710 Phil. 57

SECOND DIVISION

[G.R. No. 179643, June 03, 2013]

ERNESTO L. NATIVIDAD, PETITIONER, VS. FERNANDO MARIANO, ANDRES MARIANO AND DOROTEO GARCIA, RESPONDENTS.

D E C I S I O N

BRION, J.:

We resolve in this Rule 45 petition for review on *certiorari*[1] the challenge to the November 28, 2006 decision[2] of the Court of Appeals *(CA)* in CA-G.R. SP No. 89365. The assailed decision affirmed the February 21, 2005 decision[3] of the Department of Agrarian Reform Adjudication Board *(DARAB)* in DARAB Case No. 10051. The DARAB ruling, in turn, reversed the decision[4] dated October 27, 1999 of the Provincial Agrarian Reform Adjudicator (PARAD) of Nueva Ecija granting the petition for ejectment and collection of back lease rentals filed by petitioner Emesto L. Natividad against respondents Fernando Mariano, Andres Mariano and Doroteo Garcia.

The Factual Antecedents

At the core of the dispute in this case is a 66,997 square meter parcel of agricultural land (*subject property*) situated in Sitio Balanti, Gapan, Nueva Ecija, owned and registered in the name of Esperanza Yuzon under Transfer Certificate of Title No. NT-15747. The respondents are the tenants of the subject property.[5]

On December 23, 1998, Ernesto filed with the PARAD a petition[6] for ejectment and collection of back lease rentals against the respondents. In his petition, Ernesto alleged that he purchased the subject property in a public auction held on July 17, 1988. Immediately after the purchase, he *verbally* demanded that the respondents pay the lease rentals. Despite his repeated demands, the respondents refused to pay, prompting him to *orally* request the respondents to vacate the subject property. He filed the petition when the respondents refused his demand to vacate.

Although duly served with summons, the respondents failed to answer Ernesto's petition and were deemed to have waived their right to present evidence. The PARAD allowed the case to proceed *ex parte*.

The PARAD granted Ernesto's petition in its October 27, 1999 decision, and ordered the respondents to vacate the subject property and to pay the lease rentals in arrears. The PARAD found merit in Ernesto's unrebutted allegations.

The respondents did not appeal the decision despite due notice.[7] Thus, the PARAD's decision became final and executory, and on April 6, 2000, the PARAD granted Ernesto's motion for the issuance of a writ of execution.[8]

On May 4, 2000, the respondents, through a private law firm, filed an Appearance and Petition for Relief from Judgment[9] *(first petition)* on the ground of excusable negligence. The respondents claimed that their inexperience and lack of knowledge of agrarian reform laws and the DARAB Rules of Procedure prevented them from appearing before the PARAD in due course; these also led to their belated discovery of the approved Barangay Committee for Land Production *(BCLP)* valuation. They cited these reasons as their excusable negligence justifying the grant of the relief from judgment prayed for.

In answer to Ernesto's allegations, the respondents denied knowledge of Ernesto's purchase of the subject property and, alternatively, disputed the validity of the purchase. They averred that they had been paying lease rentals to the landowner. In support of their position, the respondents attached copies of rental payment receipts[10] for the crop years 1988-1998 issued by Corazon Quiambao and Laureano Quiambao, the authorized representatives of Aurora Yuzon.[11] They added that Diego Mariano, the father of respondents Andres and Fernando, and respondent Doroteo were issued Certificates of Land Transfer (*CLTs*) on July 28, 1973.[12] Andres and Fernando added that, as heirs of Diego, they are now the new beneficiaries or allocatees of the lots covered by Diego's CLT.[13] Finally, the respondents pointed out that as of the year 2000, they have an approved valuation report issued by the BCLP.

On June 7, 2000, the PARAD denied the respondents' first petition, finding no sufficient basis for its grant.[14] The PARAD declared that none of the grounds for the grant of a petition for relief exists and can be invoked against its October 27, 1999 decision, or could have prevented the respondents from taking an appeal. The records show that the respondents were duly notified of the scheduled hearing date and of the issuance of its decision; despite due notices, the respondents failed to appear and to appeal, for which reasons the decision became final. Lastly, the PARAD considered that the respondents' petition had been filed out of time. On July 13, 2000, the PARAD denied[15] the respondents' motion for reconsideration of the June 7, 2000 order.[16]

On June 23, 2000, the respondents, this time represented by the Agrarian Legal Assistance, Litigation Division of the Department of Agrarian Reform *(DAR)*, filed a second Petition for Relief from Judgment *(second petition)*.[17] The respondents repeated the allegations in their first petition, but added lack of sufficient financial means as the reason that prevented them from seeking appropriate legal assistance.

On July 20, 2000, the PARAD denied the respondents' second petition based on technical grounds. When the PARAD denied their subsequent motion for reconsideration,[18] the respondents appealed to the DARAB.[19]

The Ruling of the DARAB

On February 21, 2005, the DARAB granted the respondents' appeal and reversed the PARAD's October 27, 1999 decision.[20] The DARAB ordered Ernesto to maintain the respondents in the peaceful possession and cultivation of the subject property,

and at the same time ordered the respondents to pay the rentals in arrears as computed by the Municipal Agrarian Reform Officer *(MARO)*. Unlike the PARAD, the DARAB found the evidence insufficient to support Ernesto's allegation that the respondents did not pay the lease rentals. The respondents' respective receipts of payment, the DARAB noted, controverted Ernesto's claim.

Ernesto appealed the February 21, 2005 DARAB decision to the CA *via* a petition for review under Rule 43 of the Rules of Court.[21]

The Ruling of the CA

In its November 28, 2006 decision, the CA denied Ernesto's petition for review for lack of merit.[22] The CA declared that Ernesto failed to prove by clear, positive and convincing evidence the respondents' failure to pay the lease rentals and, in fact, never repudiated the authority of Corazon and Laureano to receive rental payments from the respondents. The CA ruled that under Section 7 of Republic Act *(R.A.)* No. 3844, once a leasehold relationship is established, the landowner-lessor is prohibited from ejecting a tenant-lessee unless authorized by the court for causes provided by law. While non-payment of lease rentals is one of the enumerated causes, the landowner (Ernesto) bears the burden of proving that: (1) the tenant did not pay the rentals; and (2) the tenant did not suffer crop failure pursuant to Section 36 of R.A. No. 3844. As Ernesto failed to prove these elements, no lawful cause existed for the ejectment of the respondents as tenants.

The CA also declared that the DARAB did not err in taking cognizance of the respondents' appeal and in admitting mere photocopies of the respondents' receipts of their rental payments. The CA held that the DARAB Rules of Procedure and the provisions of R. A. No. 6657 (the Comprehensive Agrarian Reform Law of 1988) specifically authorize the DARAB to ascertain the facts of every case and to decide on the merits without regard to the law's technicalities. The CA added that the attendant facts and the respondents' substantive right to security of tenure except the case from the application of the doctrine of immutability of judgments.

Finally, the CA noted that the issues Ernesto raised were factual in nature. It was bound by these findings since the findings of the DARAB were supported by substantial evidence.

Ernesto filed the present petition after the CA denied his motion for reconsideration23 in its August 10, 2007 resolution.[24]

The Petition

Ernesto imputes on the CA the following reversible errors: *first*, the finding that he authorized Corazon and Laureano to receive the respondents' lease rentals on his behalf; *second*, the conclusion that the respondents cannot be ejected since they were excused from paying lease rentals to him for lack of knowledge of the legality of the latter's acquisition of the subject property; and *third*, the ruling that the final and fully executed decision of the PARAD could still be reopened or modified.

Ernesto argues that the respondents' admission in their pleadings and the rental receipts, which they submitted to prove payment, evidently show that the

respondents paid the lease rentals to Corazon and Laureano as representatives of Esperanza and not as his representatives.[25]

Ernesto further insists that the respondents cannot deny knowledge of the legality of his acquisition of the subject property and are, therefore, not excused from paying the lease rentals to him. He claims that the respondents had long since known that he is the new owner of the subject property when the petition for the annulment of the levy and execution sale, which the respondents filed against him, was decided in his favor.[26]

Finally, Ernesto claims that the CA erred in disregarding the doctrine of immutability of final judgments simply on the respondents' feigned ignorance of the rules of procedure and of the free legal assistance offered by the DARAB. Ernesto maintains that despite due receipt of their respective copies of the PARAD's decision, the respondents nevertheless still failed to seek reconsideration of or to appeal the PARAD's decision. Ernesto concludes that the respondents' inaction rendered the PARAD's decision final and fully executed, barring its reopening or modification.[27]

The Case for the Respondents

In their comment,[28] the respondents maintain that Ernesto's purchase of the subject property is null and void. The respondents contend that both Diego and Doroteo acquired rights over the subject property when they were granted a CLT in 1973.[29] Ernesto's subsequent purchase of the subject property *via* the execution sale cannot work to defeat such rights as any sale of property covered by a CLT violates the clear and express mandate of Presidential Decree *(P.D.)* No. 27, *i.e.*, that title to land acquired pursuant to the Act is not transferable.[30] In fact, when - through the PARAD's final decision - he ejected the respondents from the subject property, Ernesto also violated R.A. No. 6657.[31]

The respondents further contend that the doctrine of immutability of judgments does not apply where substantive rights conferred by law are impaired, such as the situation obtaining in this case. The courts' power to suspend or disregard rules justified the action taken by the DARAB (as well as the CA in affirming the former) in altering the decision of the PARAD although it had been declared final.[32]

Lastly, the respondents posit that the CA did not err in upholding the DARAB's ruling since the findings of facts of quasi-judicial bodies, when supported by substantial evidence, as in this case, bind the CA.[33]

The Issue

The case presents to us the core issue of whether Ernesto had sufficient cause to eject the respondents from the subject property.

The Court's Ruling

We DENY the petition.

Preliminary considerations

As a preliminary matter, we reiterate the rule that a petition for review on *certiorari* under Rule 45 of the Rules of Court shall raise only questions of law.[34] A question that invites a review of the factual findings of the lower tribunals or bodies is beyond the scope of this Court's power of review[35] and generally justifies the dismissal of the petition.

The Court, as a rule, observes this Rule 45 proscription as this Court is not a trier of facts.[36] The resolution of factual issues is the function of the lower tribunals or bodies whose findings, when duly supported by substantial evidence and affirmed by the CA, bind this Court.[37]

The reviewable question sanctioned by a Rule 45 petition is one that lies solely on what the law provides on the given set of circumstances.[38] In the present petition, Ernesto essentially argues that the CA erred in ruling that he failed to sufficiently prove any cause to eject the respondents from the subject property. In effect, Ernesto asks this Court to re-examine and re-evaluate the probative weight of the evidence on record. These are factual inquiries beyond the reach of this petition.[39]

Under exceptional circumstances, however, we have deviated from the above rules. In the present case, the PARAD gave credit to Ernesto's claim that the respondents did not pay the lease rentals. The DARAB, in contrast, found Ernesto's claim unsubstantiated. This conflict in the factual conclusions of the PARAD and the DARAB on the alleged non-payment by the respondents of the lease rentals is one such exception to the rule that only questions of law are to be resolved in a Rule 45 petition.[40] Thus, we set aside the above rules under the circumstances of this case, and resolve it on the merits.

On the issue of the DARAB's grant of the respondents' appeal; Doctrine of immutability of judgments

We cannot blame Ernesto for insisting that the PARAD decision can no longer be altered. The doctrine of immutability of final judgments, grounded on the fundamental principle of public policy and sound practice, is well settled. Indeed, once a decision has attained finality, it becomes immutable and unalterable and may no longer be modified in any respect,[41] whether the modification is to be made by the court that rendered it or by the highest court of the land.[42] The doctrine holds true even if the modification is meant to correct erroneous conclusions of fact and law.[43] The judgment of courts and the award of quasi-judicial agencies must, on some definite date fixed by law, become final even at the risk of occasional errors.[44] The only accepted exceptions to this general rule are the correction of clerical errors, the so-called *nunc pro tunc* entries which cause no prejudice to any party, void judgments, and whenever circumstances transpire after the finality of the decision which render its execution unjust and inequitable.[45]

This doctrine of immutability of judgments notwithstanding, we are not persuaded that the DARAB and the CA erred in reopening, and ruling on the merits of the case. The broader interests of justice and equity demand that we set aside procedural