

EN BANC

[G.R. No. 158464, August 02, 2016]

JOCELYN S. LIMKAICHONG, PETITIONER, VS. LAND BANK OF THE PHILIPPINES, DEPARTMENT OF AGRARIAN REFORM, REPRESENTED BY THE SECRETARY OF AGRARIAN REFORM, THROUGH THE PROVINCIAL AGRARIAN REFORM OFFICER, RESPONDENTS.

DECISION

BERSAMIN, J.:

Being now assailed in this appeal are the decision promulgated by the Court of Appeals (CA) on November 22, 2002 (dismissing the petitioner's petition for *certiorari* for not being the proper remedy, thereby affirming the dismissal of Civil Case No. 12558 by the trial court on the ground of the valuation by the Department of Agrarian Reform (DAR) having already become final due to her failure as the landowner to bring her action for judicial determination of just compensation within 15 days from notice of such valuation),^[1] and the resolution promulgated on June 2, 2003 (denying her motion for reconsideration).^[2]

Antecedents

The petitioner was the registered owner of agricultural lands with a total area of 19.6843 hectares situated in Villegas, Guihulngan, Negros Oriental and covered by Original Certificate of Title No. (OCT) FV-34400, OCT No. 34401, OCT No. 34402, and OCT No. 34403, all of the Register of Deeds of Negros Oriental. For purposes of placing those lands within the coverage of Republic Act No. 6657 (R.A. No. 6657),^[3] the Department of Agrarian Reform Adjudication Board (DARAB), Office of the Provincial Adjudicator, in Dumaguete City sent to her in 1998 several Notices of Land Valuation and Acquisition by which her lands were valued for acquisition by the DAR as follows:

1. OCT
FV- P177,074.93;^[4]
34400-
2.
OCTFV- P171,061.11;^[5]
34401-
3.
OCTFV- P167,626.62;^[6]
34402- and
4.
OCTFV- P140,611.65.^[7]
34403-

After the petitioner rejected such valuation of her lands, the DARAB conducted summary administrative proceedings for the determination of just compensation.^[8] On May 28, 1999, the DARAB issued its order affirming the valuation of the lands upon finding the valuation consistent with existing administrative guidelines on land valuation.^[9]

On August 19, 1999, the petitioner filed in the Regional Trial Court (RTC) in Dumaguete City a complaint for the fixing of just compensation for her lands,^[10] impleading as defendant the Land Bank of the Philippines (LBP) and the DAR, represented by the DAR Secretary, through the Dumaguete Provincial Agrarian Reform Officer (PARO). Her complaint, docketed as Civil Case No. 12558, prayed that the DARAB valuation be set aside and declared null and void, and that in its stead the price of her lands be fixed based on the fair market value thereof.

After filing their answer, the respondents filed a manifestation and motion to dismiss,^[11] stating that the petitioner's failure to timely appeal the May 28, 1999 DARAB order had rendered the order final and executory pursuant to Section 51^[12] of R.A. No. 6657. They attached to the motion to dismiss a June 23, 2000 certification of finality issued by the Clerk of the DARAB,^[13] stating that the May 28, 1999 order had become final and executory because there had been no appeal filed within the reglementary period provided by law.

In her opposition to the respondents' motion to dismiss,^[14] the petitioner admitted that Civil Case No. 12558 was filed beyond the reglementary period, but insisted that the RTC sitting as special agrarian court (SAC) was not barred from acquiring jurisdiction over the complaint for determination of just compensation, because her cause of action was anchored on the respondents' violation of her right to due process and their taking of her property without just compensation due to the DARAB valuation being too low and having been arbitrarily arrived at. She claimed that the RTC as the SAC should accord her the same treatment it had accorded to other landowners who had been given the chance to be heard on their claim for re-valuation despite the belated filing of their complaints for just compensation.

On June 7, 2001, the RTC as the SAC granted the respondents' motion to dismiss.^[15] Citing Section 51 and Section 54^[16] of R.A. No. 6657 and Section 11 of Rule XIII of the 1994 DARAB Rules of Procedure,^[17] it held that the petitioner's complaint should have been filed within 15 days from notice of the assailed order. It dismissed her argument that the case was anchored on violations of her constitutional rights to due process and just compensation, declaring that the controlling ruling was *Philippine Veterans Bank v. Court of Appeals*,^[18] not *Republic v. Court of Appeals*.^[19] Thus, applying the ruling in *Philippine Veterans Bank*, the RTC concluded that dismissal was proper because she had filed Civil Case No. 12558 beyond the statutory 15-day period.

The petitioner moved for reconsideration,^[20] but to no avail.

Thus, on October 22, 2001, the petitioner brought her petition for *certiorari* in the CA assailing the dismissal of Civil Case No. 12558.

On November 22, 2002, the CA rendered its decision affirming the dismissal of Civil Case No. 12558, opining that because the June 7, 2001 order of the RTC dismissing Civil Case No. 12558 was a final order, the petitioner's remedy was not the special civil action for *certiorari* but an appeal in the CA; that she chose the wrong remedy because *certiorari* could not take the place of an appeal; and that the RTC thus committed no grave abuse of discretion that warranted the issuance of the writ of *certiorari*.

Issue

The petitioner raises the following issue for resolution:

WHETHER OR NOT ON THE QUESTION OF CONSTITUTIONAL RIGHT TO EQUAL PROTECTION OF LAW, THE COURT OF APPEALS DECISION DATED NOVEMBER 22, 2002 RULING THAT THE PETITION FOR *CERTIORARI* WAS NOT THE PROPER REMEDY IS CONTRARY TO THE LAW AND JURISPRUDENCE AS APPLIED TO THE EVIDENCE ON RECORD.^[21]

The petitioner argues that she is entitled to equal protection and treatment accorded by the very same trial court to other landowners whose landholdings were placed under agrarian reform coverage, listing the cases involving other landowners who had been given the chance to be heard on their claim for re-valuation by the trial court.^[22] She justifies her resort to *certiorari* by claiming that the RTC, in dismissing Civil Case No. 12558, acted whimsically and arbitrarily, and gravely abused its discretion; and that *certiorari* was necessary to prevent irreparable damage and injury to her resulting from the acquisition by the State of her lands based on wrongful valuation and without paying her the proper and just compensation.

In their respective comments,^[23] the respondents counter that the petitioner's reliance on the equal protection clause of the fundamental law is misplaced and bereft of legal and factual basis; that, on the contrary, they faithfully performed their task in relation to her landholdings, and in accordance with the agrarian laws and guidelines issued in furtherance thereof; that the final and executory DARAB valuation should no longer be disturbed by her frivolous claim of lack of due process; that her failure to properly observe the rules of procedure relative to reglementary periods should not be concealed by a trivial claim of violation of her constitutional rights; that pursuant to Section 60^[24] of RA 6657, the decision became final because an appeal by petition for review was not taken from the decision of the RTC as the SAC within 15 days from notice of the decision; and that there was no proof of service on the CA of a copy of the petition as required by Section 3, Rule 45 of the *Rules of Court* and Circular No. 19-91, thereby warranting the outright dismissal of the petition.

Ruling of the Court

The petition for review is meritorious.

I

***Certiorari* was a proper remedy despite the availability of appeal**

The CA ruled that the proper remedy of the petitioner was not to bring the petition

for *certiorari* but to appeal the dismissal of Civil Case No. 12558 in accordance with the *Rules of Court*; and that appeal as her proper remedy was already time-barred.

Ostensibly, the assailed dismissal by the RTC was an order that had finally disposed of Civil Case No. 12558; hence, the petitioner's proper recourse therefrom was an appeal taken in due course because the order of dismissal was a final disposition of the case.^[25] In that situation, *certiorari* would not have been appropriate.

However, the petitioner would not be prevented from assailing the dismissal by petition for *certiorari* provided her resort complied with the requirements of the *Rules of Court* for the bringing of the petition for *certiorari*. In that regard, the following requisites must concur for *certiorari* to prosper, namely: (1) the writ is directed against a tribunal, a board or any officer exercising judicial or quasi-judicial functions; (2) such tribunal, board or officer has acted without or in excess of jurisdiction, or with grave abuse of discretion amounting to lack or excess of jurisdiction; and (3) there is no appeal or any plain, speedy and adequate remedy in the ordinary course of law.^[26] *Without jurisdiction* means that the court acted with absolute lack of authority. There is *excess of jurisdiction* when the court transcends its power or acts without any statutory authority, *Grave abuse of discretion* implies such capricious and whimsical exercise of judgment as to be equivalent to lack or excess of jurisdiction; in other words, power - is exercised in an arbitrary or despotic manner by reason of passion, prejudice, or personal hostility; and such exercise is so patent or so gross as to amount to an evasion of a positive duty or to a virtual refusal either to perform the duty enjoined or to act at all in contemplation of law.^[27]

Indeed, the Court has held that the availability of an appeal as a remedy is a bar to the bringing of the petition for *certiorari* only where such appeal is in itself a sufficient and adequate remedy, in that it will promptly relieve the petitioner from the injurious effects of the judgment or final order complained of.^[28] The Court does not hesitate or halt on its tracks in granting the writ of *certiorari* to prevent irreparable damage and injury to a party in cases where the trial judge capriciously and whimsically exercised his judgment, or where there may be a failure of justice;^[29] or where the assailed order is a patent nullity; or where the grant of the writ of *certiorari* will arrest future litigations; or for certain considerations, such as public welfare and public policy.^[30]

Here, the petitioner laments that she had not been accorded equal protection and treatment by the trial court which had awarded to other landowners a higher valuation of their property despite the belated filing of their petitions. For sure, the petition for *certiorari* thereby plainly alleged that the RTC had committed grave abuse of discretion by violating the petitioner's constitutional right to due process or equal protection. Such a petition should not be forthwith dismissed but should be fully heard if only to ascertain and determine if the very serious allegations were true.

II

Dismissal of petitioner's action was unfair and improper

Section 9, Article III of the 1987 Constitution provides that "[p]rivate property shall

not be taken for public use without just compensation." The determination of just compensation has been the subject of various discordant rulings of the Court. Although some of the later rulings have supposedly settled the controversy of whether the courts or the DAR should have the final say on just compensation, the conflict has continued, and has caused some confusion to the Bench and the Bar, as well as to the other stakeholders in the expropriation of agricultural landholdings.

Under existing law and regulation, respondent LBP is tasked with the responsibility of initially determining the value of lands placed under land reform and the just compensation to be paid the landowners for their taking.^[31] By way of notice sent to the landowner pursuant to Section 16(a)^[32] of R.A. No. 6657, the DAR makes an offer to acquire the land sought to be placed under agrarian reform. If the concerned landowner rejects the offer, a summary administrative proceeding is held, and thereafter the provincial adjudicator (PARAD), the regional adjudicator (RARAD) or the central adjudicator (DARAB), as the case may be, fixes the price to be paid for the land, based on the various factors and criteria as determined by law or regulation. Should the landowner disagree with the valuation, he/she may bring the matter to the RTC acting as the SAC.^[33] This is the procedure for the determination of just compensation under R.A. No. 6657.^[34]

There appears to be no question on the respondents' observance of the proper procedure for acquisition of the petitioner's lands. The remaining issue concerns whether the trial court's dismissal of her petition because of her failure to file it before the decision/order of the DARAB became final and executory pursuant to Section 51 of R.A. No. 6657 was fair and proper.

We rule in the negative.

There have been divergent rulings on whether the courts or another agency of the government could address the determination of just compensation in eminent domain, but the starting point is the landmark 1987 ruling in *Export Processing Zone Authority (EPZA) v. Dulay*,^[35] which resolved the challenge against several decrees promulgated by President Marcos. The decrees provided certain measures to the effect that the just compensation for property under expropriation should be either the assessment of the property by the Government or the sworn valuation of the property by the owner, whichever was *lower*. In declaring the decrees unconstitutional, the Court cogently held:

The method of ascertaining just compensation under the aforecited decrees constitutes impermissible encroachment on judicial prerogatives. It tends to render this Court inutile in a matter which under this Constitution is reserved to it for final determination.

Thus, although in an expropriation proceeding the court technically would still have the power to determine the just compensation for the property, following the applicable decrees, its task would be relegated to simply stating the lower value of the property as declared either by the owner or the assessor. As a necessary consequence, it would be useless for the court to appoint commissioners under Rule 67 of the Rules of Court. Moreover, the need to satisfy the due process clause in the taking of private property is seemingly fulfilled since it cannot be said that a