HEIRS OF CLEMENCIA PARASAC, PETITIONERS, VS. REPUBLIC OF THE PHILIPPINES, RESPONDENT.

G.R. NO. 159910. May 04, 2006

Ponente: CHICO-NAZARIO, J.

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CHICO-NAZARIO, J.:

Petitioners Heirs of Clemencia Parasac filed the present Petition for Review on Certiorari, under Rule 45 of the Revised Rules of Court, seeking the annulment and setting aside of the Resolution of the Tenth Division of the Court of Appeals in CA-G.R. CV No. 66594, dated 10 September 2003,[1] which granted the motion for reconsideration of respondent Republic of the Philippines, and reversed and set aside its earlier Decision in the same case, dated 24 February 2003.[2]

The petition at bar commenced on 17 July 1961, when Casiano Sandoval and Luz Marquez filed an application for registration of Lot No. 7453 of the Santiago Cadastral Survey 211, located in Cordon, Isabela, with an area of 15,303.5928 hectares. The application was docketed as Land Registration Case No. II-N-36 before the Court of First Instance (CFI)[3] of Isabela, Branch 2, entitled, "Heirs of Casiano Sandoval v. Director of Lands, et al." Initial hearing was held on 30 March 1962, and upon motion of the applicants Sandoval and Marquez, the CFI of Isabela, Branch 2, issued an Order of general default against the whole world except the oppositors who were then present, among which, were the Director of Lands, the Director of Forestry, the Heirs of Clemencia Parasac, the Heirs of Liberato Bayaua, and the Philippine Cacao and Farm Products, Inc. For some reason not explained, Land Registration Case No. II-N-36 remained dormant for almost two decades, until the parties to the case submitted to the CFI of Isabela, Branch 2, a Compromise Agreement,[4] dated 6 February 1981, pertinent portions of which read as follows -

> - That the parties herein agree that the subject of this proceeding is Cadastral Lot No. 7453 of the Santiago Cadastral Survey 211, situated in Cordon, Isabela with an area of 15,303.5928 hectares, more or less, as appearing in the technical description attached to the application for registration.
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> - That all the parties herein have agreed to this compromise settlement of their respective claim in the manner hereunder set forth, to wit:
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> a) Applicant Heirs of Casiano Sandoval do hereby disclaim in favor of the Bureau of Lands the area of 1,750 hectares, more or less, embraced within subdivision survey GSS-361-D, surveyed for Honorato Collantes, et al., Cad-315-D, surveyed for Mauricio Manuel, et al. and GSS-283 surveyed for Ernesto Taruc, et al.,
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> b) Applicant Heirs of Casiano Sandoval do hereby disclaim in favor of the Bureau of Forest Development an area of 5,661 hectares, the exact metes and bounds of which shall be surveyed for the purpose of this Compromise Agreement and the adjudication of title in this proceedings; the disclaimer to include areas covered by the watershed management and erosion control project funded by the World Bank;
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> c) Applicant Heirs of Casiano Sandoval do hereby disclaim in favor of the Heirs of Clemencia Parasac and Liberato Bayaua, represented by their attorney-in-fact, Remedios Alvarez, an area of 1,000 hectares, the exact

metes and bounds of which shall likewise be surveyed for the purposes of this Compromise Agreement and the adjudication of title in this proceeding;

d) Applicant Heirs of Casiano Sandoval do hereby disclaim in favor of the Philippine Cacao and Farm Products, Inc., an area of 4,000 hectares, the exact metes and bounds of which shall be surveyed for the purposes of this Compromise Agreement and the adjudication of title in this proceeding;

e) The area of 2,892.5928 hectares of Lot 7453 shall be adjudicated to the Heirs of Casiano Sandoval. Out of this area, 892.5928 hectares is hereby assigned and transferred to their counsel of record, Jose C. Reyes by way of attorney's fees. The exact metes and bounds of the area of 2,892.5928 hectares adjudicated to the Heirs of Casiano Sandoval, segregating therefrom the area of 892.5928 hectares assigned and transferred to Jose C. Reyes by way of attorney's fees shall be surveyed separately for the purposes of this Compromise Agreement to the end that separate titles thereto may issue to the Heirs of Casiano Sandoval and their counsel of record, Jose C. Reyes.

- That by virtue of the aforementioned disclaimer of the applicant Heirs of Casiano Sandoval in the concept of a Compromise Agreement to the claims of all the afore-mentioned parties in the above-entitled case, the said parties mutually quit claim against each other all their previous claims to and over Cadastral Lot No. 7453 of the Santiago Cadastre, subject matter of this registration proceeding, and pray the Hon. Court to render judgment based on this Compromise Agreement; x x x [Underscoring ours.]

In its Decision[5] and Order,[6] both dated 3 March 1981, the CFI of Isabela, Branch 2, approved the afore-quoted Compromise Agreement after finding that it was not contrary to law, public policy, and public order.

Pursuant to the Decision of the CFI of Isabela, Branch 2, in Land Registration Case No. II-N-36, the National Land Titles and Deeds Registration Administration (NLTDRA),[7] issued Decree No. N-198071[8] in favor of the Heirs of Clemencia Parasac and Liberato Bayaua covering the piece of land adjudicated to them in the judicially approved Compromise Agreement. The NLTDRA forwarded the said Decree, together with its corresponding Certificate of Title, to the Registry of Deeds of Ilagan, Isabela. Although the Register of Deeds of Ilagan, Isabela, acknowledged receipt of Decree No. N-198071 and its corresponding Certificate of Title on 20 December 1991, he reported that the Decree could not be found despite exhaustive efforts to locate it. [9] As a result, Decree No. N-198071 was not yet registered,[10] although, apparently, a copy of the unregistered Original Certificate of Title over the adjudicated piece of land was already released to the Heirs of Clemencia Parasac and Liberato Bayaua.[11]

Upon advice of the Land Registration Authority, the Heirs of Clemencia Parasac and Liberato Bayaua filed, on 19 August 1998, a Petition[12] for the issuance of a new decree of registration, docketed as LRC Rec. No. 35-2578, before the Regional Trial Court (RTC) of Santiago City, Branch 35. When the RTC of Santiago City, Branch 35, issued an Order,[13] dated 4 November 1998, setting the Petition for hearing on 22 February 1999,[14] it forwarded a copy of the said Order to the Office of the Solicitor General (OSG). On 16 February 1999, the OSG, on behalf of the Republic of the Philippines, opposed the Petition in LRC Rec. No. 35-2578 and prayed for the denial thereof. In its Opposition,[15] the OSG argued that -

1. The Petition is one for the issuance of decree in lieu of one allegedly lost, Decree No. N-198071.

2. The purported issuance of Decree No. N-198071, however, is premature, if not anomalous and irregular.

3. To date, the purported Decision dated March 3, 1981 of the Regional Trial [Court], Branch 2, in Isabela, rendered in LRC No. II-N-36, Lot 745[3], Santiago Cadastre 211, has not been received by the Office of the Solicitor General (OSG).

[4.] In Republic v. Court of Appeals, 201 SCRA 1, 6 [1991], the Supreme Court stressed that "service of

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> decision on the Solicitor General is the proper basis for computing the reglementary period for filing of appeals and for determining whether a decision had attained finality."
>
> [5.] Since the Decision dated March 3, 1981, has not been received by the OSG, the same did not attain finality. In consequence, any decree issued pursuant to said decision is void.
>
> [6.] Moreover, that no valid Decree N[o]. N-198071 was ever issued is patent from the Registry of Deeds' letter dated April 20, 1998, addressed to the Administrator of the Land Registration Authority (LRA), confirming that "a verification on the Primary Entry Book shows that said decree was not registered and never been issued to the adjudicatee" x x x

After conducting hearings in due course, the RTC of Santiago City, Branch 35, issued an Order, dated 9 November 1999, finding that -

> The jurisdictional facts having [been] proven and that the Court having been satisfied that there is a need for the issuance of another copy of Decree No. N-198071 based on the record on file with the Land Registration Authority, the herein petition is granted.
>
> WHEREFORE, the National Land Titles and Deeds Registration Administration, Department of Justice (Land Registration Commission), now Land Registration Authority, is hereby ordered to issue another copy of Decree No. N-198071, under the name of heirs of Liberato Bayaua and Clemencia Parasac, represented by their attorney-in-fact, Remedios Alvarez, upon payment of fees required by law.[16]

From the foregoing facts arose two separate cases before the Court of Appeals, CA-G.R. SP No. 54618 and CA-G.R. CV No. 66594, both instituted by the OSG, on behalf of the Republic of the Philippines.

1) CA-G.R. SP No. 54618 - Complaint for the annulment of the Decision of the CFI of Isabela, Branch 2, in Land Registration Case No. II-N-36, dated 3 March 1981.

The Republic of the Philippines, represented by the OSG, filed a Complaint before the Court of Appeals, docketed as CA-G.R. SP No. 54618, seeking the annulment of the Decision of the CFI of Isabela, Branch 2, in Land Registration Case No. II-N-36, dated 3 March 1981, because the said Decision was based solely on a Compromise Agreement, dated 6 February 1981, which was entered into by the Directors of the Bureau of Lands and the Bureau of Forest Development, who were without authority to dispose of lands of the public domain. In addition, the Compromise Agreement was entered into without notice to, knowledge or participation of, the Solicitor General, the mandated counsel of the Republic of the Philippines. Lastly, the Solicitor General was not furnished a copy of the assailed Decision in contravention of law.

Parties to the Compromise Agreement, namely, the Heirs of Clemencia Parasac and Liberato Bayaua; Elvira G. Reyes, in substitution of the deceased Atty. Jose C. Reyes; and the Philippine Cacao and Farm Products, Inc., filed separate Motions to Dismiss the Complaint asserting, among other reasons, that its cause of action was already barred by prior judgment or by the statute of limitations, as well as by laches or estoppel.

On 19 July 2001, the First Division of the Court of Appeals promulgated its Decision[17] in favor of the Republic of the Philippines, essentially on the basis of another case already decided by the Supreme Court, Republic v. Sayo,[18] ruling thus -

> [A]s held in Republic v. Sayo (191 SCRA 71), which We shall presently discuss in more detail, the receipt by the Solicitor General of a copy of the Decision dated March 3, 1981, did not make it binding on the Republic of the Philippines inasmuch as the decision was based on a compromise agreement entered into by the Directors of Land and Forest Development without the participation of the Solicitor General, plaintiff government's counsel.

> Except for the identity of the land and the trial court which rendered the decision, the instant case has practically the same parties and may be considered to be the virtual twin of another case entitled "Republic vs. Hon. Sofronio G. Sayo, Judge, Br. I, CFI, Nueva Vizcaya, Heirs of Casiano Sandoval, Heirs of Liberato Bayaua, Jose C. Reyes and Philippine Cacao and Farm Products, Inc." (SC-G.R. No. 60413, October 31, 1990; 191 SCRA 71 supra).
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> The above-mentioned GR 60413 involved Lot No. 7454 of the Cadastral Survey of Santiago, BL, CAD 211 with an area of 33,950 hectares. Lot 7454 is adjacent to Lot No. 7453, subject of the instant case. Lot 7454 was formerly also part of the Municipality of Santiago, Province of Isabela, but is now within the province of Nueva Vizcaya by virtue of Republic Act No. 236. As in the present case, that case dragged for about twenty (20) years until the trial court rendered a Decision on March 3, 1981, the very same date as the assailed Decision in the instant case, also based on a Compromise Agreement. The Supreme Court annulled the decision of the trial court, ratiocinating as follows:
> "It thus appears that the decision of the Registration Court a quo is based solely on the compromise agreement of the parties. But that compromise agreement included private persons who had not adduced any competent evidence of their ownership over the land subject of the registration proceeding. Portions of the land in controversy were assigned to persons or entities who had presented nothing whatever to prove their ownership of any part of the land. What was done was to consider the compromise agreement as proof of title of the parties taking part therein, a totally unacceptable proposition. The result has been the adjudication of lands of no little extension to persons who had not submitted any substantiation at all of their pretensions to ownership, founded on nothing but the agreement among themselves that they had rights and interests over the land.
>
> "The assent of the Directors of Lands and Forest Development to the compromise agreement did not and could not supply the absence of evidence of title required of the private respondents.
>
> "xxx xxx xxx
>
> "Finally, it was error to disregard the Solicitor General in the execution of the compromise agreement and its submission to the Court for app(r)oval. It is, after all, the Solicitor General, who is the principal counsel of the Government; this is the reason for our holding that "Court orders and decisions sent to the fiscal, acting as agent of the Solicitor General in land registration cases, are not binding until they are actually received by the Solicitor General." (Republic v. CA, 148 SCRA 480 [1987]; Republic v. C.A., 135 SCRA 157 [1985]; Republic v. Mendoza, 125 SCRA 539 [1983].
>
> "It thus appears that the compromise agreement and the judgment proving it must be, as they are hereby, declared null and void and set aside. x x x." (Emphasis supplied)

The foregoing decision of the High Court, rendered in a case that is the veritable twin of the case at bench, has settled the points raised herein based on the doctrine of stare decisis et non quieta movere, if not the more specific principle of law of the case (Mangoma vs. CA, 241 SCRA 21; In re Petition, Group Comdr. ISG PA vs. Dr. Malvar, et al., 231 SCRA 62, 86).

Nevertheless, it is beneficial to respond to the issues raised in the motions. We rule that the instant petition is not barred by prescription, laches, estoppel, or res judicata. Prescription does not lie against the State (Article 1108, Civil Code of the Philippines) and no laches attach when the judgment is null and void for want of jurisdiction (Arcelona vs. Court of Appeals, 280 SCRA 20).

Res judicata does not apply where the second action is precisely to annul the judgment in the first action, as one of the requisites of res judicata is that there must be a former valid judgment (Almeda vs. Cruz, 84 Phil 636). Where the trial court has not acquired jurisdiction over the subject matter, the principle of res judicata does not apply (Republic vs. Court of Appeals, 99 SCRA 473).

x x x x

Under section 2, Rule 47 of the 1997 Rules of Civil Procedure, annulment of judgments may be based on the grounds of extrinsic fraud and lack of jurisdiction, with the effect of the judgment of annulment definitively set forth in section 7 thereof. Based on all the foregoing considerations, this Court holds and so rules that the court below had no jurisdiction to render the assailed Decision which must accordingly be set aside, without prejudice however to the original action being refiled (sec. 7, Rule 47, supra).

WHEREFORE, respondents' motions are DENIED and the petition is hereby GRANTED. The assailed Decision dated March 3, 1981 is ANNULLED and SET ASIDE, without prejudice to the original action being refiled in the proper court.

No costs.[19]

There is nothing in the records that would show if the Heirs of Clemencia Parasac and Liberato Bayaua filed a motion for reconsideration of the foregoing Decision of the Court of Appeals. They did file before this Court a Petition for Review on Certiorari, under Rule 45 of the Rules of Civil Procedure, docketed as G.R. No. 149446. This Court, however, in a Resolution,[20] dated 17 October 2001, denied the Petition in G.R. No. 149446 for failure of the petitioners therein to comply with the following requirements -

> (a) take the appeal within the reglementary period of fifteen (15) days in accordance with Section 2, Rule 45 in relation to Section 5(a), Rule 56, in view of the denial of petitioners' motion for extension of time to file petition in the resolution of 17 September 2001; and
>
> (b) submit an affidavit of service of copies of the petition on respondent and the Court of Appeals executed by the party serving containing a full statement of the date, place and manner of service in accordance with Sections 3 and 5, Rule 45 and Section 5(d), Rule 56 in relation to Section 13, Rule 13 of the Rules.

On 12 December 2001, this Court issued a Resolution[21] denying with finality the motion filed by the Heirs of Clemencia Parasac and Liberato Bayaua, for reconsideration of the Resolution, dated 17 September 2001, which denied their motion for extension of time to file the Petition in G.R. No. 149446. Likewise, on 11 February 2002, this Court issued another Resolution[22] denying with finality their motion for reconsideration of the Resolution, dated 17 October 2002, which denied the Petition in G.R. No. 149446 for late filing and non-compliance with the Rules. In both Resolutions, dated 12 December 2001 and 11 February 2002, this Court found no compelling reason to warrant the reconsideration sought in the motions.

With no other remedies brought before this Court, the Decision of the Court of Appeals in CA-G.R. SP No. 54618, dated 19 July 2001, already became final and executory. The said Decision annulled and set aside the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, approving the Compromise Agreement which adjudicated a portion of Lot No. 7453 of the Santiago Cadastral Survey 211 to the Heirs of Clemencia Parasac and Liberato Bayaua.

2) CA-G.R. CV No. 66594 - Appeal from the Order of the RTC of Santiago City, Branch 35, dated 9 November 1999, in LRC Rec. No. 35-2578

Simultaneous with CA-G.R. SP No. 54618, the Republic of the Philippines, represented by the OSG, filed an Appeal with the Court of Appeals, docketed as CA-G.R. CV No. 66594, assailing the Order of the RTC of Santiago City, Branch 35, dated 9 November 1999, which directed the Land Registration Authority to issue to the Heirs of Clemencia Parasac and Liberato Bayaua another copy, in replacement of the lost orignal, of Decree No. N-198071. The OSG contended that the RTC of Santiago City, Branch 35, gravely erred in rendering the assailed Order, despite the opposition thereto of the OSG, because the Decision of the CFI of Isabela, Branch 2, dated 3

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March 1981, rendered in Land Registration Case No. II-N-36, which adjudicated portions of Lot No. 7453 of the Santiago Cadastral Survey 211 to the parties therein, had not yet attained finality for the simple reason that the OSG, as of the time of filing of the Appeal, had not yet been furnished a copy of the said Decision. In fact, as the OSG informed the Court of Appeals, there was already a pending Petition for annulment of the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, before another Division of the Court of Appeals and docketed as CA-G.R. SP No. 54618.

After the parties filed their respective briefs, the Tenth Division of the Court of Appeals promulgated its Decision[23] on 24 February 2003, resolving the appeal of the Republic of the Philippines in the following manner -

> The appeal is devoid of merit.
>
> Anent the first assigned error, oppositor-appellant belies the claim of petitioners-appellees that Decree No. N-198071 issued by the Commissioner of Land Registration is now considered lost and unrecoverable. They contend that petitioners-appellees, in filing the present petition actually intended for the issuance of a new decree in lieu of Decree No. N-198071.
>
> We do not agree. The dispositive portion of the assailed Order dated November 9, 1999 of the court a quo directs the Commissioner of Land Registration to issue another copy of Decree No. N-198071 and not the issuance of a new decree. It is the duty of the said commissioner to issue decrees of registration. After judgment in a land registration proceeding becomes final and executory, it shall devolve upon the court to forthwith issue an order in accordance with Section 39 of Presidential Decree No. 1529 to the Commissioner of Land Registration for the issuance of the decree of registration.
>
> In the present case, the Court of [F]irst Instance of Isabela, Branch 2, already issued an order for the issuance of a decree of registration on July 19, 1984 to the applicants of LRC Case No. II-N-36. Thus, the court a quo correctly ordered for the issuance of another copy of Decree No. N-198071 since it has been shown by petitioners-appellees that their copy of Decree No. N-198071 was misplaced by the Registry of Deeds of Isabela when they submitted it for registration.
>
> As to the second assigned error, oppositor-appellant contends that the issuance of Decree No. N-198071, pursuant to the Decision dated March 3, 1981 is full of legal setbacks and one of these is the fact that the OSG was not furnished a copy of the said decision. Thus, a complaint was filed by the OSG before this Court on August 27, 1999, docketed as C.A.-G.R. SP No. 54618 for the annulment of the Decision dated March 3, 1981.
>
> We disagree. Under review in this appeal is the Order dated November 9, 1999 issued by the Regional Trial Court of Santiago City, Branch 35 and not the March 3, 1981 decision of the Court of First Instance of Isabela, Branch 2. The said decision is not being assailed in this appeal hence, We are not at liberty to review the same.
>
> Furthermore, it would not be proper to consider and review the Decision dated March 3, 1981 of the Court of First Instance of Isabela, Branch 2. To do so would require us to modify or interfere with the judgment or order of another division since the issue of its finality is pending before the Eleventh Division of this Honorable Court docketed as SP No. 54618. Well-entrenched in our jurisdiction is the doctrine that a court has no power to do so, as that action may lead to confusion and seriously hinder the administration of justice.
>
> WHEREFORE, in view of the foregoing the assailed Order dated November 9, 1999 of the Regional Trial Court of Santiago City, Branch 35 is hereby AFFIRMED. No costs.

The Republic of the Philippines timely moved for the reconsideration of the afore-quoted decision of the Tenth Division of the Court of Appeals, dated 24 February 2003, in CA-G.R. CV No. 66594. It brought to the attention of the Tenth Division of the Court of Appeals that the First Division of the same Court had already rendered a Decision, dated 19 July 2001, in CA-G.R. SP No. 54618, annulling and setting aside the Decision of the CFI of

Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36. Although the Heirs of Clemencia Parasac and Liberato Bayaua attempted to file a Petition for Review on Certiorari of the Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618, their Petition was denied with finality by this Court for failure to comply with the requirements in filing such a Petition. By virtue of this new information, the Tenth Division of the Court of Appeals issued a Resolution[24] on 10 September 2003 granting the motion for reconsideration of the Republic of the Philippines, to wit -

> The motion for reconsideration is meritorious.
>
> The main issue of this case is whether or not another copy of Decree No. N-198071 should be issued to herein petitioners-appellees. In our decision dated February 24, 2003, We ruled in the affirmative. However, on July 19, 2001, the First Division of this Court promulgated its decision in Special Proceeding No. 54618, annulling and setting aside the decision of the Regional Trial Court of Isabela, Branch 2 dated March 3, 1981. The said decision was the basis for the issuance of Decree No. N-198071 and as a consequence of its annulment, a copy of the decree can no longer be issued.
>
> WHEREFORE, in view thereof, the motion for reconsideration is hereby GRANTED and our decision dated February 24, 2003 is hereby REVERSED and SET ASIDE and the November 9, 1999 Order of the Trial Court declared null and void.

It is this Resolution of the Tenth Division of the Court of Appeals, dated 10 September 2003, in CA-G.R. CV No. 66594, which is now the subject of the petition at bar. In their lone assignment of error,[25] petitioners Heirs of Clemencia Parasac allege that -

> THE FORMER TENTH (10th) DIVISION (now Eleventh Division) OF THE COURT OF APPEALS GRAVELY ERRED IN ISSUING THE ASSAILED RESOLUTION OF SEPTEMBER 10, 2003, WHICH GRANTED THE MOTION FOR RECONSIDERATION OF ITS EARLIER DECISION DATED FEBRUARY 24, 2003 AND REVERSING AND SETTING ASIDE THE SAME, AS WELL AS NULLIFYING THE ORDER OF RTC branch 35 OF SANTIAGO CITY DATED NOVEMBER 9, 1999, WHEN IT MERELY BASED ITS JUDGMENT ON THE DECISION OF THE FIRST DIVISION OF THE SAME COURT IN C.A. G.R. NO. 54618, NOTWITHSTANDING THE FACT THAT THE LATTER DECISION CONSTITUTES A COLLATERAL ATTACK OF THE DECISION OF THE CFI (now RTC) branch 2, OF ISABELA, IN LRC CASE No. II-N-36, WHICH BY ITSELF HAS ALREADY ATTAINED FINALITY LONG BEFORE C.A. G.R. NO. 54618 WAS FILED, CONTRARY TO THE SPIRIT BEHIND THE TORRENS SYSTEM OF REGISTRATION.

In their Prayer, the Heirs of Clemencia Parasac sought from this Court the following -

> WHEREFORE, in view of the foregoing, petitioners most respectfully pray that the Decision of the First Division of the Court of Appeals in CA G.R. SP No. 54618 promulgated on July 19, 2001, which became the basis of the Resolution of September 10, 2003 of the Former Tenth Division in C.A. G.R. No. 66594, be annulled and set aside for being contrary to law and that the Decision of the Former Tenth Division in C.A. G.R. No. 66594 promulgated on February 24, 2003 be affirmed in toto.[26]

It is a prayer this Court cannot grant. This Court, finding that the instant petition is devoid of merit, is compelled to deny the same.

When the Tenth Division of the Court of Appeals came out with its Decision, dated 24 February 2003, in CA-G.R. CV No. 66594, it was not yet aware that another Division of the same Court, namely, the First Division, already promulgated a Decision, dated 19 July 2001, in CA-G.R. SP No. 54618. Although the two cases were instituted and adjudged separately, it is incontrovertible that they were related. More particularly, the issue in CA-G.R. CV No. 66594 on whether or not another copy of Decree No. N-198071 should be issued to the Heirs of

Clemencia Parasac, was dependent on the resolution of the issue in CA-G.R. SP No. 54618 on whether or not the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, on which the Heirs of Clemencia Parasac based their claim to the piece of land covered by Decree No. N-198071, should be annulled.

It is uncontested that the only basis for the issuance of Decree No. N-198071, covering a portion of Lot No. 7453 of the Santiago Cadastral Survey 211, is the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, which approved the Compromise Agreement, dated 6 February 1981, adjudicating such portion to the herein petitioners Heirs of Clemencia Parasac, together with the Heirs of Liberato Bayaua. When the First Division of the Court of Appeals, in its Decision, dated 19 July 2001, in CA-G.R. SP No. 54618, annulled and set aside the said Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, then, in effect, the titles of the parties therein to certain portions of Lot No. 7453, as adjudicated in the Compromise Agreement, dated 6 February 1981, remained unconfirmed. Without any confirmed title to their supposed portion of Lot No. 7453, it follows that the Heirs of Clemencia Parasac did not have a right to the issuance of any decree of registration, for they cannot register in their name a title to a piece of land which has not been confirmed, whether judicially or administratively, in accordance with existing laws. Since the Heirs of Clemencia Parasac had no right to the issuance of the original Decree No. N-198071, consequently, they also had no right to the issuance of a copy thereof. With the annulment and setting aside of the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, by virtue of the Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618, there is also no more basis for the Order of the RTC of Santiago City, Branch 35, dated 9 November 1999, directing the Land Registration Authority to issue another copy of Decree No. N-198071 to the Heirs of Clemencia Parasac and Liberato Bayaua. Thus, the Tenth Division of the Court of Appeals did not err when it granted the motion for reconsideration of the Republic of the Philippines in a Resolution, issued on 10 September 2003, wherein it reversed and set aside its earlier Decision, dated 24 February 2003, and declared the Order of the RTC of Santiago City, Branch 35, dated 9 November 1999, null and void.

Moreover, in the arguments and prayer contained in their present petition, the Heirs of Clemencia Parasac seek from this Court the annulment and setting aside of the Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618, which declared null and void the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, the latter being their sole basis for their claim for the issuance of Decree No. N-198071.

It bears to emphasize that the instant Petition arose from CA-G.R. CV No. 66594, which only involves the appropriateness of issuing another copy of Decree No. N-198071 to the Heirs of Clemencia Parasac. The Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618 was already the subject of another Petition, also filed before this Court by the Heirs of Clemencia Parasac, docketed as G.R. No. 149446. However, because the Petition in G.R. No. 149446 was filed out of time and without the required affidavit of service, it was denied by this Court in a Resolution, dated 17 October 2001. This Court denied with finality the motion filed by the Heirs of Clemencia Parasac for reconsideration of its previous Resolution, dated 17 October 2001. There being no other remedy brought before this Court as to the Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618, the same had already become final and executory. Any subsequent attempt by the Heirs of Clemencia Parasac to reverse or modify the same is already barred by res judicata.

In the case of Spouses Barretto v. Court of Appeals,[27] this Court expounded on the doctrine of res judicata in the following manner -

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Section 47, Rule 39 of the Rules of Court, provides:

> "Sec. 47. Effect of judgments or final orders. - The effect of a judgment or final order rendered by a court of the Philippines, having jurisdiction to pronounce the judgment or final order, may be as follows:
>
> x x x x
>
> (b) In other cases, the judgment or final order is, with respect to the matter directly adjudged or as to any other matter that could have been raised in relation thereto, conclusive between the parties and their successors in interest by title subsequent to the commencement of the action or special proceeding, litigating for the same thing and under the same title and in the same capacity; and
>
> (c) In any other litigation between the same parties of their successors in interest, that only is deemed to have been adjudged in a former judgment or final order which appears upon its face to have been so adjudged, or which was actually and necessarily included therein or necessary thereto."
>
> The aforecited rule in point embodies the fundamental principles of res judicata, finality of judgment and estoppel by judgment, which means that once a judgment has become final and executory, the issues therein litigated upon are laid to rest.
>
> The doctrine of res judicata is of two aspects. The first aspect is the effect of a judgment as a bar to the prosecution of a second action upon the same claim, demand or cause of action. The second aspect precludes the relitigation of a particular fact or issue in another action between the same parties or their successors in interest, on a different claim or cause of action.

There is also a discussion, along similar lines, on the doctrine of res judicata in the earlier case of Calalang v. Register of Deeds of Quezon City,[28] which reads -

> The doctrine res judicata actually embraces two different concepts: (1) bar by former judgment and (b) conclusiveness of judgment.
>
> The second concept - conclusiveness of judgment - states that a fact or question which was in issue in a former suit and was there judicially passed upon and determined by a court of competent jurisdiction, is conclusively settled by the judgment therein as far as the parties to that action and persons in privity with them are concerned and cannot be again litigated in any future action between such parties or their privies, in the same court or any other court of concurrent jurisdiction on either the same or different cause of action, while the judgment remains unreversed by proper authority. It has been held that in order that a judgment in one action can be conclusive as to a particular matter in another action between the same parties or their privies, it is essential that the issue be identical. If a particular point or question is in issue in the second action, and the judgment will depend on the determination of that particular point or question, a former judgment between the same parties or their privies will be final and conclusive in the second if that same point or question was in issue and adjudicated in the first suit (Nabus vs. Court of Appeals , 193 SCRA 732 [1991]). Identity of cause of action is not required but merely identity of issues.

The case of Legarda v. Savellano[29] elucidates the rationale for respecting the conclusiveness of judgment, thus -

> As we have repeatedly enunciated, public policy and sound practice enshrine the fundamental principle upon which the doctrine of res judicata rests that parties ought not to be permitted to litigate the same issues more than once. It is a general rule common to all civilized system of jurisprudence, that the solemn and deliberate sentence of the law, pronounced by its appointed organs, upon a disputed fact or a state of facts, should be regarded as a final and conclusive determination of the question litigated, and should forever set the controversy at rest. Indeed, it has been well said that this maxim is more than a mere rule of law; more even than an important principle of public policy; and that it is not too much to say that it is a fundamental concept in the organization of every jural sytem. Public policy and sound practice demand that, at the risk of occasional

> errors, judgments of courts should become final at some definite date fixed by law. The very object for which courts were constituted was to put an end to controversies.

If this Court should grant the Petition at bar, it would be violating the second concept of the doctrine of res judicata, the conclusiveness of judgment. Even when the instant Petition is supposedly for the issuance of another copy of Decree No. N-198071 in favor of the Heirs of Clemencia Parasac, what it is actually praying for is the re-litigation of the issue of the validity of the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, on which the Heirs of Clemencia Parasac based their claim to the piece of land covered by Decree No. N-198071. The said issue was already directly put into question in CA-G.R. SP No. 54618, because the Petition therein, filed by the Republic of the Philippines, as represented by the OSG, against the Heirs of Clemencia Parasac, among other persons, precisely sought the annulment of the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36. The First Division of the Court of Appeals rendered its Decision on the merits of the said case on 19 July 2001. The said Decision comprehensively presented the findings of fact and law of the First Division of the Court of Appeals, which led to its conclusion that the Decision of the CFI of Isabela, Branch 2, dated 3 March 1981, in Land Registration Case No. II-N-36, was indeed null and void. This Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618, had already attained finality and, hence, conclusive on the Tenth Division of the Court of Appeals, who resolved CA-G.R. CV No. 66594, there being an unmistakable identity of issues and parties between CA-G.R. SP No. 54618 and CA-G.R. CV No. 66594.

Finally, the Heirs of Clemencia Parasac cannot use the Petition at bar as a substitute to their Petition in G.R. No. 149446. Their Petition in G.R. No. 149446 sought the review on certiorari of the Decision of the First Division of the Court of Appeals, dated 19 July 2001, in CA-G.R. SP No. 54618. However, it was denied by this Court for failure to comply with the requirements for such a Petition. To grant the instant Petition would not only be a violation of the conclusiveness of judgment, one of the concepts of the principle of res judicata, but also a circumvention of the procedural rules, which would render the previous denial by this Court of the Petition in G.R. No. 149446 nugatory.

IN VIEW OF THE FOREGOING, the instant Petition is hereby DENIED. The Resolution of the Tenth Division of the Court of Appeals in CA-G.R. No. 66594, dated 10 September 2003, which granted the motion for reconsideration of the Republic of the Philippines by reversing and setting aside its earlier Decision in the same case, dated 24 February 2003, and declaring null and void the Order of the RTC of Santiago City, Branch 35, in LRC Rec. No. 35-2578, dated 9 November 1999, is hereby AFFIRMED.

Costs against the petitioners Heirs of Clemencia Parasac.

SO ORDERED.

Panganiban, C. J., (Chairperson), Ynares-Santiago, Austria-Martinez, and Callejo, Sr., JJ., concur.

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[1] Penned by Associate Justice Jose L. Sabio, Jr. with Associate Justices Portia Aliño-Hormachuelos and Amelita G. Tolentino, concurring; CA rollo, pp. 133-134.

[2] Penned by Associate Justice Jose L. Sabio, Jr. with Associate Justices Portia Aliño-Hormachuelos and Amelita G. Tolentino, concurring; Id., pp. 95-100.

[3] Now Regional Trial Court (RTC).

[4] CA rollo, pp. 53-55.

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[5] Penned by District Judge Andres B. Plan; RTC records, pp. 10-13.

[6]Penned by District Judge Andres B. Plan; Id., p. 14.

[7] Formerly the Land Registration Commission.

[8]RTC records, pp. 4-6.

[9]Letter and Certification, both dated 20 April 1993, and signed by Ariel C. Valleja, the Register of Deeds of Ilagan, Isabela; Id., pp. 8-9.

[10]Id.

[11]Id., pp. 34-35.

[12]Id., pp. 1-2.

[13] Penned by Judge Demetrio D. Calimag, Jr.; Id. p. 20.

[14] An Amended Order, dated 6 January 1999, also penned by Judge Demetrio D. Calimag, Jr., would move the hearing date to 14 April 1999; Id., p. 21.

[15] Id., pp. 36-39.

[16] Records, p. 122.

[17]Penned by Associate Justice Portia Aliño-Hormachuelos with Acting Presiding Justice Cancio C. Garcia and Associate Justice Merecedes Gozo-Dadole, concurring; Rollo, pp. 72-85.

[18] G.R. No. 60413, 31 October 1990, 191 SCRA 71.

[19]Rollo, pp. 80-85.

[20] Id., p. 123.

[21] Id., p. 124.

[22] Id., p. 125.

[23]CA rollo, pp. 98-99.

[24] CA rollo, pp. 133-134.

[25]Rollo, p. 30.

[26] Id., p. 36.

[27] 381 Phil. 580, 588-589 (2000).

[28]G.R. Nos. 76265 & 83280, 11 March 1994, 231 SCRA 88, 99-100.

[29] G.R. No. L-38892, 26 February 1988, 158 SCRA 194, 200.

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