higinio B. Macadaeg, et al." decided jointly on April 18, 1962. Stripped of details, which are set forth in our decision in said two (2) cases, the main facts are:

On February 28, 1960, the Agro-Industrial Products, Inc., hereafter referred to as Agro, a domestic corporation organized and existing under and by virtue of our laws, submitted to the President of the Philippines a proposal to purchase from the Agricultural Credit and Cooperative Financing Administration, hereafter referred to as the ACCFA, of all its unmarketable low-grade tobacco surplus and to import one (1) kilo of foreign Virginia leaf tobacco for every four (4) kilos of low-grade tobacco so purchased by Agro from the ACCFA. A special cabinet committee, created by the President, to study the matter and make recommendations thereon found the proposal to be most advantageous for the national economy and the local tobacco industry. Hence, upon the recommendation of the Cabinet, the President approved said proposal and authorized the purchase by Agro of ACCFA low-grade Virginia tobacco, as well as the importation by Agro of 4.5 million kilos of foreign Virginia leaf tobacco for blending purposes, subject to the conditions set forth in a letter of the Executive Secretary to the Governor of the Central Bank of the Philippines, dated July 29, 1961. Implementing the aforementioned presidential authority, and purporting to act in pursuance of Section 1 (a) of Republic Act No. 1194, the Central Bank of the Philippines, soon later, allocated said 4.5 million kilos, of foreign Virginia leaf tobacco among the various local manufacturers of the Virginia type cigarettes.

Meanwhile, or on July 31, 1961, Adolfo Columbres and Angel Geslani, in their behalf and allegedly in that of "about five (5) million Virginia tobacco farmers similarly situated", instituted Civil Case No. 47659 of the Court of First Instance of Manila, against the Agro, the Central Bank of the Philippines, the Commissioner of Customs, the Commissioner of Internal Revenue and the Philippine Virginia Tobacco Administration, to enjoin, preliminarily, and, after due trial, permanently, the importation of said 4.5 million kilos of foreign Virginia leaf tobacco by the Agro and nullify the presidential authority granted therefor, as well as the implementation thereof. Upon the filing of said case No. 47659, the following, among others, joined the plaintiffs therein: Potenciano Pati, Salvador Somera, Roberto R. Pati, Sixto J. Lazo, Guillermo Anunciacion, Eduardo Par, Luciano Naval, Jesus

Naval, Rogelio Servileja, Mardelita Flores, Moises Ridon, Luis Roldan, Eriberto Rabacal, Jose Reoduque, Romeo Tabanera, Honorio Fariñas, Teodorico Yasana and Macario Ines. On November 2, 1961, Hon. Higinio B. Macadaeg, who presided over Branch X of the Court of First Instance of Manila, to which said case had been assigned, ordered the issuance of the writ of preliminary injunction therein prayed for. However, on motion for reconsideration filed by Agro and the Central Bank, said order was set aside by another order dated November 9, 1961, which, likewise, lifted such writ of preliminary injunction upon the filing of a counterbond.

Prior thereto, however, or on October 10, 1961, Civil Case No. 3434 of the Court of First Instance of Ilocos Norte had been filed against the Agro, the Central Bank, and the Commissioner of Customs. The plaintiffs therein were Alfredo Cajigal and several other persons, including some plaintiffs in Civil Case No. 47659 of the Court of First Instance of Manila, namely, the aforementioned Potenciano Pati, Salvador Somera, Roberto Pati, Sixto J. Lazo, Guillermo Anunciacion, Eduardo Par, Moises Ridon, Eriberto Rabacal, Jose Reoduque, Luis Roldan, Luciano Naval, Mardelita Flores, Rogelio Servileja, Jesus Naval, Honorio Fariñas, Teodorico Yasana, Macario Ines, Romeo Tabanera, Pablo Fernandez, Cesar Dacasin, and Jose Cariño. The allegations made, the issues raised and the reliefs prayed for in the complaints in said Civil Case No. 3434 of Ilocos Norte and in Civil Case No. 47629 of Manila are substantially identical. Hence, on October 21, 1961, the defendants in said Civil Case No. 3434 objected to the preliminary injunction therein prayed for and moved for the dismissal of the cases, upon the ground of lack of jurisdiction over the subject matter thereof and to issue the aforementioned writ, and of the pendency of said case No. 47659 of the Court of First Instance of Manila. This, notwithstanding, the Court of First Instance of Ilocos Norte, presided over by Hon. Delfin Flores, by an order dated November 18, 1961, granted the prayer for a writ of preliminary injunction, which was issued on December 1, 1961. Immediately thereafter, or on December 2, 1961, the respondents in Case No. 8434 moved for a reconsideration of said order of November 18, 1951. When this motion for reconsideration was called for hearing on December 7, 1961, counsel for the plaintiffs in said case No. 3434 moved for the postponement of said hearing until December 29, 1961, which Judge Flores granted over the objection of the defendants therein.

Accordingly, on December 15, 1961, the latter brought the present action for certiorari, with preliminary injunction, against the plaintiffs in said Case No. 3434, and Judge Flores, upon the grounds relied upon in the motion to dismiss said case, dated October 21, 1961, namely, want of jurisdiction and pendency of another action between the same parties and for the same cause. Soon thereafter, and upon the filing of the requisite bond and its approval, we issued a writ enjoining respondents herein from enforcing or implementing said order and writ of injunction dated, respectively, November 18 and December 1, 1961.

In their answer, respondents herein maintain that the Court of First Instance of Ilocos Norte has jurisdiction over the subject matter of said Civil Case No. 3434, as well as to issue said order of November 18, 1961, and the writ of preliminary injunction dated December 1, 1961; that the pendency of Civil Case No. 47659 of the Court of First Instance of Manila does not bar the filing of said Civil Case No. 3434 of the Court of First Instance of Ilocos Norte; and that the approval by the President of the Philippines, on July 29, 1961 of the sale of ACCFA low-grade tobacco to Agro, and the importation by the latter of 4.5 million kilos of foreign Virginia tobacco, is contrary to law.

With respect to the last pretense of respondents herein, suffice it to say that the same has already been overruled and the legality of the aforementioned presidential action was upheld in our decision in the aforementioned Civil Cases G. R. No. L-19440 and G. R. No. L-19447, promulgated on April 30, 1962. Independently of the foregoing, it is clear that respondent Judge had no jurisdiction either over the subject matter of said Civil Case No. 3434 of the Court of First Instance of Ilocos Norte or to issue the injunction therein prayed for. In *Acosta vs. Alvendia*, 109 Phil., 1017; decided on October 31, 1960, we held that "the jurisdiction or authority of courts of first instance

to control or restrain acts by means of the writ of injunction is limited to acts which are being committed or about to be committed within the territorial boundaries of their respective provinces and districts," and the acts sought to be restrained in said Civil Case No. 3434 were being committed or about to be committed outside the province of Ilocos Norte, or, more particularly, in the City of Manila. Then, too, some of the plaintiffs in said Civil Case No. 3434 were, likewise, plaintiffs in said Civil Case No. 47659 of the Court of First Instance of Manila, aside from the fact that the other plaintiffs therein represented the same interest represented by the plaintiffs in Civil Case No. 3434; and the cause of action in both cases was the same—the alleged right of local tobacco farmers to prevent the importation by Agro of 4.5 million kilos of foreign Virginia tobacco, as authorized by the President on July 29, 1961, upon the ground that said presidential action is illegal and injurious to the interests of said farmers.

Wherefore, the writ of preliminary injunction issued in this case on December 18, 1961 is hereby made permanent, with costs against respondents herein, excluding respondent Judge.

Bengzon, C. J., Padilla, Bautista Angelo, Reyes, J. B. L., Paredes, and Makalintal, JJ., concur.

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