



Republic of the Philippines
Supreme Court
 Manila

SECOND DIVISION

ELIZABETH M. LANSANGAN,
 Petitioner,

G.R. No. 212987

- versus -

Present:

ANTONIO S. CAISIP,
 Respondent.

CARPIO, *J.*, Chairperson,
 LEONARDO-DE CASTRO,*
 PERALTA,
 PERLAS-BERNABE, and
 CAGUIOA, *JJ.*

Promulgated:

06 AUG 2018

X-----*HMCabalar*-----X

DECISION

PERLAS-BERNABE, J.:

Assailed in this petition for review on *certiorari*¹ are the Decision² dated January 23, 2014 and the Resolution³ dated May 20, 2014 of the Court of Appeals (CA) in CA-G.R. SP No. 129824, which affirmed the Decision⁴ dated January 31, 2013 and the Order⁵ dated April 2, 2013 of the Regional Trial Court of Capas, Tarlac, Branch 66 (RTC) in Special Civil Action Case No. 58-C-12, upholding the *motu proprio* dismissal of petitioner Elizabeth M. Lansangan's (petitioner) complaint for failure to refer the matter for barangay conciliation proceedings before recourse to the courts.

* Designated Additional Member per Raffle dated January 3, 2018.

¹ *Rollo*, pp. 12-27.

² Id. at 103-114. Penned by Associate Justice Normandie B. Pizarro with Presiding Justice (now a member of this Court) Andres B. Reyes, Jr. and Associate Justice Manuel M. Barrios, concurring.

³ Id. at 123-124.

⁴ Id. at 80-81. Penned by Judge Alipio C. Yumul.

⁵ Id. at 89-90.

The Facts

This case stemmed from a Complaint for Sum of Money and Damages⁶ dated June 27, 2012 filed before the 2nd Municipal Circuit Trial Court of Capas-Bamban-Concepcion, Tarlac (MCTC) by petitioner against respondent Antonio Caisip (respondent), docketed as Civil Case No. 2738-12.

Petitioner, a resident of Camanse Street, Purok 4, Rose Park, Concepcion, Tarlac, alleged that respondent, a resident of Barangay Sto. Niño, Concepcion, Tarlac, executed a promissory note⁷ in her favor in the amount of €2,522.00 payable in three (3) installments. As respondent defaulted in his obligation under the promissory note and refused to heed petitioner's demands to comply therewith, the latter was constrained to file the said complaint.⁸

Since respondent failed to file any responsive pleading, petitioner moved to declare him in default and for the MCTC to render judgment,⁹ which was granted in an Order¹⁰ dated August 28, 2012. Accordingly, the case was submitted for resolution.¹¹

The MCTC Ruling

In an Order¹² dated September 3, 2012, the MCTC *motu proprio* dismissed without prejudice the complaint for failure to comply with the provisions of Republic Act No. (RA) 7160,¹³ otherwise known as "The Local Government Code of 1991," which requires the prior referral of the dispute between residents of the same barangay for conciliation proceedings before the filing of a case in court.¹⁴

Petitioner moved for reconsideration,¹⁵ which was, however, denied in an Order¹⁶ dated September 25, 2012. In the said Order, the MCTC opined that petitioner's failure to refer the matter for barangay conciliation proceedings rendered it without jurisdiction to rule on her complaint.¹⁷ Aggrieved, she filed a petition for *certiorari*¹⁸ before the RTC.

⁶ Id. at 66-67.

⁷ Id. at 69-70.

⁸ See id. at 66 and 104.

⁹ See Motion to Declare Defendant in Default and Motion to Render Judgment dated July 17, 2012; id. at 73-74.

¹⁰ Id. at 41. Penned by Presiding Judge Antonio M. Pangan.

¹¹ Id. See also id. at 105.

¹² Id. at 42.

¹³ Entitled "AN ACT PROVIDING FOR A LOCAL GOVERNMENT CODE OF 1991" (January 1, 1992).

¹⁴ *Rollo*, p. 42.

¹⁵ See motion for reconsideration dated September 6, 2012; id. at 44-46.

¹⁶ Id. at 47-48.

¹⁷ See id.

¹⁸ Dated November 3, 2012. Id. at 50-60.

✓

The RTC Ruling

In a Decision¹⁹ dated January 31, 2013, the RTC upheld the *motu proprio* dismissal of petitioner's complaint. It ruled that prior barangay conciliation proceedings before the filing of the instant complaint is jurisdictional; thus, non-compliance therewith warrants its dismissal.²⁰

Petitioner moved for reconsideration,²¹ but the same was denied in an Order²² dated April 2, 2013. Undeterred, she appealed²³ to the CA.

The CA Ruling

In a Decision²⁴ dated January 23, 2014, the CA affirmed the RTC Ruling. It held that since the party-litigants are both residents of Concepcion, Tarlac, petitioner's complaint should have undergone the mandatory barangay conciliation proceedings before raising the matter before the courts.²⁵

Undaunted, Elizabeth moved for reconsideration,²⁶ which was denied in a Resolution²⁷ dated May 20, 2014; hence, this petition.

The Issue Before the Court

The issue for the Court's resolution is whether or not the CA erred in upholding the *motu proprio* dismissal of petitioner's complaint.

The Court's Ruling

The petition is meritorious.

Section 1, Rule 16 of the Rules of Court provides for the grounds that may be raised in a motion to dismiss a complaint, to wit:

Section 1. *Grounds.* – Within the time for but before filing the answer to the complaint or pleading asserting a claim, a motion to dismiss may be made on any of the following grounds:

¹⁹ Id. at 80-81.

²⁰ See id. at 81.

²¹ See motion for reconsideration dated February 16, 2013; id. at 82-88.

²² Id. at 89-90.

²³ See Appeal Memorandum for the Petitioner-Appellant dated June 12, 2013; id. at 91-100.

²⁴ Id. at 103-114.

²⁵ See id. at 108-110.

²⁶ See motion for reconsideration dated February 14, 2014; id. at 116-120.

²⁷ Id. at 123-124.

- (a) That the court has no jurisdiction over the person of the defending party;
- (b) That the court has no jurisdiction over the subject matter of the claim;
- (c) That venue is improperly laid;
- (d) That the plaintiff has no legal capacity to sue;
- (e) That there is another action pending between the same parties for the same cause;
- (f) That the cause of action is barred by a prior judgment or by the statute of limitations;
- (g) That the pleading asserting the claim states no cause of action;
- (h) That the claim or demand set forth in the plaintiff's pleading has been paid, waived, abandoned, or otherwise extinguished;
- (i) That the claim on which the action is founded is unenforceable under the provisions of the statute of frauds; and
- (j) That a condition precedent for filing the claim has not been complied with.** (Emphasis and underscoring supplied)

As a general rule, the above-listed grounds must be invoked by the party-litigant at the earliest opportunity, as in a motion to dismiss or in the answer; otherwise, such grounds are deemed waived. As an exception, however, the courts may order the *motu proprio* dismissal of a case on the grounds of lack of jurisdiction over the subject matter, *litis pendentia*, *res judicata*, and prescription of action, pursuant to Section 1, Rule 9 of the Rules of Court, which reads:

Section 1. *Defenses and objections not pleaded.* — Defenses and objections not pleaded either in a motion to dismiss or in the answer are deemed waived. However, when it appears from the pleadings or the evidence on record that the court has no jurisdiction over the subject matter, that there is another action pending between the same parties for the same cause, or that the action is barred by a prior judgment or by statute of limitations, the court shall dismiss the claim.

In this case, the *motu proprio* dismissal of the complaint was anchored on petitioner's failure to refer the matter for barangay conciliation proceedings which in certain instances, is a condition precedent before filing a case in court. As Section 412 (a) of RA 7160 provides, the conduct of barangay conciliation proceedings is a pre-condition to the filing of a complaint involving any matter within the authority of the *lupon*, to wit:

Section 412. *Conciliation.* — (a) *Pre-condition to Filing of Complaint in Court.* — No complaint, petition, action, or proceeding involving any matter within the authority of the *lupon* shall be filed or instituted directly in court or any other government office for adjudication, unless there has been a confrontation between the parties before the *lupon* chairman or the *pangkat*, and that no conciliation or settlement has been reached as certified by the *lupon* secretary or *pangkat* secretary as attested to by the *lupon* or *pangkat* chairman or unless the settlement has been repudiated by the parties thereto.

Under Section 409 (a) of RA 7160, “[d]isputes between persons actually residing in the same barangay [(as in the parties in this case)] shall be brought for amicable settlement before the *lupon* of said barangay.”

Lifted from Presidential Decree No. 1508,²⁸ otherwise known as the “*Katarungang Pambarangay Law*,” the primordial objective of a prior barangay conciliation is to reduce the number of court litigations and prevent the deterioration of the quality of justice which has been brought by the indiscriminate filing of cases in courts. Subject to certain exemptions,²⁹ a party’s failure to comply with this requirement before filing a case in court would render his complaint dismissible on the ground of failure to comply with a condition precedent, pursuant to Section 1 (j), Rule 16 of the Rules of Court.³⁰

Notably, in *Aquino v. Aure*,³¹ the Court clarified that *such conciliation process is not a jurisdictional requirement, such that non-compliance therewith cannot affect the jurisdiction which the court has otherwise acquired over the subject matter or over the person of the defendant*,³² viz.:

Ordinarily, non-compliance with the condition precedent [of prior barangay conciliation] could affect the sufficiency of the plaintiff’s cause of action and make his complaint vulnerable to dismissal on [the] ground of lack of cause of action or prematurity; but the same would not prevent a court of competent jurisdiction from exercising its power of adjudication over the case before it, where the defendants, as in this case, failed to object to such exercise of jurisdiction in their answer and even during the entire proceedings *a quo*.³³

Similarly, in *Banares II v. Balising*,³⁴ it was mentioned that the non-referral of a case for barangay conciliation when so required under the law is

²⁸ Entitled “ESTABLISHING A SYSTEM OF AMICABLY SETTLING DISPUTES AT THE BARANGAY LEVEL,” approved on June 11, 1978.

²⁹ See Sections 408 and 412 (b) of RA 7160.

³⁰ See *Aquino v. Aure*, 569 Phil. 403 (2008).

³¹ Id.

³² Id. at 416, citing *Presco v. CA*, 270 Phil. 322, 332 (1990).

³³ Id. at 417, citing *Royales v. Intermediate Appellate Court*, 212 Phil. 432, 435-436 (1984).

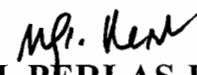
³⁴ 384 Phil. 567 (2000).

not jurisdictional in nature, and may therefore be deemed waived if not raised seasonably in a motion to dismiss or in a responsive pleading.³⁵


Here, the ground of non-compliance with a condition precedent, *i.e.*, undergoing prior barangay conciliation proceedings, was not invoked at the earliest opportunity, as in fact, respondent was declared in default for failure to file a responsive pleading despite due notice. Therefore, it was grave error for the courts *a quo* to order the dismissal of petitioner's complaint on said ground. Hence, in order to rectify the situation, the Court finds it proper that the case be reinstated and remanded to the MCTC, which is the court of origin, for its resolution on the merits.

WHEREFORE, the petition is **GRANTED**. The Decision dated January 23, 2014 and the Resolution dated May 20, 2014 of the Court of Appeals in CA-G.R. SP No. 129824 are hereby **REVERSED** and **SET ASIDE**. Accordingly, Civil Case No. 2738-12 is hereby **REINSTATED** and **REMANDED** to the 2nd Municipal Circuit Trial Court of Capas-Bamban-Concepcion, Tarlac for resolution on the merits, with reasonable dispatch.

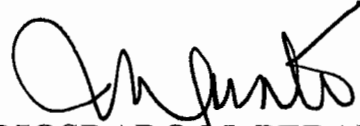
SO ORDERED.


ESTELA M. PERLAS-BERNABE
 Associate Justice

WE CONCUR:


ANTONIO T. CARPIO
 Senior Associate Justice
 Chairperson


TERESITA J. LEONARDO-DE CASTRO
 Associate Justice

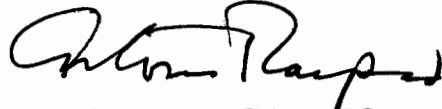

DIOSDADO M. PERALTA
 Associate Justice


ALFREDO BENJAMIN S. CAGUIOA
 Associate Justice

³⁵ *Id.* at 583 (2000); citations omitted.

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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.

**ANTONIO T. CARPIO**

Senior Associate Justice

(Per Section 12, Republic Act No. 296,
The Judiciary Act of 1948, As Amended)