

INTER-REGIONAL DEVELOPMENT CORPORATION, PETITIONER, VS. COURT OF APPEALS AND RICARDO CABALLERO, RESPONDENTS.

G.R. No. L-39677. July 22, 1975

Ponente: CASTRO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/c067d8e861b3/>

CASTRO, J.:

This is a petition for review on certiorari of the decision of the Court of Appeals in CA-GR 02794-SP. Upon consideration of the allegations contained, the issues raised and the arguments adduced in the petition, as well as the respondent's comment thereon, the Court resolved to treat this case as a special civil action.[1] The challenged decision declares null and void an order dated January 16, 1974 of Judge Sancho Y. Inserto of the Court of First Instance of Iloilo (Branch I) which enjoined the defendant in its civil case 9562, entitled "Inter-Regional Development Corporation vs. Ricardo Caballero," from cutting and milling the sugar cane crop which the therein plaintiff company (herein petitioner) asserts to have planted in good faith.

On December 13, 1974 we issued a temporary restraining order which reads as follows:

"You (respondent Court of Appeals) are hereby RESTRAINED from enforcing and/or implementing your decision in CA-GR No. 02794-SP entitled 'Ricardo Caballero versus Hon. Sancho Inserto, etc., et al.' and you (respondent Caballero), your agents, representatives, assigns, successors-in-interest and/ or any person or persons acting upon your orders or in your place or stead, are likewise RESTRAINED from collecting and/or negotiating the quedans representing the milled sugar canes homestead from Lots No. 1 and 6, Psu-118496 in Batad, Iloilo for the crop year 1973-74."

In civil case 8195 of the Court of First Instance of Iloilo, entitled "Inter-Regional Development Corporation vs. Isidro Estrada, et al.," for annulment of sales and damages and involving land ownership, the court, thru Judge Castrence Veloso of Branch III, rendered judgment dismissing the complaint and, among others, ordering the spouses Jose Banez and Isabel Banez (president and treasurer, respectively, of the Inter-Regional Development Corporation) or their privies —

"to immediately vacate and surrender the possession of Lots 1 and 6, Plan Psu-118496 to the third-party plaintiff (Isidro A. Estrada) and not to molest, disturb or in any manner interfere with his possession thereof . . ."

The corporation appealed; nonetheless, Judge Veloso issued, on May 7, 1973, a partial writ of execution pending appeal, and possession of the two lots was delivered to Estrada, following which the latter, on May 25, 1973, leased the lots to now respondent Ricardo Caballero for a term of ten years, starting with the crop year 1973-74.

On July 6, 1973 the corporation filed a special civil action for certiorari with the Court of Appeals, praying that Judge Veloso be enjoined from enforcing the partial writ of execution. Holding that the said Judge did not abuse his discretion in ordering partial execution, the Court of Appeals, on October 16, 1973, dismissed the petition. This decision became final.

However, five days before entry of judgment, or on November 15, 1973, the corporation filed civil case 9562, for

injunction and damages, against the lessee Caballero to settle the question of ownership of the sugar crop for 1973-74 which the corporation alleged to have planted in good faith on the lands litigated in civil case 8195. Judge Sancho Inserto, to whom the case was assigned, issued a writ of preliminary injunction enjoining Caballero "from cutting, milling the growing sugar cane . . ."

Caballero moved for reconsideration, but before the court could act on his motion, he filed a petition for certiorari with the Court of Appeals. On September 30, 1974 the appellate court promulgated its decision setting aside Judge Inserto's preliminary injunction.

Hence, the present recourse by the corporation.

On the issue of whether the preliminary injunction issued in case 9562 by Judge Inserto enjoining Caballero from cutting and milling the sugar cane constitutes an interference with the partial writ of execution pending appeal issued in case 8195 by Judge Veloso ordering the Banez spouses to vacate and surrender possession of the parcels of land and not to molest or disturb Estrada's (Caballero's lessor) possession thereof, we find that neither order interferes with the other; as a matter of fact the order of Judge Inserto complements that of Judge Veloso. The latter refers to the land itself, the ownership of which was the only issue adjudged in the decision pending appeal, while the former refers to the sugar cane crop standing thereon. True it is that under article 440 of the Civil Code the ownership of property includes the right of accession to everything attached thereto either naturally or artificially, and that under article 415, trees, plants and growing fruits, while they are attached to the land, are immovable property; it is equally true that when a person plants in good faith on land belonging to another, the landowner does not ipso facto acquire ownership of what has been planted; he must first indemnify the planter before he can appropriate the same. And so provides article 448:

"The owner of the land in which anything has been built, sown or planted in good faith, shall have the right to appropriate as his own the works, sowing or planting, after payment of the indemnity provided for in articles 546 and 548 . . ."

The aforequoted article, not those relied upon 'by the respondent, applies in the present case, because the petitioner has alleged good faith in planting the sugar cane, thus giving rise to a conflict of rights which poses the issue of the protection of the alleged planter in good faith without causing injustice to the landowner.[2]

Absent any incompatibility between the orders issued by Judges Inserto and Veloso, the doctrine that no court has the power to interfere by injunction with the judgment or decrees of another court of concurrent or, coordinate jurisdiction, having equal power to grant the relief,[3] does not apply.

In holding that the gathering of the crops existing on the land is part of Estrada's right of ownership and possession, the Court of Appeals in effect prematurely held that the petitioner is a planter in bad faith; this is error since the issues as to who planted and whether the planter planted in good faith are the very issues posed in case 9562, which is yet pending.

The Court of Appeals, however, did not err in entertaining the petition for certiorari even if a motion for reconsideration had not yet been resolved by the Court of First Instance, in view of the urgency of securing a definitive ruling on the sugar cane crop, which is perishable.[4]

ACCORDINGLY, the judgment of the Court of Appeals in CA-G.R. 02794-SP is set aside, and the restraining order heretofore issued is made permanent, without prejudice, however, to the final outcome in case 9562 of the Court of First Instance of Iloilo. No costs.

Makasiar, Esguerra, Muñoz-Palma, and Martin, JJ., concur.

Teehankee, J., is on leave.

[1] Resolution, March 19, 1975, rollo, p. 266.

[2] Bernardo vs. Baltazar, 66 Phil. 598.

[3] See Cabigao and Izquierdo vs. Del Rosario and Lim, 44 Phil 182; Hubahib vs. Insular Drug Co., 64 Phil. 119; Templo vs. De la Cruz, L-37393-94, Oct. 23, 1974, 60 SCRA 295.

[4] Matute vs. Bullecer, L-26085, Jan. 31, 1969, 26 SCRA 768.

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.