

METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM, PETITIONER, VS. ESM TRADING CORPORATION, RESPONDENT.

G.R. No. 159740. January 19, 2009

Ponente: YNARES-SANTIAGO, J.

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/g-r-no-159740/>

YNARES-SANTIAGO, J.:

This petition for review on certiorari under Rule 45 of the Rules of Court seeks a review of the March 14, 2003 Decision[1] of the Court of Appeals in CA-G.R. SP No. 62920, which dismissed the petition for certiorari filed by petitioner Metropolitan Waterworks and Sewerage System (MWSS), as well as the August 28, 2003 Resolution[2] which denied its Motion for Reconsideration.

On August 14, 1995, herein respondent ESM Trading Corporation (ESM) filed Civil Case No. G-2850 for nullification and cancellation of public bidding and damages with a prayer for Temporary Restraining Order and Preliminary Injunction with Branch 51 of the Regional Trial Court of Guagua, Pampanga, against petitioner MWSS, its officers, and Consuelo Commodities, Inc. (CCI), for awarding to the latter a contract for the supply of spring hydrants. ESM claims that it had suffered loss and damage as a result of the award to CCI, which turned out to be a non-complying and ineligible bidder.

On June 30, 2000, the trial court rendered in favor of ESM a decision,[3] the dispositive portion of which reads, as follows:

WHEREFORE, judgment is hereby rendered, as follows:

- Defendants Metropolitan Waterworks and Sewerage System (MWSS), Francisco A. Arellano, Edgardo Q. Esteban, Edgar Ariel Recto, Antonio F. Kaimo, Macra A. Cruz, Ruben A. Hernandez, Gregorio R. Vigilar, Oscar I. Garcia, Gregorio M. Datuin, Alfredo C. Reyes, Gliceria V. Sicat, Jose F. Mabanta and Amauri R. Gutierrez are hereby ordered to pay jointly and severally, plaintiff ESM Trading Corporation the sum equivalent in Philippine Pesos the amount of \$65,080.00 by way of actual damages, the conversion rate of which shall be computed on the basis of the year 1995 rate of exchange between the Philippine Peso to the United States of America dollars; and the legal rate of interest thereon from January, 1995 until paid;
- Defendants MWSS, Francisco A. Arellano, Edgardo Q. Esteban, Edgar Ariel Recto, Antonio F. Kaimo, Macra A. Cruz, Ruben A. Hernandez, Gregorio R. Vigilar, Oscar I. Garcia, Gregorio M. Datuin, Alfredo C. Reyes, Gliceria V. Sicat, Jose F. Mabanta and Amauri R. Gutierrez are hereby ordered to pay unto plaintiff Emilio S. Mendoza, jointly and severally, the sum of P500,000.00 by way of moral damages and the additional sum of P200,000.00 by way of exemplary damages;
- The same defendants above, to pay plaintiff the sum of P100,000.00 by way of Attorney's fees and cost of suit.

No judgment is entered against Defendant Consuelo Commodities, Inc., for insufficiency of evidence.

Defendants' counterclaims are DISMISSED for lack of merit.

SO ORDERED.[4]

On August 18, 2000, ESM moved for execution pending appeal which was opposed by MWSS. MWSS likewise interposed an appeal with respect to the decision of the trial court, which was docketed as CA-G.R. CV No. 74964.[5]

On January 8, 2001, the trial court issued its Order[6] granting execution pending appeal. On January 19, 2001, the trial court issued the corresponding writ of execution, and MWSS' money placement in PNB in the amount of P963,468.51 was garnished.

MWSS filed an original petition for certiorari squarely putting in issue the propriety of the trial court's grant of execution pending appeal, but the Court of Appeals, via the herein assailed decision, dismissed the same, and likewise denied MWSS' motion for reconsideration. Thus, the instant petition was filed on October 23, 2003.

On October 29, 2004, however, or pending resolution of the instant petition, the Court of Appeals promulgated its Decision in CA-G.R. CV No. 74964.[7] The appellate court reversed the decision of the trial court and deleted its award of actual, moral and exemplary damages originally granted in favor of ESM.

In view of this development, the instant petition has been rendered moot. The reversal of the trial court's decision in Civil Case No. G-2850 carried with it the nullification of the issued writ of execution pending appeal.

WHEREFORE, the Petition for Review on Certiorari is hereby DENIED. The Decision of the Court of Appeals dated March 14, 2003 in CA-G.R. SP No. 62920 which dismissed the petition for certiorari filed by Metropolitan Waterworks and Sewerage System and the Resolution dated August 28, 2003 denying the motion for reconsideration, are thus SET ASIDE.

SO ORDERED.

Austria-Martinez, Chico-Nazario, Nachura, and Leonardo-De Castro, JJ., concur.

* Designated as additional member of the Third Division in view of the retirement of Associate Justice Ruben T. Reyes, per Special Order No. 546 dated January 5, 2009.

[1] Rollo, pp. 35-40; penned by Associate Justice Juan Q. Enriquez, Jr. and concurred in by Associate Justices Bernardo P. Abesamis and Edgardo F. Sundiam.

[2] Id. at 41-42.

[3] Id. at 61-80.

[4] Id. at 79-80.

[5] Entitled "ESM Trading Corporation v. MWSS, et al."

[6] Rollo, pp. 43-49.

[7] Id. at 136-150.

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.