MOVERS-BASECO INTEGRATED PORT SERVICES, INC., PETITIONER, VS. CYBORG LEASING CORPORATION, RESPONDENT.

G.R. No. 131755. October 25, 1999

Ponente: VITUG, J.

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VITUG, J.:

The instant matter has been brought to this Court via a petition for review under Rule 45 of the Rules of Court to seek a reversal of the decision of the Regional Trial Court ("RTC") of Manila, Branch 16, in Civil Case No. 97-85267.

Cyborg Leasing Corporation ("Cyborg"), herein private respondent, filed on 22 August 1996 before the Metropolitan Trial Court ("MTC") of Manila a case, captioned "Damages with Prayer for a Writ of Replevin" (Civil Case No. 152839), against Conpac Warehousing, Inc. ("Conpac"), and herein petitioner Movers-Baseco Integrated Port Services ("movers"). The complaint alleged that pursuant to a lease agreement, Cyborg had delivered one (1) NISSAN forklift to CONPAC. The lease agreement stipulated a monthly rental of P11,000.00 for the use of the equipment from its date of delivery. Conpac supposedly failed and refused to pay the stipulated rentals starting April 1995 notwithstanding demands therefor. Sometime in May 1995, petitioner took control of the operations of Conpac and seized all cargoes and equipment including the subject forklift. Petitioner ignored Cyborg's demand for the return to it of the equipment and the formal disclaimer of ownership made by CONPAC. In its Complaint, Cyborg prayed:

> "UPON RECEIPT AND BEFORE ANSWER
>
> "That an ORDER be issued directing the Sheriff or other officer of this Court to forthwith take custody and possession of the subject equipment and to dispose it in accordance with the Rules of Court.
>
> "AFTER TRIAL
>
> "That judgment be rendered for the plaintiff ordering the defendants, jointly and severally, to pay the following amounts:
>
> "(1) P11,000.00 per month as actual damages by way of reasonable compensation for the use, enjoyment and/or rental of the subject equipment from April 9, 1995 until it is repossessed by the plaintiff;
>
> "(2) P1,000.000.00 as exemplary damages and
>
> "(3) P50,000.00 as attorney's fees and costs.
>
> **"IN THE ALTERNATIVE**
>
> "In the event that the subject equipment could not be seized, that defendants be jointly and severally ordered to pay the plaintiff its actual market value of One Hundred Fifty Thousand Pesos (P150,000.00), Philippine Currency, exclusive of the damages under paragraphs (1), (2), and (3) stated supra.

"Plaintiff further prays for the other equitable reliefs and remedies."[1]

Upon application of Cyborg, a writ of replevin was issued following the filing of a P300,000.00 replevin bond. The directive was contained in the court's order of 27 August 1996, viz:

> "WHEREFORE, pursuant to Sections 1 to 3, Rule 60 of the Revised Rules of Court, a Writ of Replevin is hereby ordered issued requiring the Sheriff of this Court to forthwith take possession of the property specified on the face of this Order after serving a copy of this Order to defendants, together with a copy of the application, affidavit, and bond. Accordingly, the Sheriff of this Court is hereby required to comply with Sections 4 to 8 of Rule 60.
>
> "IT IS SO ORDERED."[2]

On 06 February 1997, petitioner was served with a copy of the summons and the writ of replevin. On 14 February 1997, petitioner filed a motion to dismiss the case on the ground of lack of jurisdiction on the part of the MTC since the complaint had asked for, among other things, the following:

> (a) x x x actual market value of the
> equipment (par. 8 of the complaint) - P150,000.00
>
> (b) x x x actual damages for use of the
> equipment at the rate of P11,000.00
> monthly from 09 April 1995 up to
> the time possession was taken by
> the plaintiff under the order of the
> Honorable Court (par. 9(a) of the
> complaint) ---------- 242,000.00
>
> (c) exemplary damages ---------- 1,000,000.00
>
> (d) attorney's fees ---------- 50,000.00
>
> Total ---------- P1,442,000.00.

On 18 March 1997, the MTC issued an order dismissing the complaint for lack of jurisdiction, and ratiocinating, thus –

> "It is a fundamental axiom in adjective law that jurisdiction is conferred by law, and where there is none, no agreement of the parties can vest competencia (Leonor vs. Court of Appeals, 256 SCRA 69; (1996); Department of Health vs. National Labor Relations Commission, 251 SCRA 700; 707 (1995); 1 Regalado, Remedial Law Compendium, 1988 5th rev. ed., p. 9).
>
> "Albeit the subject equipment has a market value of P150,000.00 (paragraph 8, Complaint) and while it is true that interest, damages of whatever kind, attorney's fees, litigation expenses and costs are excluded in ascertaining jurisdiction per Section 3 of Republic Act No. 7691 and are considered only to determine the filing fees, it is equally true that if the principal request in the complaint is for damages, or one of the causes of action, the amount of such claim shall be determinative of competencia under Supreme Court Circular No. 09-94 dated June 14, 1994.
>
> "The amount sought to be recovered is the 'amount of the demand' (Oteng vs. Tan Kiem, Ta, 61 Phil. 87) and included in the computation of the jurisdictional amount are attorney's fees recoverable as damages (Article 2208, New Civil Code), consequential damages, exemplary damages if the amount thereof is specified in the complaint (Enerio vs. Alampay, 64 SCRA 142, and moral damages, if quantified in the complaint (Quiason, Philippines Courts and their Jurisdictions, 1986 ed., pp. 166-168).

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> "Hence, on the basis of the clarification of the Supreme Court, the total claims of the plaintiff are beyond the purview of this Court's jurisdiction.
>
> "Accordingly, Civil Case No. 152839 is hereby DISMISSED for lack of jurisdiction as prayed for."[3]

The MTC, in its order of 10 June 1997, denied Cyborg's motion for reconsideration, elaborating that it -

> "x x x is not unaware of Justice Regalado's discourse in his treatise that 'replevin is available only where the principal relief sought in the action is the recovery of personal property, the other reliefs, like damages, being merely incidental thereto' (1 Regalado, Remedial Law Compendium, 1988 5th rev. ed., p. 437) which was utilized by plaintiff's counsel to secure re-evaluation of the challenged Order (page 2, Additional Arguments Relative to the Motion for Reconsideration). Yet, this Court cannot also ignore the language of Supreme Court Administrative Circular No. 09-94 dated June 14, 1994 that if the principal supplication is for damages, or is one of the causes of action, like in this case, the amount of such claim will spell the difference in jurisdiction between the Metropolitan Trial Court and the Regional Trial Court.
>
> "WHEREFORE, the plaintiff's Motion for Reconsideration and plaintiff's additional arguments relative to the motion for reconsideration are hereby DENIED. Accordingly, as prayed for by defendant's counsel on May 27, 1997, Sheriff Abulencia is hereby directed to RETURN the Nissan Forklift described as Equipment No. C-201, 2 Tonner, Engine No. G1-214511 FG 25 TCM to defendant Movers-Baseco Integrated Port Services, Inc."[4]

Cyborg did not succeed in its motion for clarificatory judgment which the court took as just a second motion for reconsideration. Then, on 26 September 1997, Cyborg filed a petition for certiorari and prohibition, with preliminary injunction and/or prayer for temporary restraining order, against the MTC Judge, Conpac Warehousing and Movers, before the RTC of Manila (Civil Case No. 97-85267). This petition was opposed by Movers as being tardily filed. Still, later, an answer to this petition was filed by Movers.

On 20 October 1997, the RTC issued an order granting Cyborg's application for preliminary injunction; the court said:

> "The MTC dismissed the complaint filed by petitioner Cyborg for replevin of a leased Nissan forklift by defendant Compac and later taken into custody by defendant Movers-Baseco. Upon the MTC's denial of Cyborg's motion for reconsideration, Cyborg caused the filing of the instant petition.
>
> "In its motion to dismiss before the MTC Manila, Movers-Baseco argued that the MTC had no jurisdiction over this case because while the alleged amount of the forklift is P150,000, together with the other amounts/damages claimed, the total is beyond the MTC's jurisdiction.
>
> "Cyborg argued that since the principal action is for replevin, the other amounts being merely incidental, as the amount of P150,000 is within the MTC jurisdiction, the latter is competent to take cognizance of the case.
>
> "Such arguments, however, are better reserved for the adjudication on the merits of this petition. The issue now is whether there is sufficient legal ground to issue a writ of preliminary injunction to enjoin enforcement of the MTC's order dated June 10, 1997 which directed the delivery of the replevied forklift back to Movers-Baseco.
>
> "The MTC complaint alleged that the rentals of P11,000 per month are not being paid in the interim which lease contract is dated January 5, 1995 (Record, page 35).
>
> "It appears that Cyborg is the lessor-owner of the forklift. In the meantime, the rentals are not being paid it. As owner of the same, Cyborg has a clear right to the possession of the same during the pendency of this proceedings, the MTC having already issued a writ of replevin to gain possession of the forklift which is now in the possession of Cyborg. This status quo existing at the time this petition was filed should be maintained

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pending the resolution of the case, otherwise, great damage will be caused to Cyborg, the owner.

"The 1997 Rules on Civil Procedure allow the ex parte issuance of a 20-day TRO, the Rules silent as to whether a bond should cover the 20-day TRO, as it is the writ of preliminary injunction that requires the filing of an injunction bond. Hence, this Court issued a TRO until October 22, 1997 (Rule 58, Section 5), otherwise, with the rentals in the interim being unpaid, Cyborg is destined to suffer GREAT damage (not necessarily irreparable), the Rule expressly mentioning great OR irreparable injury.

"WHEREFORE, PREMISES CONSIDERED, let a writ of preliminary injunction issue against the respondents. The public and private respondents, the sheriff concerned, and any person acting for and in their behalf are restrained from implementing the order of the MTC Manila dated June 10, 1997 directing the delivery of the forklift back to the private respondent Movers-Baseco until the Court resolves the petition with finality.

"Serve a copy of this order, together with a copy of the affidavit, upon the public and private respondents. No additional injunction bond is being required because Cyborg already filed an injunction bond before the MTC Manila."[5]

Feeling aggrieved, petitioner filed before the RTC on 24 October 1997 this manifestation:

"For accuracy, respondent Movers-Baseco would like to sate that:

"(a) respondent Movers-Baseco never took custody of the forklift after the respondent Sheriff took possession of the same pursuant to the writ of replevin issued by the MTC; and

"(b) moreover, there is no bond posted by the petitioner for the issuance of the injunction. The bond referred to by this Court is the replevin bond posted in the Metropolitan Trial Court."[6]

Ultimately, on 04 December 1997, the RTC promulgated its judgment in Civil Case No. 97-85267; resolving the merits of the petition, it concluded:

"WHEREFORE, PREMISES CONSIDERED, the petition for certiorari is hereby GRANTED. Consequently,

"1. Having been rendered with grave abuse of discretion, the orders of respondent judge dated March 18, (Annex A), June 10, 1997 (Annex B), and August 22, 1997 (Annex C) are hereby ANNULLED and SET ASIDE.

"2. Respondent judge is ordered to refrain from implementing his order dated June 10, 1997 for the delivery of the forklift to respondent MOVERS-BASECO, making the writ of injunction permanent.

"3. Remanding the case to the MTC Manila for trial on the merits.

"Let a certified copy of this judgment be served upon the public respondent MTC Manila judge. Serve likewise a copy of this judgment upon the respondent Sheriff, counsel for petitioner, counsel for CONPAC, and counsel for MOVERS-BASECO."[7]

Petitioner timely resorted to this Court, via the instant petition for review, assailing the decision of the RTC and submitting to the Court the following legal issues: Whether or not-

(1) the MTC had jurisdiction over respondent's complaint;

(2) the MTC's order of dismissal had become final and executory;

(3) Cyborg's special civil action of certiorari and prohibition before the RTC can be a substitute for a lost appeal; and

(4) A temporary restraining order or preliminary writ of injunction can be issued without an injunction bond

apart from the replevin bond.

The threshold issue concerns MTC's jurisdiction over the action filed by Cyborg in Civil Case No. 152839 for "Damages with prayer for a writ of replevin." Hardly disputable is that jurisdiction of the court and the nature of the action must be determined by the averments in the complaint and the character of the relief sought[8] vis-à-vis the corresponding provisions of the law involved.[9]

Section 33 of Batas Pambansa Blg. 129, as amended by Republic Act No. 7691, states:

> "SEC. 33. Jurisdiciton of Metropolitan Trial Courts; Municipal Trial Courts and Municipal Circuit Trial Courts in Civil Cases. – Metropolitan Trial Courts, Municipal Trial Courts, and Municipal Circuit Trial Courts shall exercise:
>
> "(1) Exclusive original jurisdiction over civil actions and probate proceedings testate and intestate, including the grant of provisional remedies in proper cases, where the value of the personal property, estate, or amount of the demand does not exceed, or amount of the demand does not exceed One hundred thousand pesos (P100,000.00) or, in Metro Manila where such personal property, estate, or amount of the demand does not exceed Two hundred thousand pesos (P200,000.00), exclusive of interest, damages of whatever kind, attorney's fees, litigation expenses, and costs, the amount of which must be specifically alleged: Provided, That interest, damages of whatever kind, attorney's fees, litigation expenses, and costs shall be included in the determination of the filing fees: Provided, further, That where there are several claims or causes of actions between the same or different parties, embodied in the same complaint, the amount of the demand shall be the totality of the claims in all the causes of action, irrespective of whether the causes of action arose out of the same or different transactions;"

Supreme Court Administrative Circular No. 09-94, in turn, provides:

> "SUBJECT: Guidelines in the Implementation of Republic Act No. 7691, Entitled 'An Act Expanding the Jurisdiction of the Metropolitan Trial Courts, Municipal Trial Courts and Municipal Circuit Trial Courts, Amending For the Purpose Batas Pambansa Blg. 129, otherwise Known As the 'Judiciary Reorganization Act of 1980.'
>
> "xxx xxx xxx
>
> "2. The exclusion of the term 'damages' of whatever kind' in determining the jurisdictional amount under Section 19(8) and Section 33(1) of B.P. Blg. 129, as amended by R.A. No. 7691, applies to cases where the damages are merely incidental to or a consequence of the main cause of action. However, in cases where the claim for damages is the main cause of action, or one of the causes of action, the amount of such claim shall be considered in determining the jurisdiction of the court."

The complaint filed by Cyborg with the Metropolitan Trial Court of Manila prayed for the return of the Nissan Forklift to it, as owner and as lessor pursuant to a lease agreement executed by it in favor of Conpac, or, in the alternative for the payment of P150,000.00 (the actual market value of the forklift), plus damages, plus the amount of unpaid lease, starting 09 April 1995 at P11,000.00 per month, which as of the time of the filing of the complaint on 22 August 1996 had amounted to P180,000.00 which, together with the value of the forklift, reach the sum of P230,000.00 excluding the amount of damages and attorney's fees likewise claimed. It would be incorrect to argue that the actual damages in the form of unpaid rentals were just incident of the action for the return of the forklift, considering that private respondent specifically sought in the complaint not only the seizure of the forklift from petitioner - Movers, which took control of the operations of Conpac, but likewise the payment of unpaid and outstanding rentals. Verily, the Metropolitan Trial Court's orders of 18 March 1997 and 10 June 1997 dismissing the complaint and denying the motion of private respondent, respectively, were properly decreed.

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Another set back for Cyborg's cause was the fact that its petition for certiorari, with preliminary injunction and prayer for temporary restraining order, filed before the RTC should not have been allowed not only for being late but also for not being a valid substitute for a lost appeal. A petition for certiorari under the 1997 Rules of Civil Procedure should be filed within 60 days from receipt of the assailed decision, order or resolution. Cyborg's petition with the RTC was filed fourteen (14) days late[10] on 26 September 1997, or on the 74th day from its receipt of the order denying the motion for reconsideration on 14 July 1997. The RTC acted on the mistaken notion that the 1997 Rules of Civil Procedure took effect only in October 1997; in fact, the new rules became operative since 01 July 1997.

Having thus concluded, the Court need not take up the other issues raised.

WHEREFORE, the petition for review is GRANTED, and the decision of the Regional Trial Court of Manila in Civil Case No. 97-85267 is ANNULLED and SET ASIDE. The orders dated 18 March 1997, 10 June 1997 and 22 August 1997 of the Metropolitan Trial Court of Manila in Civil Case No. 152839 for "Damages With Prayer for a Writ of Replevin" are reinstated. Civil Case No. 152839 for damages is ordered DISMISSED for lack of jurisdiction.

SO ORDERED.

Melo, (Chairman), Panganiban, Purisima, and Gonzaga-Reyes, JJ., concur.

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[1] Rollo, pp. 24-25.

[2] Rollo, p. 31.

[3] Rollo, pp. 46-47.

[4] Rollo, pp. 56-57.

[5] Rollo, pp. 94-95.

[6] Rollo, pp. 159-160.

[7] Rollo, p. 20.

[8] Cañiza vs. Court of Appeals, 268 SCRA 640; Sumulong vs. Court of Appeals, 232 SCRA 372.

[9] Malayan Integrated Industries Corp. vs. Hon. Mendoza, 154 SCRA 548.

[10] Rollo, p. 129.

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