

## **SECOND DIVISION**

**[ G.R. No. 132073, July 25, 2012 ]**

**REMMAN ENTERPRISES, INC., PETITIONER, VS. HON. ERNESTO GARILAO, IN HIS CAPACITY AS SECRETARY OF THE DEPARTMENT OF AGRARIAN REFORM AND EDUARDO ADRIANO, PABLITO ADRIANO, ET. AL., RESPONDENTS.**

**[G.R. NO. 132361]**

**EDUARDO ADRIANO, ET. AL., PETITIONERS, VS. HON. COURT OF APPEALS, REMMAN ENTERPRISES, INC. AND HON. ERNESTO D. GARILAO, IN HIS CAPACITY AS SECRETARY OF AGRARIAN REFORM, RESPONDENTS.**

### **R E S O L U T I O N**

**PEREZ, J.:**

On 27 September 2006, this Court issued a Resolution<sup>[1]</sup> deferring the complete adjudication of the two (2) Consolidated Petitions for Review on Certiorari<sup>[2]</sup> filed by Remman Enterprises, Inc. (Remman) in G.R. No. 132073 and Eduardo Adriano, et. al. (Adriano, et. al.) in G.R. No. 132361. We quote the disposition:

IN LIGHT OF THE FOREGOING, we hold in abeyance the Resolution of the consolidated Petitions in G.R. No. 132073 and G.R. No. 132361 until after a final determination as to the validity of the emancipation patents issued to Eduardo Adriano, et. al in DARAB Case No. IV-Ca. 0087-92. No pronouncement as to costs.<sup>[3]</sup>

The background of the case follows:

Parcels of land with an aggregate area of 46.9180 hectares situated in Brgy. San Jose, Dasmariñas, Cavite are owned by Nieves Arguelles vda. De Saulog, Marietta A. Saulog, Maura A. Saulog, Virginia A. Saulog, Teodoro A. Saulog, Melquiades A. Saulog, Bernard Raymond T. Saulog, Lilia A. Saulog and Patrocino M. Saulog (Saulogs).

In 1989, the parcels, covered by Operation Land Transfer (OLT), were distributed to farmer-beneficiaries and emancipation patents were given to Eduardo Adriano, Pablito Adriano, Ignacio Villena, Domingo Sayoto, Eduardo Villena, Dominador Mantillas, Pablito R. Mantillas, Graciano Maglian, Leopoldo Calitis, Rene Galang, Francisco Hayag, Francisco Santarin, Pedro Pastor, Rolando Pastor, Marcos Mendoza and Eusebio Clorina.

On 6 February 1993, the Saulogs filed a Petition for Annulment of Resolution of Department of Agrarian Reform (DAR) Region IV Director, Certificates of Land Transfer, Emancipation Patents and CLOA's against the DAR Regional Director of Region IV Wilfredo B. Leano<sup>[4]</sup> docketed as DARAB Case No. IV-Ca-0087-92. The subject of the annulment is a 27.8530 ha. portion of the 46.9180 hectares<sup>[5]</sup> sold by the Saulogs in favor of Remman, a private domestic corporation engaged in the business of housing or subdivision developments.<sup>[6]</sup>

The matter of annulment arose because the parcels of land are the same parcels distributed to farmer beneficiaries by the DAR pursuant to OLT in 1989 and thereafter issued with corresponding Emancipation Patents.<sup>[7]</sup>

On 26 April 1993, Presiding Provincial Agrarian Reform Adjudicator (PARAD) of Cavite Glicerio G. Arenal rendered a decision in favor of the Saulogs. However, the Department of Agrarian Reform Adjudication Board (DARAB), upon appeal, vacated the appealed decision and remanded the case to the PARAD for non-joinder of indispensable parties and for further reception of evidence. The original petition was amended to include the farmer-beneficiaries Adriano, et. al. as intervenors being the holders of the Emancipation Patents covering the same land.<sup>[8]</sup>

On 7 February 1995, while the DARAB case was pending, the Saulogs sold their aggregate land to Remman for a consideration of Fifty Two Million Pesos (P52,000,000.00) as evidenced by the Deed of Sale executed by the parties.<sup>[9]</sup> As a consequence, Remman intervened in the DARAB case as the new owner of the land.

On 17 August 1995, Remman also filed with the DAR an application for exemption from the coverage of CARP of the 46.9180 hectares earlier purchased from the Saulogs. The application was filed through the Socialized Housing One-Stop Processing Center (SHOPC). The lands covered by this application are summarized as follows:

Name of Registered Owner	Title No.	Area (in has.)
Marietta Saulog Vergara	T-231847	3.000
Maura Saulog Aguinaldo	T-231848	3.000
Virginia A. Saulog	T-231849	3.000
Teodoro A. Saulog	T-231850	3.000
Ruben A. Saulog	T-231851	3.000
Lilia Saulog Venturina	T-231852	3.000
Melquiades A. Saulog	T-231853	3.000
Luciana A. Saulog	T-231854	3.000
Nieves Arguelles Saulog	T-240093	1.5124
-do-	T-240094	1.5124
-do-	T-240095	1.5124
-do-	T-240096	1.5124
-do-	T-240097	1.5124
-do-	T-240098	1.5124
-do-	T-240099	1.5124
-do-	T-240100	2.3322
-do-	T-240101	9.9990 <sup>[10]</sup>

Remman submitted the following documents to support its claim of exemption:

1. HLURB Certification dated February 16, 1995 issued by Engr. Alfredo M. Tan II stating that the subject parcels of land appear to be within the Residential Zone (R-1) based on HSRC (now HLRB) Approved Zoning Map per HSRC Resolution No. R-42-A-3 dated February 9, 1981;
2. NIA Certification dated December 21, 1995 issued by Jose F. Ner, Provincial Irrigation Officer I stating that the properties are not covered by Presidential Administrative Order No. 20 because they are not irrigated nor irrigable land within the areas programmed for irrigation development under the NIA Irrigation Development Program with firm funding commitment;
3. Certification from Engr. Gregorio C. Bermejo of the Office of the Municipal Engineer/Building Official stating that the properties are within the Residential Zone as per Approved Land Use Plan of the Municipality of Dasmariñas dated February 11, 1981 under Resolution No. R-42-A-3 by the then HSRC (now HLRB).<sup>[11]</sup>

On 5 June 1996, Secretary Ernesto D. Garilao (Secretary Garilao) issued an Order denying the application for exemption of Remman. The dispositive portion reads:

WHEREFORE, premises considered, and after having found that the instant application lacks merit, Order is hereby issued denying the same and placing the herein properties involving seventeen (17) parcels of land with an aggregate of 46.9180 hectares located at Brgy. San Jose, Dasmariñas, Cavite under CARP coverage.<sup>[12]</sup>

The Order explained that though the deed of sale was submitted, it was not notarized nor registered with the Register of Deeds. Therefore, it is not an official document and does not bind third parties. Hence, DAR still considered the Saulogs as the owners and Remman does not possess personality to file the application.<sup>[13]</sup>

Another reason for the denial is the Certification dated 3 November 1995 of Municipal Agrarian Reform Council Reform Officer Amelia M. Rolle stating that the subject properties were covered by OLT under P.D. 27.

Also, the National Irrigation Administration (NIA) certified that the parcels of lands are not irrigated was supplanted by the Report of Arturo Lipio, the SHOPC-DAR Desk Officer of Region IV, stating that the subject landholdings are indeed irrigated. This fact was admitted by Remman in the Information Sheet filed before the SHOPC.<sup>[14]</sup> Since the landholding is irrigated, the application cannot be processed for conversion pursuant to Administrative Order No. 20, Series of 1992.<sup>[15]</sup>

Remman filed a Motion for Reconsideration<sup>[16]</sup> on 5 July 1996.

On 4 September 1996, Secretary Garilao issued an Order<sup>[17]</sup> partially granting the prayer of Remman. The coverage of the exemption was ordered reduced to 15.31915 hectares representing the share of Nieves vda. De Saulog. To quote the dispositive portion:

PREMISES CONSIDERED, after having gone through all arguments, this Order is hereby issued:

1. Confirming the coverage of the 15.31915 hectare tenanted rice and corn share of Nieves vda. de Saulog under Operation Land Transfer;
2. Granting the retention of the other heirs of 1.39265 hectares of tenanted rice and corn, each, subject to the filing by the applicant of the proper petition in the proper forum;
3. Requiring the Municipal Agrarian Reform Officer to cause the preparation of Contracts of Agricultural Leaseholds between the owners of the lands and the farmer-tenants of the retained areas;
4. Excluding from the coverage of Agrarian Reform the 19.065 hectare land planted to mango by virtue of Section 3(c) of R.A. No. 6657, subject to the payment of disturbance compensation; and
5. Instructing the Regional Director of Region IV and the Provincial Agrarian Reform Officer to cause the proper execution of this Order.

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The Order explained that the owners, with the exception of Nieves vda. De Saulog, can retain their lands pursuant to the retention limits under P.D. 27. Nieves vda. De Saulog is not allowed by the Letter of Instructions No. 474<sup>[19]</sup> to retain her land.

Not fully satisfied with the ruling of the Secretary, Remman filed a Petition for Review<sup>[20]</sup> before the Court of Appeals (CA) for a partial review of the 4 September 1996 Order of the DAR Secretary.

The appellate court in CA-G.R. SP No. 42004, affirmed with modification the assailed order. To quote:

WHEREFORE, the appealed decision of the Secretary is hereby AFFIRMED with MODIFICATION only with respect to No. 4 of the dispositive portion, deleting therefrom the payment of disturbance compensation, such that [it] should read this wise:

4. Excluding from the coverage of Agrarian reform the 19.065 hectare land planted with mango by virtue of Sections 3(c) and 11 of R.A. [No.] 6657.<sup>[21]</sup>

Thereafter, motions for reconsideration were filed by both Remman and Adriano, et. al. before the CA, but the appellate court denied both petitions on 8 January 1998.