

FIRST DIVISION

[G.R. No. 188376, December 14, 2011]

LAND BANK OF THE PHILIPPINES, PETITIONER, VS. FEDERICO SUNTAY, AS REPRESENTED BY HIS ASSIGNEE, JOSEFINA LUBRICA, RESPONDENT.

D E C I S I O N

BERSAMIN, J.:

In *Land Bank v. Suntay*,^[1] the Court has declared that the original and exclusive jurisdiction to determine just compensation under Republic Act No. 6657 (*Comprehensive Agrarian Reform Law*, or CARL) pertains to the Regional Trial Court (RTC) as a Special Agrarian Court; that any effort to transfer such jurisdiction to the adjudicators of the Department of Agrarian Reform Adjudication Board (DARAB) and to convert the original jurisdiction of the RTC into appellate jurisdiction is void for being contrary to the CARL; and that what DARAB adjudicators are empowered to do is only to determine *in a preliminary manner* the reasonable compensation to be paid to the landowners, leaving to the courts the ultimate power to decide this question.

Bearing this pronouncement in mind, we grant the petition for review on *certiorari* and reverse the decision promulgated on June 5, 2009 by the Court of Appeals (CA) in CA-G.R. SP No. 106104 entitled *Land Bank of the Philippines v. Hon. Conchita C. Miñas, Regional Agrarian Adjudicator of Region IV, and Federico Suntay, as represented by his Assignee, Josefina Lubrica*, dismissing the petition for *certiorari* of Land Bank of the Philippines (Land Bank) on the ground of its being moot and academic.

ANTECEDENTS

Respondent Federico Suntay (Suntay) owned land situated in Sta. Lucia, Sablayan, Occidental Mindoro with a total area of 3,682.0285 hectares. In 1972, the Department of Agrarian Reform (DAR) expropriated 948.1911 hectares of Suntay's land pursuant to Presidential Decree No. 27.^[2] Petitioner Land Bank and DAR fixed the value of the expropriated portion at P4,497.50/hectare, for a total valuation of P4,251,141.68.^[3] Rejecting the valuation, however, Suntay filed a petition for determination of just compensation in the Office of the Regional Agrarian Reform Adjudicator (RARAD) of Region IV, DARAB, docketed as DARAB Case No. V-0405-0001-00; his petition was assigned to RARAD Conchita Miñas (RARAD Miñas).^[4]

On January 24, 2001, after summary administrative proceeding in DARAB Case No. V-0405-0001-00, RARAD Miñas rendered a decision fixing the total just compensation for the expropriated portion at P157,541,951.30. Land Bank moved for a reconsideration, but RARAD Miñas denied its motion on March 14, 2001. It

received the denial on March 26, 2001.^[5]

On April 20, 2001, Land Bank brought a petition for the judicial determination of just compensation in the RTC (Branch 46) in San Jose, Occidental Mindoro as a Special Agrarian Court, impleading Suntay and RARAD Miñas. The petition, docketed as Agrarian Case No. R-1241, essentially prayed that the total just compensation for the expropriated portion be fixed at only P4,251,141.67.^[6]

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On May 22, 2001, despite the pendency of Agrarian Case No. R-1241 in the RTC, RARAD Miñas issued an order in DARAB Case No. V-0405-0001-00, declaring that her decision of January 24, 2001 had become final and executory. Land Bank contested the order through a motion for reconsideration, but RARAD Miñas denied the motion for reconsideration on July 10, 2001.

On July 18, 2001, RARAD Miñas issued a writ of execution directing the Regional Sheriff of DARAB Region IV to implement the decision of January 24, 2001.^[7]

On September 12, 2001, Land Bank filed in DARAB a petition for certiorari (with prayer for the issuance of temporary restraining order (TRO)/preliminary injunction), docketed as DSCA No. 0252, seeking to nullify the following issuances of RARAD Miñas, to wit:

- (a) The decision of January 24, 2001 directing Land Bank to pay Suntay just compensation of P147,541,951.30;
- (b) The order dated May 22, 2001 declaring the decision of January 24, 2001 as final and executory;
- (c) The order dated July 10, 2001 denying Land Bank's motion for reconsideration; and
- (d) The writ of execution dated July 18, 2001 directing the sheriff to enforce the decision of January 24, 2001.

On September 12, 2001, DARAB enjoined RARAD Miñas from proceeding with the implementation of the decision of January 24, 2001, and directed the parties to attend the hearing to determine the propriety of issuing a preliminary or permanent injunction.^[8]

On September 20, 2001, Josefina Lubrica (Lubrica), the assignee of Suntay, filed a petition for prohibition in the CA (CA-G.R. SP No. 66710) to prevent DARAB from proceeding in DSCA No. 0252 by mainly contending that the CARL did not grant to DARAB jurisdiction over special civil actions for certiorari. On the same day, the CA granted the prayer for TRO.

On October 3, 2001, DARAB issued a writ of preliminary injunction enjoining RARAD Miñas from implementing the January 24, 2001 decision and the orders incidental to

said decision.^[9]

DARAB submitted its own comment to the CA, arguing that it had issued the writ of injunction under its power of supervision over its subordinates, like the PARADs and the RARADs.

Land Bank also submitted its own comment, citing the prematurity of the petition for prohibition.^[10]

On August 22, 2002, the CA promulgated its decision in CA-G.R. SP No. 66710, holding that DARAB, being a mere formal party, had no personality to file a comment vis-à-vis the petition for prohibition; and that DARAB had no jurisdiction to take cognizance of DSCA No. 1252, considering that its exercise of jurisdiction over a special civil action for certiorari had no constitutional or statutory basis. Accordingly, the CA granted the petition for prohibition and perpetually enjoined DARAB from proceeding in DSCA No. 1252, which the CA ordered dismissed.^[11]

Thence, DARAB appealed the adverse CA decision to this Court via petition for review on *certiorari*, docketed as G.R. No. 159145 entitled *Department of Agrarian Reform Adjudication Board of the Department of Agrarian Reform, Represented by DAR Secretary Roberto M. Pagdanganan v. Josefina S. Lubrica, in her capacity as Assignee of the rights and interest of Federico Suntay (DARAB v. Lubrica)*, insisting that the CA erred in declaring that DARAB had no personality to file a comment; in holding that DARAB had no jurisdiction over DSCA No. 0252; and in nullifying the writ of preliminary injunction issued by DARAB in DSCA No. 0252 for having been issued in violation of the CA's TRO.

On April 29, 2005, the Court promulgated its decision in *DARAB v. Lubrica* (G.R. No. 159145),^[12] denying the petition for review. The Court opined that DARAB's limited jurisdiction as a quasi-judicial body did not include the authority to take cognizance of petitions for *certiorari*, in the absence of an express grant in R.A. No. 6657, Executive Order (E.O.) No. 229, and E.O. No. 129-A.

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In the meanwhile, in Agrarian Case No. R-1241, Suntay filed a motion to dismiss, claiming that Land Bank's petition for judicial determination of just compensation had been filed beyond the 15-day reglementary period prescribed in Section 11, Rule XIII of the *New Rules of Procedure of DARAB*; and that, by virtue of such tardiness, RARAD Miñas' decision had become final and executory.^[13]

The RTC granted Suntay's motion to dismiss on August 6, 2001 on that ground.

Land Bank sought reconsideration, maintaining that its petition for judicial determination of just compensation was a separate action that did not emanate from the case in the RARAD.

Nonetheless, the RTC denied Land Bank's motion for reconsideration on August 31, 2001.^[14]

On September 10, 2001, Land Bank filed a notice of appeal in Agrarian Case No. R-1241, but the RTC denied due course to the notice of appeal on January 18, 2002, pointing out that the proper mode of appeal was by petition for review pursuant to Section 60 of the CARL.

The RTC denied Land Bank's motion for reconsideration on March 8, 2002.^[15]

Thereupon, Land Bank assailed in the CA the RTC's orders dated January 18, 2002 and March 8, 2002 *via* a special civil action *certiorari* (CA-G.R. SP No. 70015), alleging that the RTC thereby committed grave abuse of discretion amounting to lack or excess of jurisdiction in denying due course to its notice of appeal; and contending that decisions or final orders of the RTCs, acting as Special Agrarian Courts, were not appealable to the CA through a petition for review but through a notice of appeal.

On July 19, 2002, the CA promulgated its decision in CA-G.R. SP No. 70015, granting Land Bank's petition for certiorari; nullifying the RTC's orders dated January 18, 2002 and March 8, 2002; allowing due course to Land Bank's notice of appeal; and permanently enjoining the RTC from enforcing the nullified orders, and the RARAD from enforcing the writ of execution issued in DARAB Case No. V-0405-0001-00.^[16]

Thereafter, upon Suntay's motion for reconsideration, the CA reversed itself through the amended decision dated February 5, 2003,^[17] and dismissed Land Bank's petition for *certiorari*, thuswise:

WHEREFORE, premises considered, the present Motion for Reconsideration is hereby GRANTED. Consequently, the present petition is hereby DISMISSED.

The injunction issued by this Court enjoining (a) respondent Executive Judge from enforcing his Orders dated January 18, 2002 and March 8, 2002 in Agrarian Case No. R-1241; and (b) respondent Regional Agrarian Reform Adjudicator Conchita S. Miñas from enforcing the Writ of Execution dated July 18, 2001 issued in DARAB Case No. V-0405-0001-00, are hereby REVOKED and SET ASIDE.

SO ORDERED.

On April 10, 2003, the CA denied the Land Bank's motion for reconsideration.^[18]

On May 6, 2003, Land Bank appealed to the Court, docketed as G.R. No. 157903, entitled *Land Bank of the Philippines v. Federico Suntay, Represented by his Assignee, Josefina Lubrica (Land Bank v. Suntay)*.^[19]

On October 12, 2005, the Court issued a TRO upon Land Bank's urgent motion to stop the implementation of RARAD Miñas' decision dated January 24, 2001 pending the final resolution of G.R. No. 157903.^[20]

On October 11, 2007, this Court promulgated its decision in *Land Bank v. Suntay* (G.R. No. 157903),^[21] viz:

The **crucial issue** for our resolution is whether the RTC erred in dismissing the Land Bank's petition for the determination of just compensation.

It is clear that the RTC treated the petition for the determination of just compensation as an **appeal** from the RARAD Decision in DARAB Case No. V-0405-0001-00. In dismissing the petition for being filed out of time, the RTC relied on Section 11, Rule XIII of the DARAB New Rules of Procedure which provides:

Section 11. Land Valuation and Preliminary Determination and Payment of Just Compensation. – The decision of the Adjudicator on land valuation and preliminary determination and payment of just compensation shall not be appealable to the Board [Department of Agrarian Reform Adjudication Board (DARAB)] but shall be brought directly to the Regional Trial Courts designated as Special Agrarian Courts within fifteen (15) days from receipt of the notice thereof. Any party shall be entitled to only one motion for reconsideration.

The RTC erred in dismissing the Land Bank's petition. It bears stressing that the petition is **not** an **appeal** from the RARAD final Decision but an **original action** for the determination of the just compensation for respondent's expropriated property, over which the RTC has **original** and *exclusive* jurisdiction. This is clear from Section 57 of R.A. No. 6657 which provides:

Section 57. Special Jurisdiction. – The Special Agrarian Courts [the designated Regional Trial Courts] shall have **original** and **exclusive** jurisdiction over **all petitions for the determination of just compensation to landowners**, and the prosecution of all criminal offenses under this Act. The Rules of Court shall apply to all proceedings before the Special Agrarian Courts, unless modified by this Act.

The Special Agrarian Courts shall decide all appropriate cases under their special jurisdiction within thirty (30) days from submission of the case for decision. (Underscoring supplied)

Parenthetically, the above provision is not in conflict with Section 50 of the same R.A. No. 6657 which states:

Section 50. Quasi-judicial Powers of the DAR. – The DAR is hereby vested with primary jurisdiction to determine and