

ANTONIO A. NIEVA, PETITIONER, VS. MANILA BANKING CORPORATION, HON. JUAN L. BOCAR AND SHERIFF OF MANILA, RESPONDENTS.

G.R. No. L-30811. September 02, 1983

Ponente: GUTIERREZ, JR., J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/64476d4863c5/>

GUTIERREZ, JR., J.:

This is a petition for certiorari with preli-minary injunction to declare null and void an order of the former Court of First Instance of Manila which allegedly modified a decision already final and executory.

Civil Case No. 73863, entitled Manila Banking Corporation versus Antonio Nieva and Ignacio Arroyo was an action to recover P10,897.78 with interest at 14 percent per annum until fully paid. The pro-missory note evidencing the debt was originally for P8,000.00 only but because of accrued interests, the alleged debt had increased to P10,897.78 when the action was commenced. Ignacio Arroyo was included in his capacity as guarantor for the payment of the amount in the promissory note.

In addition to the defendants' obligation on the note, the plaintiff bank asked for the payment of attorney's fees allegedly incurred due to the refusal of the defendants to pay their obliga-tion despite repeated demands. Costs of suit and incidental expenses for collection were also included.

The defendants admitted the existence and due execution of the note. However, they denied the alleged refusal to pay the loan. According to them, their representations for extension of pay-ment had been granted by the bank. They alleged that their outstanding obligation was less than P10,897.78 inclusive of interest.

After hearing the case, the respondent court issued its decision, the entirety of which is as follows:

"When this case was called for hearing this morning, a document was submitted for the consideration of the Court which is a proposal on the part of defendant Antonio Nieva to liquidate his obligation in favor of the plaintiff in the following manner:

"a) Payment of interests due on or before April 10, 1969;

"b) Payment of the principal at the end of April, or at the latest by the first week of May, 1969.

"Plaintiff expressed its conformity to the proposal subject to the condition that if said defendant fails to pay the interests on or before April 10, 1969, the full liability will be final and executory.

"WHEREFORE, the Court hereby renders judgment in accordance with the terms above set forth and orders the parties to abide faithfully therewith."

Defendant Nieva filed a manifestation question-ing the court's jurisdiction considering that the principal demand of the plaintiff was only P8,000.00. Nieva prayed for the setting aside of the decision and the dismissal of the case. After considering the manifestation and the opposition of the respondent bank, the court denied Nieva's prayer. No appeal was taken from the decision.

After the decision had already become final and executory, the plaintiff bank filed a motion for execution which was granted by the court.

Thereafter, Manila Banking Corporation filed an urgent ex-parte motion to clarify the decision under execution. The respondent court issued the questioned order and granted the motion. The order states:

"Upon consideration of plaintiff's motion, the Court calls attention to the third paragraph of said decision, which states as follows:

""Plaintiff expressed its conformity to the proposal subject to the condition that if said defendant fails to pay the interests on or before April 10, 1969 the full liability will be final and executory."

"This part of the decision is based on the agreement submitted to the Court, marked as Exh. 'A', where the following notation appears:

""Conforme upon the condition that in case of failure to pay interest on or before April 10, 1969, let judgment be rendered against defendant NIEVA for the full amount stated in the complaint."

"The decision, therefore, of March 25, 1969, includes attorney's fees, costs and other incidental expenses, said sums to earn interest at one percent (1%) per month as stated in plaintiff's complaint."

Nieva's motion for reconsideration of the aforesaid order was denied for lack of merit.

Hence, the instant petition.

After the petitioner had posted a bond of P2,000.00, we issued the preliminary injunction prayed for in the petition.

The petitioner attacks the respondent court's decision on two grounds: 1) lack of jurisdiction to try the case and 2) grave abuse of discretion in the court's amending its decision through the questioned order.

The issue of lack of jurisdiction is premised on Section 44(c), Republic Act No. 296, as amended which provides that the Court of First Instance has exclusive jurisdiction:

"x x x in all cases in which the demand, exclusive of interest, or the value of the property in controversy, amounts to more than ten thousand pesos."

The petitioner argues that the principal amount sought to be recovered is P8,000.00 exclusive of interest, hence it is obvious that the respondent court had no jurisdiction to try the case.

The petitioner's arguments appear to be meritorious. However, considering that the petitioner had actively participated in all stages of the proceedings in the trial court, he cannot, at this stage, question the court's jurisdiction. As a matter of fact, Nieva was the one who proposed what amounted to a compromise agreement, which formed the basis of the decision after the respondent bank agreed to the proposal. Only after the court had promulgated the decision did Nieva have second thoughts which led to the manifestation raising the issue of jurisdiction. And when his manifestation was denied, he did not pursue the denial and raise the matter to an appellate tribunal. Nieva allowed the decision to become final and executory.

We ruled in *Tajonera v. Lamaroza* (110 SCRA 447):

"The rule is that jurisdiction is conferred by law and the objection to the authority of the tribunal to take cognizance of a case may be raised at any stage of the proceedings. However, considering the attendant circumstances in the case at bar, petitioners are now barred from claiming lack of jurisdiction at this stage with their active participation. They never questioned the authority of respondents Leogardo, Jr. and Estrella

throughout the duration of the proceedings when they have the chance to do so. They never mentioned lack of jurisdiction in their memorandum of appeal, in their motion for reconsideration or in their position paper. They are now estopped from raising such objection. It has been held that a party cannot invoke the jurisdiction of a court to secure affirmative relief against his opponent and after failing to obtain such relief, repudiate or question that same jurisdiction. (*Tijam v. Sibonghanoy*, 23 SCRA 35) The Court frowns upon and does not tolerate the undesirable practice of some litigants who submit voluntarily a cause and then accepting the judgment when favorable to them and attacking it for lack of jurisdiction when adverse."

The resolution of the second ground raised by the petitioner hinges on whether or not the questioned order altered the terms of the decision it was supposed to merely clarify. If it did, the respondent court in modifying the decision exceeded its jurisdiction (*Concha v. Divinagracia*, 107 SCRA 667).

The dispositive portion of the decision reads:

"WHEREFORE, the Court hereby renders judgment in accordance with the terms above set forth and orders the parties to abide faithfully therewith."

An examination of the meaning of the aforesaid dispositive portion in the context of the decision shows that the petitioner's liability includes only:

- 1) Payment of interests due on or before April 10, 1969; and
- 2) Payment of the principal at the end of April or at the latest by the first week of May, 1969,

and in case the petitioner failed to pay on or before April 10, 1969, then the full liability becomes final and executory. The loan was granted on August 11, 1965.

Accordingly, the full liability within the meaning of the decision has to be confined to the cited liability of the petitioner which, to reiterate, are: 1) payment of the interests due on or before April 10, 1969; and 2) payment of the principal at the end of April or at the latest by the first week of May, 1969.

The decision as "clarified" by the questioned order would in effect widen the scope of the petitioner's liability vis-a-vis the private respondent. The questioned order states:

xxx xxx xxx

"The decision therefore, of March 25, 1969, includes attorney's fees, costs and other incidental expenses, said sums to earn interest at one percent (1%) per month as stated in plaintiff's complaint."

The basis of this "clarification" is an alleged notation supposedly based on an agreement submitted to the court.

May the respondent court after the decision had already become final and executory amend the same in the manner it was amended?

It is hornbook doctrine that "a decision which has become final and executory can no longer be amended or corrected by the court except for clerical errors or mistakes and however erroneous it may be, cannot be disobeyed, otherwise litigations would be endless and no questions could be considered settled." (*Maramba v. Lozano*, 20 SCRA 474)

In the instant case, the clarification granted by the lower court clearly altered substantially the terms of the declaration. The clarificatory order introduced new matters which were never touched upon in the decision. In short, the challenged order modified the original decision and in so doing, the respondent court exceeded its jurisdiction. (*Vda. de Alcantara v. Somera*, 106 SCRA 200)

WHEREFORE, the instant petition is hereby GRANTED. The questioned order is SET ASIDE and the original decision REINSTATED. The petitioner is ordered to pay his liability under the promissory note covering the loan in the amount of EIGHT THOUSAND (P8,000.00 PESOS with interest at the rate of Twelve Percent (12%) per annum from August 11, 1965 until fully paid. The preliminary injunction issued in connection with the instant petition is made PERMANENT. Costs against the private respondent.

SO ORDERED.

Teehankee, (Chairman), Melencio-Herrera, Plana, Vasquez, and Relova, JJ., concur.

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.