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Wilfredo V. Lapitan
WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

Republic of the Philippines
Supreme Court
Manila

MAR 09 2018

THIRD DIVISION

REPUBLIC OF THE G.R. No. 226355
PHILIPPINES, represented by the
DEPARTMENT OF PUBLIC
WORKS AND HIGHWAYS
(DPWH),

Petitioner,

- versus -

Present:

HEIRS OF CIRILO GOTENGCO,
Respondents.

VELASCO, JR., J., *Chairperson*,
BERSAMIN,
LEONEN,
MARTIRES,* and
GESMUNDO, JJ.

Promulgated:
January 24, 2018

Wilfredo V. Lapitan

X-----X

DECISION

GESMUNDO, J.:

This is a petition for review on *certiorari* filed under Rule 45 of the Revised Rules of Court assailing the Decision¹ and Resolution² of the Court

* On Official Leave.

¹ Penned by Associate Justice Ma. Luisa C. Quijano-Padilla with Associate Justices Normandie B. Pizarro and Samuel H. Gaerlan concurring; *rollo*, pp. 49-57.

² Id. at 59-61.

Agd

of Appeals (CA) dated February 26, 2016 and August 9, 2016, respectively, which denied the petition for *certiorari* filed by the Republic of the Philippines, represented by the Department of Public Works and Highways, imputing grave abuse of discretion on the Regional Trial Court (RTC) of Calamba City, Laguna, Branch 35, for amending the Modified Partial Decision³ dated February 15, 2001, which has become final and executory.

The Antecedents

The facts of this case are undisputed.

On May 16, 1977, the Republic of the Philippines, through the Department of Public Works and Highways (*DPWH*), hereinafter referred to as “Republic” for brevity, expropriated the property of respondents Cirilo Gotengco (*Gotengco*), Preciosa B. Garcia (*Garcia*), and Emilia de Jesus (*de Jesus*) for the purpose of constructing the Manila South Expressway Extension, now known as the South Luzon Expressway.⁴ The expropriation complaint was filed before the RTC of Calamba City, Laguna, Branch 35, docketed as Civil Case No. 184-83-C.

On January 31, 2000, the RTC rendered a Partial Decision⁵ and ordered Republic to pay Gotengco, Garcia, and de Jesus, in the following amounts:

TABLE I:

Property Owner	Lot Expropriated	Just Compensation
Gotengco	13,637 sq.m. at ₱2,130.00 per sq.m.	₱29,046,810.00
de Jesus	15,000 sq.m. at ₱2,500.00 per sq.m.	₱37,500,000.00
Garcia	23,353 sq.m. at ₱2,130.00 per sq.m.	₱49,741,890.00

On February 22, 2000, Republic moved for the reconsideration of the Partial Decision to correct the land area covered for expropriation, which the RTC granted. In view of the change in the land area, the trial court accordingly adjusted the amount of just compensation, to wit:

TABLE II:

Property Owner	Lot Expropriated	Just Compensation
Gotengco	12,322 sq.m. at ₱2,130.00 per sq.m.	₱26,245,860.00

³ Id. at 131-115.

⁴ Id. at 103.

⁵ Id. at 103-108.

de Jesus	16,095 sq.m. at ₱2,500.00 per sq.m.	₱40,237,500.00
Garcia	23,353 sq.m. at ₱2,130.00 per sq.m.	₱49,741,890.00

In detail, Gotengco's property, totalling to 12,322 square meters, consisted of three (3) separate lots, to wit:

TABLE III:

Lot No.	Area	For brevity, shall hereinafter referred to as:
Lot 1735-B	9,704 sq. m.	Lot A
Lot 1735-A-7-A	2,148 sq. m.	Lot B
Lot 1735-C-2	470 sq. m.	Lot C

Thus, the dispositive portion of the Modified Partial Decision dated February 15, 2001 of the RTC reads as:

WHEREFORE, conformably with all the foregoing, the Court hereby rules:

1.) The Partial Decision of January 31, 2000, is hereby modified with respect to its dispositive portion to reads as follows:

Wherefore, premises considered, this Court renders judgment fixing the amount of Two Thousand One Hundred Thirty (Php 2,130.00) Pesos per square meter as the just compensation for the properties of defendants Heirs of Cirilo Gotengco and Preciosa B. Garcia and the amount of Two Thousand Five Hundred (P2,500.00) Pesos as just compensation for the property of defendant Emilia De Jesus in accordance with the areas appearing on the above-quoted survey report, to wit:

Heirs of Cirilo Gotengco c/o Atty. Gregorio Alcaraz sq. m.	-----	12,322
Emilia De Jesus sq. m.	-----	16,095
Preciosa B. Garcia sq. m.	-----	23,353

2) The plaintiff Republic of the Philippines represented by the Department of Public Works and Highways (DPWH) is hereby ordered to pay the above defendants accordingly.

SO ORDERED.⁶

⁶ Rollo, p. 115.

After the Modified Partial Decision had lapsed into finality, Gotengco, de Jesus, and Garcia, jointly moved for its execution, which the RTC approved on March 30, 2001. Accordingly, Republic and Gotengco executed a Deed of Absolute Sale⁷ on one of the three lots of the latter's expropriated property, Lot A, covered by TCT No. T-334198, in the amount of ₱20,669,520.00. In three separate installments, Republic paid Gotengco the following amounts:

Table IV:

Date of Payment	Amount
July 2002	₱4,068,111.40
October 4, 2004	₱8,931,733.88
October 24, 2012	₱7,669,520.00

Hence, as the total amount of just compensation was ₱26,245,860.00 and the amount paid was only ₱20,669,365.28,⁸ Republic had ₱5,576,494.72⁹ balance left to pay Gotengco.

Nine years after the promulgation of the Modified Partial Decision, Gotengco filed an Omnibus Motion¹⁰ dated May 19, 2010, pleading for the payment of accrued interest on the just compensation, computed from the date of finality of judgment until fully paid and to compel Carmela Alcaraz Nonato, the person in possession of the title covering Lot A, to surrender the same; otherwise, said title be declared null and void and a new title be issued in the name of Republic. Republic having filed no opposition thereto, the RTC, on July 20, 2010, granted the omnibus motion and ordered Republic to pay Gotengco the balance of the just compensation with interest at 6% per annum counted from July 15, 1977, the date of the actual taking, until fully paid, to which Republic also posed no motion for reconsideration.

Subsequently, Gotengco filed a Motion for Writ of Execution Re Payment of Interest¹¹ to the RTC, which Republic opposed.¹² It contended that Gotengco was already estopped by laches from claiming legal interest because he failed to raise such matter as early as when the Partial Decision was rendered and waited until it has lapsed into finality. In reply, Gotengco posited that it was Republic which was estopped from questioning his claim to legal interest¹³ because it previously agreed that he was entitled to payment of interest as shown in Republic's Comment dated October 14, 1999. Disputing that Gotengco had misconstrued its statement, Republic explained in its Rejoinder, quoting its Comment dated February 16, 1999,

⁷ Id. at 120-122.

⁸ See Table IV.

⁹ *Rollo*, p. 390; *Compare* with *rollo*, pp. 55 and 390.

¹⁰ Id. at 123-128.

¹¹ Id. at 131-134.

¹² Id. at 139-145.

¹³ Id. at 146-150.

that while it mentioned that the value of the just compensation was reasonable and acceptable, it clarified that interest should no longer be awarded.¹⁴

On May 6, 2013, the RTC granted the motion and amended the Modified Partial Decision.¹⁵ The RTC determined the interest rate was inadvertently excluded and the Modified Partial Decision had to be amended and modified in the interest of justice. Notwithstanding the granting of the motion, RTC took note of Gotengco's lapse that even in his omnibus motion, he did not pray for the award of legal interest as the "prayer was merely for the payment of interest at legal rate, computed from the date of finality of judgment until the entire amount of just compensation is paid in full."¹⁶ But the lapse Republic committed also did not escape the RTC. The RTC observed that besides Republic's failure to oppose the omnibus motion, it also failed to file any motion for reconsideration of the July 20, 2010 Order. The dispositive portion of the Order¹⁷ dated May 6, 2013 ordering Republic to pay interest at the legal rate of 6% per annum reads as:

WHEREFORE, the Order dated 20 July 2010 is amended and modified with respect to the order of plaintiff for the payment of interest and should now read, as prayed for by the movants in their Omnibus Motion, as follows:

'Plaintiff is ordered to pay interest at the legal rate of 6% per annum from the date of finality of judgment, until the entire amount of just compensation is paid in full.

Meanwhile, the resolution of the Motion for Execution re Payment of Interest filed by movant Heirs of Cirilo Gotengco is held in abeyance pending finality of this Order.

SO ORDERED.¹⁸

Republic filed a motion for reconsideration, but it was denied.¹⁹

Aggrieved, Republic filed before the CA a petition for *certiorari* through Rule 65 of the Rules of Court, dated April 4, 2014, imputing grave abuse of discretion on the part of the trial court for modifying a judgment, which has become final and executory. It opined that the RTC exceeded its judicial authority and completely disregarded the well-settled principle of

¹⁴ Id. at 156-158.

¹⁵ Id. at 165-166.

¹⁶ Id. at 165.

¹⁷ Id. at 165-166.

¹⁸ Id. at 166.

¹⁹ Id. at 197.

immutability of judgments in modifying the Modified Partial Decision, which had attained finality.

Meanwhile, Republic discovered that Gotengco sold Lots B and C to Mario V. Tiaoqui (Tiaoqui) during the pendency of the case.

The CA Ruling

On February 26, 2016, the CA denied the petition for *certiorari*. It resolved that payment of interest is a matter of law as provided in Section 10, Rule 67 of the Rules of Court²⁰ and it is against public policy to not impose legal interest. The CA, citing *Apo Fruits Corporation and Hijo Plantation, Inc. v. Land Bank of the Philippines (Apo Fruits)*,²¹ concluded that while the judgment has become final and executory, the court may modify the judgment and impose legal interest. Directly quoting the pronouncement of the Court in the same case, the Court stated, “[w]ithout prompt payment, compensation cannot be considered ‘just’ if the property is immediately taken as the property owner suffers the immediate deprivation of both his land and its fruits or income.”²² The CA, citing *Apo Fruits* in reference to *Republic v. CA*,²³ explained that for just compensation to be considered as “just”, the payment must be prompt and there must be necessity of the payment of interest to compensate for any delay in the payment of compensation for property already taken, thus:

xxx if property is taken for public use before compensation is deposited with the court having jurisdiction over the case, the final compensation must include interest[s] on its just value to be computed from the time the property is taken to the time when compensation is actually paid or deposited with the court. In fine, between the taking of the property and the actual payment, legal interest[s] accrue in order to place the owner in a position as good as (but not better than) the position he was in before the taking occurred.²⁴

Since Gotengco was deprived of his property and of its income since its taking on March 30, 2001 (date of execution of judgment),²⁵ the CA found that legal interest, therefore, should be imposed and, accordingly, adjudged the RTC not guilty of grave abuse of discretion in imposing the payment of 6% legal interest on the amount of just compensation for being in accordance with law and jurisprudence.

²⁰ Section 10, Rule 67, Rules of Court.

²¹ *Apo Fruits Corp., et al., v. Land Bank of the Phils.*, 647 Phil. 251 (2010); Resolution, 662 Phil. 572 (2011).

²² *Rollo*, p. 53.

²³ *Republic of the Phils., v. CA*, 433 Phil. 106, 122-123 (2002).

²⁴ *Rollo*, p. 54.

²⁵ *Id.* at 55-56.



Hence, the present petition. Republic contends that the appellate court committed a reversible error in finding no grave abuse of discretion amounting to lack or excess in jurisdiction on the part of the trial court when it modified and altered a judgment that had already become final; therefore, violating the doctrine of immutability and finality of judgments. The arguments of Republic as raised in the instant petition are as follows:

THE COURT OF APPEALS COMMITTED A REVERSIBLE ERROR IN RENDERING THE ASSAILED DECISION DATED FEBRUARY 26, 2016 AND RESOLUTION DATED AUGUST 9, 2016, FINDING THAT THERE WAS NO GRAVE ABUSE OF DISCRETION ON THE PART OF THE TRIAL COURT IN ISSUING THE ORDERS DATED JULY 20, 2010, MAY 6, 2013, AND FEBRUARY 4, 2014, GRANTING LEGAL INTEREST IN FAVOR OF THE RESPONDENT.

I.

THE ORDERS DATED JULY 20, 2010, MAY 6, 2013 AND FEBRUARY 4, 2014 OF THE TRIAL COURT WERE ISSUED WITH GRAVE ABUSE OF DISCRETION, CONSIDERING THAT SUCH ORDERS RUN AFOUL WITH WELL-SETTLED PRINCIPLES AND JURISPRUDENCE REGARDING FINALITY AND IMMUTABILITY OF JUDGMENTS.

II.

THE ORDERS OF THE TRIAL COURT IMPOSING LEGAL INTEREST DUE TO THE ALLEGED DELAY ON THE PART OF THE PETITIONER IN THE PAYMENT OF JUST COMPENSATION, WHICH WERE EFFECTIVELY AFFIRMED BY THE COURT OF APPEALS, WERE ISSUED WITH GRAVE ABUSE OF DISCRETION AND WITHOUT BASIS, CONSIDERING THAT THERE WAS NO DELAY IN PAYMENT.²⁶

Meanwhile, pending resolution of the case, Gotengco submitted to the RTC for approval, the Compromise Agreement²⁷ he entered into with Tiaoqui to equally share the remainder of the just compensation amounting to ₱5,576,340.00. On the other hand, Republic manifested its readiness to release the final payment. Finding the compromise agreement valid and not contrary to law, morals, and public policy, the RTC approved the same in an order dated September 23, 2016.²⁸

Hence, the sole issue for resolution is whether or not the trial court violated the well-settled doctrine of immutability of judgments in modifying its own decision that had already attained finality to the extent that it granted interest.

²⁶ Id. at 21-22.

²⁷ Id. at 374-376; 377-378; 387-388; 389-390.

²⁸ Id. at 389-390.

The Court's Ruling

The petition is granted.

Immutability of Judgments

It is a well-established rule that a judgment, once it has attained finality, can never be altered, amended, or modified, even if the alteration, amendment or modification is to correct an erroneous of judgment.²⁹ This is the principle of immutability of judgments—to put an end to what would be an endless litigation. *Interest reipublicae ut sit finis litium*. In the interest of society as a whole, litigation must come to an end. But this tenet admits several exceptions, these are: (1) the correction of clerical errors; (2) the so-called *nunc pro tunc* entries which cause no prejudice to any party; (3) void judgments; and (4) whenever circumstances transpire after the finality of the decision rendering its execution unjust and inequitable.³⁰

Based on the foregoing, the case does not fall within any of the aforesaid exceptions. For the *first* and *second* exceptions, the imposition of the 6% legal interest is neither a mere clerical error nor a *nunc pro tunc* entry because it imposed a considerable burden on the part of Republic. The purpose of the modification was to correct the trial court's purported lapse to impose a legal interest, which the court ought to have rendered, in place of the one it actually erroneously rendered.³¹ Indeed, the modification imposed a substantial change on the assailed judgment. As regards the *third* exception, there was neither an allegation nor proof that the judgment was void for what was sought for was the inclusion of the 6% legal interest that was purportedly overlooked by the trial court that ought to have been imposed. Anent the *fourth* exception, there were no supervening events that would render its execution unjust and inequitable. Therefore, the surrounding circumstances of the present case do not warrant the Court's exercise of its ultimate power to abandon the long-held standing rule of immutability of judgments.

Doctrine Laid in *Apo Fruits* is Inapplicable

Not even the Court's pronouncement in the *en banc* decision in the landmark case of *Apo Fruits*³² where the Court, speaking through Associate

²⁹ *FGU Insurance Corporation (now BPI/MS Insurance Corporation) v. RTC, et al.*, 659 Phil. 117, 123 (2011).

³⁰ *Id.*

³¹ *Briones-Vasquez v. Court of Appeals, et al.*, 491 Phil. 81, 92 (2005).

³² *Apo Fruits Corp., et al., v. Land Bank of the Phils.*, 647 Phil. 251 (2010); Resolution, 662 Phil. 572 (2011).

Justice Arturo Brion, rendered valid the amendment and modification of the judgment despite its lapse into finality applies to the case at bar. In *Apo Fruits*, the rules of procedure were relaxed in order to serve the ends of justice. Despite the finality of the judgment, due to the existence of extraordinary circumstances, the Court amended and modified the final and executory decision. But the doctrine laid in *Apo Fruits* is the exception and not the general rule. Perhaps a brief introduction of the factual circumstances of *Apo Fruits* would shed light on the controversy.

In *Apo Fruits*, the government, through Land Bank of the Philippines (*Land Bank*), expropriated the private properties of Apo Fruits Corporation (*AFC*) and Hijo Plantation (*Hijo*) pursuant to its agrarian reform program. First of the series of decisions of the expropriation proceedings was the trial court's decision dated September 25, 2001 that in addition to the principal obligation to pay just compensation, Land Bank must also pay interest "equivalent to the market interest rates aligned with the 91-day Treasury Bills." Second was the December 5, 2001 RTC Decision, which modified the interest rate to 12% per annum from the time the complaint was filed until finality of the decision. When the case reached the CA, it nullified the ruling of the trial court. Subsequently, in its decision dated February 6, 2007, the Court through the Third Division, affirmed the RTC Decision and imposed legal interest. Thereafter, in its resolution dated December 19, 2007, the Court deleted the 12% legal interest on the ground that there was no delay in the payment of just compensation because Land Bank had deposited pertinent amounts due to AFC and Hijo within 14 months after they filed their complaints for just compensation. Then, in its resolution dated April 30, 2008, the Third Division reiterated this ruling. After the resolution attained finality, an entry of judgment was issued subsequently on May 16, 2008. However, despite the finality of the judgment, in view of the motion for reconsideration of AFC and Hijo, the Court resolved to refer the case to the Court *en banc*. On December 4, 2009, the Court *en banc* denied the motion for reconsideration and sustained the finality of the April 30, 2008 Decision of the Court.

Undaunted, AFC and Hijo filed a second motion for reconsideration, which the Court, this time, granted. In its resolution dated October 12, 2010, the Court reversed itself and ordered Land Bank to pay AFC and Hijo legal interest, computed from the date of taking until Land Bank paid the balance on the principal amount on May 9, 2008. The last of the series of rulings which finally laid to rest the dispute was on April 5, 2011, where the Court adjudged that the power of eminent domain involves public interest and the Court, in its duty to serve and protect the ends of justice, may relax the rules of procedure.

After several drawbacks since the property's taking on December 9, 1996, it took twelve (12) long years thereafter, or on May 9, 2008, when Land Bank was able to pay AFC and Hijo the total amount of the principal obligation, excluding the legal interest subsequently imposed.

At first glance, the present case seems similar with the factual circumstances in *Apo Fruits* as both cases involve the expropriation of private properties, which controversy invokes the relaxation of the rule of immutability of judgments in the quest to modify an otherwise final and executory decision to include the payment of legal interest. However, contrary to our ruling in *Apo Fruits*, the exception to the immutability of judgment does not apply to the present case. In *Apo Fruits*, we underscore, lest it may cause confusion, that although the assailed decision became final and executory and an entry of judgment was issued after the lapse of 15 days from the issuance of the assailed decision, as to the petitioners, the motion for reconsideration was timely filed as it was filed within 15 days from their receipt of the assailed judgment³³—a decisive circumstance that does not obtain in the present case.

Estoppel by Laches

The stark differences lie on whether legal interest was imposed by the trial court and the concomitant undertaking of the litigants to protect them from the adverse judgment. In *Apo Fruits*, the RTC categorically ordered the government, though Land Bank, to pay AFC and Hijo just compensation with legal interest.³⁴ Here, the RTC, as early as in the Partial Decision and even in the subsequent Modified Partial Decision, never adjudicated the payment of such legal interest—it was clear at its inception that legal interest was not imposed. Yet, despite the apparent adverse decision to impose no legal interest, Gotengco chose to acquiesce. It was only after nine (9) long years from finality of the assailed Modified Partial Decision when Gotengco filed his motion for reconsideration. Such fact, without a doubt, this Court cannot turn a blind eye to.

While, indeed, aside from Gotengco's motion for reconsideration was obviously filed out of time,³⁵ it was also barred by laches. As defined, laches is the failure or neglect for an unreasonable and unexplained length of time to do that, which, by exercising diligence, could or should have been done earlier. It is the negligence or omission to assert a right within a reasonable time warranting a presumption that the party entitled to assert it either has

³³ *Apo Fruits Corp., et al., v. Land Bank of the Phils.*, 647 Phil. 251, 265 & 267 (2010).

³⁴ *Apo Fruits Corp., et al., v. Land Bank of the Phils.*, 543 Phil. 497, 507 (2007).

³⁵ Section 1, Rule 37, Rules of Court, in relation to Section 2, Rule 40, Rules of Court.

abandoned it or declined to assert it.³⁶ The elements of laches are all present, to wit:

1. Conduct on the part of the defendant, or one under whom he claims, giving rise to the situation that led to the complaint and for which the complaint seeks a remedy;
2. Delay in asserting the complainant's rights, the complainant having had knowledge or notice of the defendant's conduct and having been afforded an opportunity to institute a suit;
3. Lack of knowledge or notice on the part of the defendant that the complainant would assert the right on which he bases his suit; and
4. Injury or prejudice to the defendant in the event relief is accorded to the complainant or the suit is not held barred.³⁷

As borne by the records of the case, Gotengco had notice of the Modified Partial Decision, manifested by the fact that Gotengco himself, together with the other affected owners, moved for the issuance of a writ of execution of the Modified Partial Decision, to which a deed of absolute sale was issued pursuant thereto; hence, he cannot feign ignorance of the rendition of the Modified Partial Decision. Even with the grace period afforded to him by the law, for reasons known only to Gotengco, he squandered his right and, instead, waited nine (9) unreasonable years to disturb the otherwise final and executory Modified Partial Decision. Clearly, estoppel by laches has set in against him.³⁸ His belated action in asserting his right within a reasonable time to dispute the assailed judgment in the guise of this Court's protection from miscarriage of justice cannot be disregarded.³⁹ Indeed, Gotengco is guilty of laches.

Verily, while the present case involves a private property expropriated by the government, the exception as applied in *Apo Fruits* does not apply to those who sleep on their rights. *Vigilantibus non dormientibus equitas subvenit*. Equity aids the vigilant, not the ones who sleep over their rights.

The Doctrine of *Urtula v. Republic*⁴⁰

What is applicable in the present case is our ruling in *Urtula v. Republic (Urtula)*,⁴¹ where the Court stood faithfully with the doctrine of *res judicata* and immutability of judgments. In *Urtula*, the civil action for collection of legal interest subsequently filed by the defendant was

³⁶ *Españó, Sr., v. CA, et al.*, 335 Phil. 983, 986 (1997).

³⁷ *Buenaventura, et al. v. Court of Appeals*, 290-A Phil. 628, 635 (1992) citing *Yusingco v. Ong Hing Lian*, 149 Phil. 688, 710 (1971).

³⁸ *Ochagabia, et al. v. Court of Appeals, et al.*, 364 Phil. 233, 240 (1999).

³⁹ *Republic v. Limbonhai and Sons*, G.R. No. 217956, November 16, 2016.

⁴⁰ *Urtula, et al., v. Republic*, 130 Phil. 449 (1968).

⁴¹ *Id.*

dismissed because the Court, in its judgment in the expropriation case previously promulgated ordering the government to pay Urtula just compensation, failed to award legal interest. According to the Court, the civil action for collection of legal interest was already barred by *res judicata* pursuant to Section 3, Rule 67 of the Rules of Court, which directs the defendant in an expropriation case to present all objections and defences; otherwise, they are deemed waived.⁴²

Clearly, Gotengco, in the same manner as Urtula, is already barred by *res judicata* to claim legal interest for failure to timely raise his objection thereto. Borrowing the words of the Court in *Urtula*, “[a]s the issue of interest could have been raised in the former case but was not raised, *res judicata* blocks the recovery of interest in the present case. It is settled that a former judgment constitutes a bar, as between the parties, not only as to matters expressly adjudged, but all matters that could have been adjudged at the time. It follows that interest upon the unrecoverable interest, which plaintiff also seeks, cannot, likewise, be granted.”⁴³

To affirm the ruling of the appellate court would violate the doctrine of immutability and inalterability of a final judgment and would concede to the evils the doctrine seeks to prevent, namely: (1) to avoid delay in the administration of justice and thus, procedurally, to make orderly the discharge of judicial business and (2) to put an end to judicial controversies, at the risk of occasional errors, which is precisely why courts exist.⁴⁴ Indeed, to rule otherwise would trivialize the time-honored principle of procedural law.

Time and again, the Court has reiterated the maxim that rules of procedure must be faithfully followed and cannot be ignored due to its indispensability for the orderly and speedy discharge of the administration of justice. While rules of procedure may be relaxed to better serve the ends of justice, the Court, however, must take precaution as the exception to this tenet is applied only to the most persuasive of reasons and the most deserving.⁴⁵

WHEREFORE, the petition is **GRANTED**. The Decision of the Court of Appeals dated February 26, 2016 in CA-G.R. SP No. 134944, affirming the Order of the Regional Trial Court dated May 6, 2013, which ordered the Republic to pay Gotengco legal interest at the rate of 6% per annum from the date of finality of judgment until the entire amount of just

⁴² Section 3, Rule 67, Revised Rules of Court; *Urtula, et al., v. Republic*, 130 Phil. 449, 454 (1968).

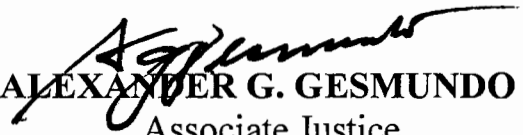
⁴³ *Supra* note 40 at 454.

⁴⁴ *Apo Fruits Corp., et al., v. Land Bank of the Phils.*, 622 Phil. 215, 231 (2009).


⁴⁵ *Spouses Bergonia and Castillo v. CA, et al.*, 680 Phil. 334, 344-345 (2012).


compensation is paid in full is **REVERSED** and **SET ASIDE**. Accordingly, the Modified Partial Decision dated February 15, 2001 of the Regional Trial Court in Civil Case No. 184-83-C ordering the Republic to pay Gotengco just compensation *sans* legal interest is hereby **REINSTATED**.

SO ORDERED.


ALEXANDER G. GESMUNDO
Associate Justice

WE CONCUR:


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson

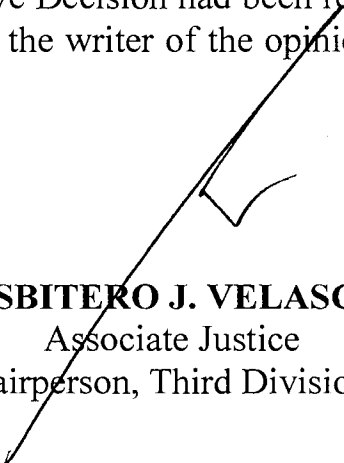

LUCAS P. BERSAMIN
Associate Justice


MARVIC M.V.F. LEONEN
Associate Justice

(On Official Leave)
SAMUEL R. MARTIRES
Associate Justice


A T T E S T A T I O N

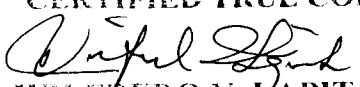
I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


PRESBITERO J. VELASCO, JR.
Associate Justice
Chairperson, Third Division

C E R T I F I C A T I O N

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.


MARIA LOURDES P. A. SERENO
Chief Justice

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WILFREDO V. LAPITAN
Division Clerk of Court
Third Division

MAR 09 2018

