



SUPREME COURT OF THE PHILIPPINES
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Republic of the Philippines
Supreme Court
Manila

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THIRD DIVISION

**NATIONAL STEEL
CORPORATION, represented by
its duly appointed Liquidator,
ATTY. DANILO L.
CONCEPCION,**

Petitioner,

- versus -

G.R. No. 250981

Present:

CAGUIOA, J., *Chairperson,*
LAZARO-JAVIER,*
INTING,
DIMAAMPAO, and
SINGH, JJ.

**CITY OF ILIGAN, as represented
by MAYOR CELSO G.
REGENCIA, and THE CITY
TREASURER OF ILIGAN,**

Respondents:

Promulgated:
July 20, 2022

Mi-PDCB-H

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DECISION

INTING, J.:

Before this Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court which seeks to annul and set aside the Decision² dated July 24, 2019 and the Resolution³ dated December 18, 2019 of the Court of Appeals (CA) in CA-G.R. SP No. 149852. The CA dismissed the Petition for Prohibition⁴ of petitioner National Steel Corporation (petitioner) against the City Government of Iligan and its City Treasurer (collectively, respondents) on the following grounds: (1) violation of the rule against forum shopping;⁵ and (2) failure to observe

* Designated additional Member per Raffle dated November 10, 2021.

¹ *Rollo*, pp. 32-53.

² *Id.* at 17-29. Penned by Associate Justice Samuel H. Gaerlan (now a Member of the Court) and concurred in by Associate Justices Fernanda Lampas Peralta and Germano Francisco D. Legaspi.

³ *Id.* at 13-15.

⁴ Not attached to the *rollo*.

⁵ *Rollo*, pp. 24-27.

the doctrine of hierarchy of courts.⁶

The Antecedents

Petitioner is a domestic corporation engaged in the manufacture of various steel products with a plant located in the City of Iligan.⁷

The Securities and Exchange Commission (SEC) in SEC Case No. 12-99-6496⁸ issued the Order⁹ dated October 3, 2000 placing petitioner under liquidation and directing the transfer of all its assets to its liquidator.¹⁰ At that time, petitioner had real property tax arrears on its plant assets, consisting of a parcel of land and the plant that stood on it.¹¹

On September 9, 2004, the City Government of Iligan enacted City Ordinance No. 04-4611 providing tax relief to delinquent real property taxpayers.¹²

Meanwhile, pursuant to the approved liquidation plan, petitioner sold its plant assets to Global Steelworks International, Inc. and Global Ispat Holdings, Inc. (collectively, Global Steel) through an Asset Purchase Agreement dated September 10, 2004.¹³ In the agreement, petitioner undertook to pay and settle its tax arrears over the plant assets up to October 14, 2004, while Global Steel agreed to assume the taxes over the plant assets starting October 15, 2004.¹⁴

On October 13, 2004, petitioner entered into a tax amnesty agreement with respondents under the authority provided in City Ordinance No. 04-4611. Both agreed that petitioner would pay its real property tax liabilities amounting to ₱177,527,351.99 in eight annual installment payments of ₱22,190,918.99 beginning 2004 until 2012,

⁶ Id. at 27-28.

⁷ Id. at 18.

⁸ See petitioner's Petition for Suspension of Payments, Formation of Management Committee and/or Appointment of Rehabilitation Receiver, and Approval of Rehabilitation Plan, dated December 21, 1999, id. at 77-85.

⁹ Id. at 87-90.

¹⁰ Id. at 89.

¹¹ Id. at 18.

¹² Id.

¹³ See petitioner's Amended Complaint for Specific Performance, dated June 15, 2011, id. at 116-117.

¹⁴ Id. at 116.

excluding 2005, which was a grace interval.¹⁵ The tax amnesty agreement provided that petitioner shall religiously comply with the payment scheme and also pay its current real estate taxes;¹⁶ otherwise, all penalties and interests shall become immediately due and demandable.¹⁷

Acknowledging that Global Steel had acquired the subject plant assets from petitioner and became the one obliged to pay the real property taxes thereon starting October 15, 2004, respondents demanded that Global Steel pay the taxes over the plant assets.¹⁸

However, Global Steel failed to pay the current taxes on the plant assets in breach of its obligation under the asset purchase agreement.¹⁹ Consequently, respondents went after petitioner and issued notices of tax delinquency and warrants of levy against the latter.²⁰

On November 22, 2006, petitioner applied for a stay order with the SEC in SEC Case No. 12-99-6496. Global Steel intervened therein.²¹

On November 30, 2006, the SEC issued a Stay Order²² enjoining respondents from enforcing the warrants of levy or conducting a public auction of the subject plant assets.²³

Nevertheless, petitioner paid respondents its second installment in 2006 in the amount of ₱22,190,918.99.²⁴ Thereafter, Philippine National Bank–Trust Banking Group, in behalf of petitioner, tendered the following: (a) Manager’s Check for ₱133,145,514.01 as petitioner’s third to eighth installment payments²⁵ and (b) another Manager’s Check for ₱1,398,813.64 representing the plant assets’ real property tax liability for the period of October 1 to 14, 2004.²⁶

¹⁵ Id. at 118.

¹⁶ Id. at 18.

¹⁷ Id. at 185.

¹⁸ Id. at 118-119.

¹⁹ See petitioner’s Complaint for Specific Performance, dated July 2, 2010, id. at 106.

²⁰ Id. at 18-19.

²¹ Id. at 93-94.

²² Id. at 93-98. Rendered by Chairperson Vernetta G. Umali-Paco with Hearing Panel Members Rosalina M. Tividad-Tesorio and Basilia S. Angeles.

²³ Id. at 97.

²⁴ See CA Amended Decision in CA-G.R. CV No. 9860, dated November 25, 2014, id. at 185.

²⁵ Id.

²⁶ Id.

Consequently, respondents issued two official receipts acknowledging petitioner's payments.²⁷ Respondents also issued two certifications dated December 18, 2008 and February 23, 2009 acknowledging petitioner's full compliance with the schedule of payments.²⁸

All these notwithstanding, respondents did not clear petitioner of its real property tax liabilities. Thus, petitioner filed a Complaint for Specific Performance²⁹ with Branch 57, Regional Trial Court, Makati City (RTC of Makati), docketed as Civil Case No. 10-639, for respondents to comply with its obligations under the tax amnesty agreement.³⁰

On October 7, 2011, the RTC of Makati rendered its Decision³¹ (RTC Makati Decision) ruling in favor of petitioner, to wit:

WHEREFORE, judgment is hereby rendered in favor of plaintiff NATIONAL STEEL CORPORATION --

- a) Declaring that plaintiff has fully complied with the valid, binding and effective Tax Amnesty Agreement dated October 13, 2004; and,
- b) Ordering defendants to comply with the valid, binding and effective Tax Amnesty Agreement dated 13 October 2004 by clearing plaintiff of all its real property tax liabilities up to October 14, 2004 and affording them full relief from payment of interests and penalties pursuant to the amnesty.

Defendants' counterclaim for the collection of real estate taxes accruing after 14 October 2004, being in the nature of a permissive counterclaim, is hereby DISMISSED, without prejudice.

Defendants' counterclaim for expenses of litigation is likewise DISMISSED for lack of merit.

SO ORDERED.³²

²⁷ Id. at 185-186.

²⁸ Id. at 186.

²⁹ Id. at 101-112.

³⁰ Id. at 111-112.

³¹ Id. at 169-183. Penned by Judge Honorio E. Guanlao, Jr.

³² Id. at 183.

Respondents appealed the Decision of the RTC of Makati to the CA. The appeal was docketed as CA-G.R. CV No. 98607.³³

In the Decision³⁴ dated March 7, 2014, the CA granted the appeal of respondents and held that the RTC of Makati had no jurisdiction over Civil Case No. 10-639.³⁵ According to the CA, the case properly falls under the jurisdiction of the SEC as it involves the settlement of real property taxes which the City Government of Iligan claims against petitioner.³⁶

Aggrieved, petitioner moved for reconsideration of the CA Decision dated March 7, 2014.³⁷

In the Amended Decision³⁸ dated November 25, 2014, the CA granted petitioner's motion for reconsideration and affirmed the RTC Makati Decision dated October 7, 2011.³⁹

Aggrieved, respondents appealed the Amended Decision of the CA to the Court in G.R. No. 216172.⁴⁰

In the Resolution⁴¹ dated March 16, 2015, the Court affirmed the Amended Decision of the CA "*for failure of [respondents] to sufficiently show that the Court of Appeals committed any reversible error in the challenged [A]mended [D]ecision as to warrant the exercise of this Court's discretionary appellate jurisdiction.*"⁴²

Undaunted, respondents moved for reconsideration of the Court's ruling, but the Court denied it in the Resolution⁴³ dated September 9, 2015. Consequently, the Court issued an Entry of Judgment⁴⁴ dated

³³ Id. at 184.

³⁴ Not attached to the *rollo*.

³⁵ See CA Amended Decision in CA-G.R. CV No. 98607 dated November 25, 2014, id. at 184.

³⁶ Id. at 187.

³⁷ Id. at 184.

³⁸ Id. at 184-204. Penned by Associate Justice Romeo F. Barza and concurred in by Associate Justices Hakim S. Abdulwahid and Ramon A. Cruz.

³⁹ Id.

⁴⁰ Id. at 38.

⁴¹ Id. at 205.

⁴² Id.

⁴³ Id. at 206.

⁴⁴ Id. at 207.

February 9, 2016 decreeing the finality of the RTC Makati Decision dated October 7, 2011 in Civil Case No. 10-639.

Meanwhile, to protect its interest over the plant assets acquired from petitioner, Global Steel, on September 20, 2015, filed with the RTC of Iligan City a Petition for Indirect Contempt and Declaration of Nullity of Notice of Tax Delinquency, Warrants of Levy, etc. against the City Treasurer of Iligan docketed as Case No. 06-7829 (RTC Iligan Case). The petition was amended on February 28, 2017.⁴⁵

Despite the finality of the RTC Makati Decision, respondents still included petitioner in the list of delinquent real property taxpayers and proceeded to levy upon the plant assets.⁴⁶

Acting on petitioner's application,⁴⁷ the RTC of Makati issued on October 18, 2016 a Writ of Execution⁴⁸ to implement its final and executory Decision.

Despite having received a copy of the Writ of Execution in the morning of October 19, 2016, respondents still proceeded with the scheduled auction of the subject plant assets that day.⁴⁹

There being no other bidders, the City Government of Iligan forfeited the subject plant assets in its favor, entered the premises, and exercised acts of ownership over the properties.⁵⁰

On November 2, 2016, petitioner filed with the RTC of Makati an Omnibus Motion seeking the following reliefs: (a) to direct respondents and the *Sangguniang Panlungsod* of the City of Iligan to show cause why they should not be held in contempt; and (b) to annul the auction sale of petitioner's properties held on October 19, 2016 (Omnibus Motion).⁵¹

⁴⁵ Id. at 21.

⁴⁶ Id. at 19-20.

⁴⁷ Id. at 39.

⁴⁸ Id. at 217-219. Issued by Presiding Judge Honorio E. Guanlao, Jr.

⁴⁹ Id. at 20, 39.

⁵⁰ Id. at 20, 39-40.

⁵¹ See Omnibus Order of the RTC of Makati City dated April 4, 2017, id. at 232.

Meanwhile, Global Steel amended its petition in the RTC Iligan Case by impleading the City Government of Iligan and including in its prayer the nullification of the auction sale and the recovery of possession of the auctioned properties.⁵²

The Ruling of the RTC of Makati

In the Omnibus Order⁵³ dated April 4, 2017, the RTC of Makati declared the tax delinquency sale of the subject plant null and void and ordered respondents to defer from collecting the real property taxes of petitioner.⁵⁴ In its Omnibus Order⁵⁵ dated May 21, 2018, the RTC of Makati denied respondents' motion for reconsideration of the Omnibus Order dated April 4, 2017.⁵⁶

Prior to the issuance of the Omnibus Orders of the RTC of Makati, respondents continued to exercise acts of ownership over the plant assets. This prompted petitioner to file a Petition for Prohibition before the CA. The case was docketed as CA-G.R. SP No. 149852 (Prohibition Case).⁵⁷

The Ruling of the CA

In its assailed Decision,⁵⁸ the CA dismissed petitioner's Petition for Prohibition on the ground that it violated the rule against forum shopping. It explained:

It is beyond question that petitioner and Global Steel have a common interest in the petition before this Court and that pending with the RTC of the City of Iligan. In fact, petitioner and Global Steel's causes of action are anchored on their common claim as purported owners of the auctioned properties. Also, as aptly pointed out by the respondents, the facts, subject matter, and reliefs prayed for in the two petitions are substantially similar. Indeed, petitioner and Global Steel, in their respective petitions, ultimately seek a single relief albeit worded differently, *i.e.*, recovery of possession of the forfeited properties grounded primarily on petitioner and Global

⁵² Id. at 21.

⁵³ Id. at 232-238. Penned by Presiding Judge Honorio E. Guanlao, Jr.

⁵⁴ Id. at 237-238.

⁵⁵ Id. at 228-231.

⁵⁶ Id. at 231.

⁵⁷ Id. at 20, 39-40.

⁵⁸ Id. at 17-29.

Steel's common assertion that the 19 October 2016 tax delinquency sale was null and void.⁵⁹

Likewise, the CA ruled that petitioner failed to observe the doctrine of hierarchy of courts, to wit: “[i]nasmuch as the acts sought to be enjoined pertain to a municipal corporation, petitioner should have filed its petition before the RTC of the City of Iligan and not directly before this Court.”⁶⁰

Petitioner moved for reconsideration, but the CA denied it in its Resolution⁶¹ dated December 18, 2019.

Hence, the instant petition.

The Issues

The issues to be resolved are as follows:

- (1) whether petitioner violated the rule against forum shopping; and
- (2) whether petitioner failed to observe the doctrine of hierarchy of courts.

The Court's Ruling

Application of the Principle of Immutability of Judgment

To recapitulate, the RTC of Makati, in its Decision⁶² dated October 7, 2011 in Civil Case No. 10-639, ruled in favor of petitioner and against respondents. The RTC declared petitioner to have fully complied with the Tax Amnesty Agreement⁶³ and ordered respondents to clear petitioner of all its real property tax liabilities.⁶⁴ Upon appeal, the CA in its

⁵⁹ Id. at 27.

⁶⁰ Id. at 27-28.

⁶¹ Id. at 13-15.

⁶² Id. at 169-183.

⁶³ Id. at 175-179.

⁶⁴ Id. at 183.

Amended Decision⁶⁵ dated November 25, 2014 in CA-G.R. CV No. 98607 upheld the RTC Makati Decision. Respondents elevated the case to the Court *via* a Petition for Review on *Certiorari* in G.R. No. 216172.⁶⁶ In the Resolution dated March 16, 2015, the Court affirmed the Amended Decision of the CA.⁶⁷ Ultimately, the Court issued an Entry of Judgment⁶⁸ decreeing the finality of the Decision of the RTC of Makati in Civil Case No. 10-639.

By virtue of the doctrine of immutability of judgment, the Resolution of the Court dated March 16, 2015 in G.R. No. 216172 can no longer be altered in any way by any court.⁶⁹ Thus, there is nothing more to be done but to enforce the RTC Makati Decision.

Forum Shopping

Forum shopping “consists in the act of a party against whom an adverse judgment has been rendered in one forum, of seeking another, and possibly favorable, opinion in another forum (other than by appeal or by special civil action of *certiorari*),”⁷⁰ or the filing of two or more actions grounded on the same cause on the supposition that one or the other court would make a favorable disposition.⁷¹

The rationale for the rule against forum shopping is as follows:

It is an act of malpractice for it trifles with the courts, abuses their processes, degrades the administration of justice and adds to the already congested court dockets. What is critical is the vexation brought upon the courts and the litigants by a party who asks different courts to rule on the same or related causes and grant the same or substantially the same reliefs and in the process creates the possibility of conflicting decisions being rendered by the different fora upon the same issues, regardless of whether the court in which one of the suits was brought has no jurisdiction over the action.⁷²

⁶⁵ Id. at 184-204.

⁶⁶ Id. at 205.

⁶⁷ Id.

⁶⁸ Id. at 207.

⁶⁹ See *Uematsu v. Balinon*, G.R. No. 234812, November 25, 2019.

⁷⁰ *SM Prime Holdings, Inc. v. Marañon, Jr.*, G.R. No. 233448, November 18, 2020.

⁷¹ Id.

⁷² *Zamora v. Quinan*, 821 Phil. 1009, 1016 (2017), citing *Top Rate Construction & Gen. Services, Inc. v. Paxton Devt. Corp.*, 457 Phil. 740, 748 (2003).

“To determine whether a party violated the rule against forum shopping, the most important factor is whether the elements of *litis pendentia* are present, or whether a final judgment in one case will amount to *res judicata* in another.”⁷³ Otherwise stated, the test to determine the existence of forum shopping is whether in the two or more cases pending, there is identity of parties, rights or causes of action, and reliefs sought.⁷⁴

Here, the CA dismissed the Petition for Prohibition of petitioner as it found that the facts, subject matter, and reliefs prayed for in the Prohibition Case are substantially similar to Global Steel’s petition in the RTC Iligan Case.⁷⁵ According to the CA, the respective petitions of petitioner and Global Steel sought a single relief albeit worded differently, *i.e.*, recovery of possession of the forfeited plant grounded primarily on their common assertion that the October 19, 2016 tax delinquency sale was null and void.⁷⁶

*There is No Identity of Parties,
Rights or Causes of Action, and
Reliefs Sought in the Instant
Case.*

Primarily, no forum shopping exists in the case as petitioner and Global Steel are two different entities. While they may have entered into an asset purchase agreement, this did not divest them of their separate personalities in the absence of any finding that fraud attended the execution of the agreement.⁷⁷

Moreover, petitioner and Global Steel do not represent the same interest. In fact, several disputes spawned between them as Global Steel breached its obligation under the asset purchase agreement when it failed to pay the real property taxes over the plant assets.⁷⁸

⁷³ *Heirs of Mampo v. Morada*, G.R. No. 214526, November 3, 2020.

⁷⁴ *Id.*

⁷⁵ *Rollo*, p. 27.

⁷⁶ *Id.*

⁷⁷ See *Zaragoza v. Tan*, 822 Phil. 51, 66-67 (2017).

⁷⁸ *Rollo*, p. 106.

That Global Steel has an interest different from the interest of petitioner is also shown by the fact that Global Steel filed an Amended Petition before the RTC of Iligan City on February 28, 2017⁷⁹ notwithstanding the Entry of Judgment⁸⁰ which the Court already issued in favor of petitioner as early as February 9, 2016 in G.R. No. 216172. For the Court, Global Steel would not have filed a separate and subsequent legal action to protect its interest if it were one and the same or had similar interest with petitioner who already prevailed.

Furthermore, petitioner and Global Steel have different causes of action and pray for different reliefs.

Essentially, petitioner's cause of action in the Prohibition Case before the CA was anchored on respondents' noncompliance with the final and executory RTC Makati Decision which ordered respondents to afford petitioner full relief from payment of real property taxes. Defiantly, respondents included petitioner among the delinquent real property taxpayers; consequently, it levied, auctioned, and forfeited the plant assets, and exercised acts of ownership over the properties.⁸¹ To protect its rights pursuant to the above-mentioned final decision, petitioner sought an order from the CA that will prohibit respondents from exercising acts of ownership over the plant assets.⁸²

On the other hand, Global Steel's cause of action in the RTC Iligan case was based on respondents' violation of the SEC Stay Order dated November 30, 2006 in SEC Case No. 12-99-6496 which held that the subject plant assets were "*exempt from any order of garnishment, levy, attachment or execution*"⁸³ as petitioner was under the state of liquidation. Simply put, Global Steel anchored its cause of action on the fact that respondents pursued to auction the plant assets despite the exemption of said properties from levy and execution. Thus, Global Steel prayed in the RTC Iligan Case to recover the plant assets it purchased from petitioner.⁸⁴

⁷⁹ Id. at 21.

⁸⁰ Id. at 207.

⁸¹ Id. at 22-23.

⁸² Id. at 23.

⁸³ Id. at 96.

⁸⁴ Id. at 21.

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Moreover, a closer look at the factual antecedents would reveal that no deliberate forum shopping attended the case.

To be clear, forum shopping exists when, *as a result of an adverse judgment in one forum*, a party seeks a favorable opinion (other than by appeal or *certiorari*) in another, or when he institutes two or more actions or proceedings grounded on the same cause, *on the gamble that one or the other court would make a favorable disposition*.⁸⁵

Here, petitioner could not have filed its Petition for Prohibition with the CA to gamble for a favorable disposition as no previous adverse judgment was rendered against it. To stress, by virtue of the RTC Makati Decision, petitioner had been declared to have fully complied with the tax amnesty agreement. As a consequence, it was cleared of its tax liabilities. The RTC of Makati's ruling was categorical and had already attained finality.⁸⁶ In fact, the trial court already issued a Writ of Execution⁸⁷ to implement its final and executory decision and even issued an Omnibus Order⁸⁸ dated April 4, 2017 declaring that the tax delinquency sale of the plant assets was null and void.⁸⁹

These notwithstanding, respondents disregarded the above-mentioned issuances and orders of the RTC of Makati and proceeded to auction off the subject plant assets.⁹⁰ There being no bidder for the auctioned properties, respondents forfeited the plant in their favor, entered its premises, and continued to exercise acts of ownership over them. As a result, petitioner was compelled to file its Petition for Prohibition to restrain respondents from continuing their illegal acts.⁹¹

Petitioner filed the Prohibition Case not as a result of an adverse judgment in one forum nor to gamble for a favorable ruling, but plainly to vindicate its right. There being no identity of parties, rights, causes of action, and reliefs sought between petitioner's Prohibition Case and Global Steel's RTC Iligan Case, petitioner was not guilty of forum shopping in filing its Petition for Prohibition with the CA.

⁸⁵ *Municipality of Taguig v. Court of Appeals*, 506 Phil. 567, 575 (2005).

⁸⁶ *Rollo*, pp. 175-179, 183.

⁸⁷ *Id.* at 217-219.

⁸⁸ *Id.* at 232-238.

⁸⁹ *Id.* at 237-238.

⁹⁰ *Id.* at 20.

⁹¹ *Id.* at 20, 39-40.

Writ of Prohibition

A petition for prohibition is a special civil action that seeks a judgment ordering the respondent to refrain from continuing with the commission of an act regarded to be illegal.⁹² Section 2, Rule 65 of the Rules of Court provides:

SEC. 2. *Petition for prohibition.* — When the proceedings of any tribunal, corporation, board, officer or person, whether exercising judicial, quasi-judicial or ministerial functions, are without or in excess of its or his jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction, and there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law, a person aggrieved thereby may file a verified petition in the proper court, alleging the facts with certainty and praying that judgment be rendered commanding the respondent to desist from further proceeding in the action or matter specified therein, or otherwise granting such incidental reliefs as law and justice may require.

While the Court, the CA, and the RTC have original concurrent jurisdiction to issue writs of *certiorari*, prohibition and *mandamus*, “if what is assailed relates to ‘acts or omissions of a lower court or of a corporation, board, officer or person,’ the petition must be filed ‘in the [RTC] exercising jurisdiction over the territorial area as defined by the Court.’”⁹³

However, it is also well to remember that the judicial hierarchy of courts is not an iron-clad rule.⁹⁴ It generally applies to cases involving conflicting factual allegations. As such, litigants should first go to the trial courts to ascertain the truth or falsity of their assertions on the basis of their evidence.⁹⁵ Cases which depend on disputed facts for decision cannot be brought directly before appellate courts as they are not triers of facts.⁹⁶ Thus, “a strict application of the rule of hierarchy of courts is not necessary when the cases brought before the appellate courts do not

⁹² *Land Bank of the Philippines v. Atlanta Industries, Inc.*, 738 Phil. 243, 253-254 (2014).

⁹³ *Id.* at 254.

⁹⁴ *Southern Luzon Drug Corporation v. The Department of Social Welfare and Development*, 809 Phil. 315, 335 (2017).

⁹⁵ *Id.*

⁹⁶ *Id.*

involve factual but legal questions.⁹⁷

In the RTC Makati Decision, the trial court already determined the conflicting factual allegations of the parties. Once again, the ruling that cleared petitioner of its real property tax liabilities has since become final and immutable. There is nothing left to adjudicate. The logical consequence of the judgment's finality is its execution.

Evidently, the only question to determine in petitioner's Petition for Prohibition with the CA is whether respondents gravely abused their discretion in continuously exercising acts of ownership over the auctioned plant assets contrary to what has been decreed in the RTC Makati Decision.⁹⁸

There being no factual issues left to be resolved in the Prohibition Case, petitioner properly proceeded to the CA, especially that the broader interest of justice demands it.⁹⁹

For a party to be entitled to a writ of prohibition, he or she must establish the following requisites: (a) it must be directed against a tribunal, corporation, board or person exercising functions, judicial or ministerial; (b) the tribunal, corporation, board or person has acted without or in excess of its jurisdiction, or with grave abuse of discretion; and (c) there is no appeal or any other plain, speedy, and adequate remedy in the ordinary course of law.¹⁰⁰ The factual milieu of the case readily reveals the presence of all the requisites.

Here, petitioner's primary objective in its Petition for Prohibition is to prevent respondents—the City Government of Iligan and its City Treasurer—from exercising acts of ownership over the auctioned plant assets in defiance of the RTC Makati Decision.¹⁰¹

Records show that respondents disregarded all rulings and orders

⁹⁷ Id.

⁹⁸ Id. at 22-23.

⁹⁹ See *Congressman Chong v. Hon. Dela Cruz*, 610 Phil. 725, 728 (2009)

¹⁰⁰ *P/S Insp. Belmonte v. Office of the Deputy Ombudsman for the Military and Other Law Enforcement Offices*, 778 Phil. 221, 230 (2016).

¹⁰¹ *Rollo*, pp. 22-23, 51-52.

issued by the RTC of Makati: (a) the main RTC Makati Decision;¹⁰² (b) the Writ of Execution¹⁰³ dated October 18, 2016 to implement said Decision; and (c) the Omnibus Order¹⁰⁴ dated April 4, 2017 declaring the auction sale of the plant assets null and void.¹⁰⁵ In fact, respondents also defied the SEC Stay Order¹⁰⁶ dated November 30, 2006 in SEC Case No. 12-99-6496 which enjoined respondents from enforcing the warrants of levy or conducting a public auction of the plant assets.¹⁰⁷

In the Court's view, respondents' recurring noncompliance with the above-enumerated RTC issuances suggests that the filing of another action before the same trial court would be a useless exercise. Given respondents' propensity to defy the orders of the RTC, it is reasonable to expect that they will continue to resist the authority of the RTC and ignore the binding effect of its issuances. Indubitably, it would not be the speedy and adequate remedy to compel respondents to desist from exercising acts of ownership over the auctioned plant assets; thus, the urgency of filing the Petition for Prohibition with the CA.

Besides, to sustain the dismissal of petitioner's Petition for Prohibition on the ground of violation of the rule against forum shopping and the hierarchy of courts would result in the unjust situation of giving premium to respondents' disregard and defiance of court processes, leaving no chance for petitioner to enforce the RTC Makati Decision. On this occasion, technical rules of procedure should give way to serve substantial justice.¹⁰⁸

While the Court usually remands the case to the CA when the latter dismisses a petition purely on procedural infirmities,¹⁰⁹ the Court proceeds to rule on the merits of petitioner's Petition for Prohibition in the interest of expeditious administration of justice. After all, petitioner has demonstrated its clear entitlement to the writ and no questions of fact are left to be resolved in the case.¹¹⁰

¹⁰² Id. at 169-183.

¹⁰³ Id. at 217-219.

¹⁰⁴ Id. at 232-238.

¹⁰⁵ Id. at 237.

¹⁰⁶ Id. at 93-98.

¹⁰⁷ Id. at 97.

¹⁰⁸ *Balaod v. People*, G.R. No. 249164 (Notice), July 29, 2020, citing *Bismonte v. Golden Sunset Record and Spa*, G.R. No. 229326, November 5, 2018.

¹⁰⁹ See *Cruz v. People*, 812 Phil. 166.

¹¹⁰ See *Philippine National Bank v. International Court Bank*, 276 Phil. 551 (1991); and *Lianga Bay Logging Co., Inc. v. Court of Appeals*, 241 Phil. 367, 377-378 (1988).

Considering all the circumstances, the Court holds the levy and tax delinquency sale of the subject plant assets as invalid having been conducted in defiance of the RTC Makati Decision which ordered respondents to clear petitioner of its real property tax liabilities. Inasmuch as the right of the City Government of Iligan to possess and own the plant assets proceeded from a void tax delinquency sale, the City Government of Iligan is commanded to desist from further possessing and exercising acts of ownership over the plant assets.

Lastly, the Court refrains from awarding the possession and enjoyment of the plant assets to petitioner in view of its existing asset purchase agreement with Global Steel.¹¹¹ The question of who between Global Steel and petitioner is entitled to the possession and ownership of the plant assets should be determined in a different forum after ascertainment of the parties' compliance with the asset purchase agreement.

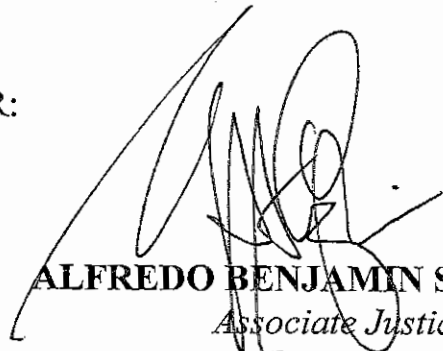
WHEREFORE, the petition is **GRANTED**. The Decision dated July 24, 2019 and the Resolution dated December 18, 2019 of the Court of Appeals in CA-G.R. SP No. 149852 are **REVERSED** and **SET ASIDE**. A writ of prohibition is **ISSUED** commanding the City Government of Iligan to permanently desist from possessing and exercising acts of ownership over the subject plant assets pursuant to the final and executory Decision dated October 7, 2011 of Branch 57, Regional Trial Court, Makati City in Civil Case No. 10-639.

SO ORDERED.



HENRI JEAN PAUL B. INTING
Associate Justice

¹¹¹ *Rollo*, pp. 116-117.

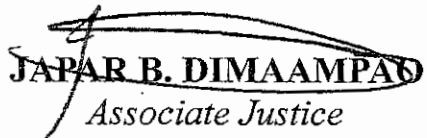
WE CONCUR:



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson



AMY C. LAZARO-JAVIER
Associate Justice



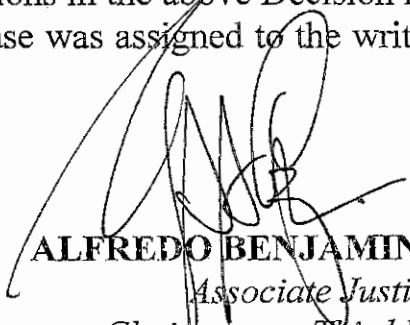
JAPAR B. DIMAAMPAO
Associate Justice



MARIA FILOMENA D. SINGH
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

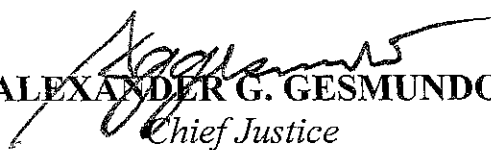


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice
Chairperson, Third Division



CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


ALEXANDER G. GESMUNDO
Chief Justice

AG