

Republic of the Philippines Supreme Court Baguio City

THIRD DIVISION

HEIRS OF SPOUSES ADRIANO and **NATIVIDAD** PAGUDAR, represented by RANILO SALISE, HEIRS **OF SPOUSES TEODORO VIRTUDAZO** NECITAS SALISE, represented by EDISON VIRTUDAZO, JEROME DIOLANTO, HEIRS OF SPOUSES EULALIO DAMASING, SR. and **POTENCIANA** LABIAL, represented by **EULALIO** DAMASING, JR., HEIRS **OF FRANCISCO BABAYSON SIMPLICIA** BABAYSON, represented by NIEL M. CADUAN,* SPOUSES RUFINO BUTIHIN and GAGNO, CECILIA HEIRS **EPETACIO** PAMISA, SR. VEGILIA VIRTUDAZO, represented by DANILO PAMISA,** FRANKLIN PAMISA, SR., HEIRS **OF DELFIN** SAARENAS, represented by JAYLON L. RAMOS, RAMOS,*** LOUIS **PHILIP** L. FELIPE VIRTUDAZO, JR., HEIRS **BARBOSA** ANGEL FLORENCIA SALISE, represented by SARAH B. PRIGO,**** FELIX WABE, SERAPEN SURIGAO,***** HEIRS OF REYNALDO SALUCOT, represented by **MAXIMO** SALUCOT, JR., LARRY PAMISA, represented by FRANKLIN PAMISA, JR., HEGENIO PAUG,

G.R. No. 269362

Present:

CAGUIOA, *J.*, *Chairperson*, INTING,******
GAERLAN, DIMAAMPAO, and SINGH, *JJ*.

Promulgated:

APR 0 7 2025

fr

^{*} Also referred to as Renelio Caduan in some parts of the *rollo*.

^{**} Also referred to as Danny Pamisa in some parts of the *rollo*.

^{***} Also referred to as Louis Phillip S. Ramos in some parts of the *rollo*.

^{****} Also referred to as Maria Sarah Prigo in some parts of the rollo.

^{*****} Also referred to as Serapin Surigao in some parts of the rollo.

^{******}On official business.

MARCELO MANIQUE and CELIA CARBON, HEIRS OF ENRIQUE CARBON and ERLINDA SOMO, represented by GUILLERMO P. CARBON, **MAXIMO** BORRES. HEIRS OF WILFREDO JUANILLO and **MINDA** VILLARMIA, represented by MINDA JUANILLO, FELIX REQUILME and CERINA SALVO, and THE **HEIRS OF** SPOUSES HILARIO BACABIS and RETIFICACION DABLO. represented by CYNTHIA MARIAN ADORACION B. MANA-A,

Petitioners,

-versus-

RICARDO A. GACULA, represented by his Attorney-in-Fact, GEOFFREY GACULA,

Respondent.

DECISION

-----x

SINGH, J.:

Before this Court is a Petition for Review on Certiorari¹ under Rule 45 of the Rules of Court filed by the heirs of spouses Adriano Salise and Natividad Pagudar, represented by Ranilo Salise, heirs of spouses Teodoro Virtudazo and Necitas Salise, represented by Edison Virtudazo, Jerome Diolanto (Diolanto), heirs of spouses Eulalio Damasing, Sr. and Potenciana Labial, represented by Eulalio Damasing, Jr., heirs of Francisco Babayson and Simplicia Babayson, represented by Niel M. Caduan, spouses Rufino Butihin and Cecilia Gagno, heirs of Epetacio Pamisa, Sr. and Vegilia Virtudazo, represented by Danilo Pamisa, Franklin Pamisa, Sr., heirs of Delfin Saarenas, represented by Jaylon L. Ramos, Louis Philip L. Ramos, Felipe Virtudazo, Jr., heirs of Angel Barbosa and Florencia Salise, represented by Sarah B. Prigo, Felix Wabe, Serapen Surigao, heirs of Reynaldo Salucot, represented by Maximo S. Salucot, Jr., Larry Pamisa, represented by Franklin B. Pamisa, Jr., Hegenio Paug, Marcelo Manique and Celia Carbon, heirs of Enrique Carbon and Erlinda Somo, represented by Guillermo P. Carbon, Maximo Borres, heirs of Wilfredo Juanillo and Minda Villarmia, represented by Minda Juanillo, Felix Requilme and Cerina Salvo, and the heirs of spouses Hilario Bacabis and Retificacion Dablo, represented by Cynthia Marian Adoracion B. Mana-a (collectively, the petitioners),

J

¹ Rollo, pp. 3–60.

assailing the Court of Appeals (**CA**) Decision,² dated October 29, 2021, and the Resolution,³ dated May 10, 2023, in CA-G.R. SP No. 167330. The assailed Decision reversed the Decision,⁴ dated February 28, 2020, and the Resolution, dated November 18, 2020, of the Department of Agrarian Reform Adjudication Board (**DARAB**) in DARAB Case No. 20083, ordering the DARAB to remand the records of the case to the Office of the Department of Agrarian Reform (**DAR**) Secretary for proper disposition in accordance with its Decision.

The Facts

The case is an offshoot of G.R. No. 202830, entitled *Spouses Salise v. Department of Agrarian Reform Adjudication Board Region X Adjudicator Abeto Salcedo*, *Jr*. A brief statement of the factual and procedural antecedents is, thus, in order.

On January 17, 1996, respondent Ricardo A. Gacula (**Gacula**) filed a Petition for the Annulment and/or Cancellation of Certificates of Land Ownership Award (**CLOA**) Nos. 0005-4876 issued to the petitioners (**Petition for Cancellation**) before the DARAB Region X⁶ over a 30-hectare land in the upper lands of Lomboy, Indahag, Cagayan de Oro City.⁷

On October 23, 1996, Provincial Agrarian Reform Adjudicator (PARAD) Leandricia Monsanto (Monsanto) dismissed without prejudice the Petition for Cancellation, due to Gacula's prior application for exemption of the subject land (Application for Exemption) from the coverage of the Comprehensive Agrarian Reform Program (CARP).⁸ Gacula then appealed the dismissal of the Petition for Cancellation to the DARAB Central Office in Diliman, Quezon City.⁹

On January 14, 1998, pending Gacula's appeal of the dismissal of his Petition for Cancellation with the DARAB Central Office, then DAR Secretary Ernesto Garilao (**Garilao**) granted Gacula's Application for Exemption to exempt the subject land from the coverage of the CARP. One

fr

Id. at 62-76. Penned by Associate Justice Elihu A. Ybañez and concurred in by Associate Justices Geraldine C. Fiel-Macaraig and Carlito B. Calpatura of the Eighth Division of the Court of Appeals, Manila.

Id. at 78–80. Penned by Associate Justice Geraldine C. Fiel-Macaraig and concurred in by Associate Justices Carlito B. Calpatura and Roberto P. Quiroz of the Special Former Eighth Division of the Court of Appeals, Manila.

⁴ Id. at 114–122.

⁵ 787 Phil. 586 (2016) [Per J. Brion, Second Division].

⁶ Rollo, p. 116.

⁷ Sps. Salise, et al. v. Salcedo, et al., 787 Phil. 586, 588–589 (2016) [Per J. Brion, Second Division].

⁸ Rollo, p. 116.

⁹ Sps. Salise, et al. v. Salcedo, et al., 787 Phil. 586, 588–589 (2016) [Per J. Brion, Second Division].

¹⁰ Id. at 589.

of the petitioners, Jerome G. Diolanto, filed a Motion for Reconsideration of Secretary Garilao's Order.¹¹

On March 4, 1999, DAR Secretary Horacio "Boy" Morales (**Morales**) granted Diolanto's Motion for Reconsideration, and declared the subject land not exempt from the coverage of CARP.¹² Gacula moved to reconsider Secretary Morales's ruling.¹³

On December 1, 1999, Acting DAR Secretary Conrado Navarro (**Navarro**) reversed DAR Secretary Morales's March 4, 1999 Order and upheld DAR Secretary Garilao's January 14, 1998 Order, which declared the subject land exempt from the coverage of CARP.¹⁴

Eventually, on October 15, 2001, DARAB Director Delfin B. Samson (**Samson**) issued an Order of Finality to the December 1, 1999 Order of DAR Secretary Navarro.¹⁵

Gacula's Manifestation before the DARAB

On January 12, 2001, the DARAB Central Office dismissed Gacula's appeal from the dismissal of his Petition for Cancellation. Despite the dismissal of the Petition for Cancellation, Gacula still filed a Manifestation stating that he was no longer interested in pursuing his appeal, and suggested that the October 23, 1996 Decision of PARAD Monsanto, i.e., that dismissed without prejudice the Petition for Cancellation, be considered final. In the same Manifestation, Gacula requested that Secretary Navarro's December 1, 1999 Order be implemented.

Acting on Gacula's Manifestation, on November 27, 2003, Adjudicator Abeto Salcedo, Jr. (**Salcedo**) of DARAB Region X issued an Order cancelling the petitioners' CLOAs and placing Gacula in possession of the 30-hectare property.¹⁹

On December 1, 2003, Adjudicator Salcedo issued a Writ of Execution to implement Secretary Navarro's December 1, 1999 Order.²⁰ The petitioners alleged that on the day following the issuance of the Writ, DARAB Sheriff

¹¹ *Id.*

¹² *Id.*

¹³ *Id*.

¹⁴ *Id*.

¹⁵ *Id*.

¹⁶ *Id.*

¹⁷ *Id.* at 590.

¹⁸ *Id*.

¹⁹ *Id*.

²⁰ *Id.*

Bienvenido Maestro, together with armed men claiming to be security guards and police officers, immediately fenced the subject land with barbed wire, preventing access to and from their properties.²¹

The petitioners, represented by their new counsel, timely filed an Entry of Appearance and Notice of Appeal from Adjudicator Salcedo's November 27, 2003 Order.²² Another Motion for Reconsideration of the same Order was filed by a certain Atty. Antonio Zoilo Velez, a former DAR lawyer who had represented two of the petitioners in earlier proceedings.²³

In an Order, dated December 18, 2003, Adjudicator Salcedo denied the petitioners' Notice of Appeal and Entry of Appearance due to improper substitution of counsel.²⁴ In addition, he also denied the Motion for Reconsideration filed by Atty. Velez ratiocinating that his November 27, 2003 Order cancelling the petitioners' CLOAs was not appealable.²⁵

Petitioners' Urgent Motion with the DARAB

On December 30, 2003, the petitioners filed with the DARAB Central Office an Urgent Motion to restrain Adjudicator Salcedo from acting on the incidents of the case and from further executing his November 27, 2003 Order.²⁶ The petitioners contended that Adjudicator Salcedo's orders were illegal and patently null and void for having been issued in excess of authority and in gross violation of the petitioners' rights to due process.²⁷

On April 26, 2011, the DARAB dismissed the petitioners' Urgent Motion for lack of jurisdiction.²⁸ It held that, in alleging that Adjudicator Salcedo had exceeded his authority in issuing the questioned Orders, the petitioners' motion was, in effect, a petition for *certiorari* under Rule 65 of the Rules of Court over which the DARAB has no jurisdiction.²⁹

The petitioners filed a Motion for Reconsideration but the DARAB denied the same in its Resolution, dated August 1, 2011, prompting the petitioners to file a Petition for Review with the CA pursuant to Rule XV,

²¹ Id.

²² Id.

²³ Id.

²⁴ *Id*.

²⁵ *Id.* at 590–591.

²⁶ Id.

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

Section 1 of the 2009 DARAB Rules of Procedure,³⁰ on September 1, 2011, docketed as CA-G.R. SP No. 04425-MIN.³¹

Proceedings in CA-G.R. SP No. 04425-MIN

In a Resolution, dated September 9, 2011, the CA (Cagayan de Oro City Station) partially dismissed the Petition for Review insofar as the following 16 petitioners were concerned: Diolanto, Spouses Carlito G. Fabe and Emelita Manggana, Luiben N. Magto, Spouses Serapen and Lilia Surigao, Spouses Hilario S. Bacabis and Retificacion Dablo, Spouses Reynaldo S. Salucot and Anecita Descallar, Spouses Hagenio Paug and Evelita Virtudazo, Spouses Maximo M. Borres and Vilma Salise, and Spouses Felimon V. Salvo, Jr. and Eva Macatol, for their failure to sign the verification and certification of non-forum shopping attached to the Petition.³² In the same Resolution, the CA directed the other remaining petitioners, through their counsel, to correct the procedural defects in their petition: (a) failure to furnish the DARAB Central Office with a copy of their Petition; and (b) failure to allege the dates of their receipt of the DARAB's April 26, 2011 Resolution, and of the filing of their motion for reconsideration thereto.³³

On September 22, 2011, the petitioners filed with the CA their compliance with motion to admit the joint affidavits of merit executed by the 16 petitioners named in the September 9, 2011 Resolution of the CA.³⁴ The affidavits stated the reasons why the 16 petitioners failed to sign the verification and certification of non-forum shopping attached to the Petition for Review.

In a Resolution, dated May 4, 2012, the CA noted the petitioners' compliance but observed another defect in the verification and certification of non-forum shopping, i.e., some of the affiants failed to present competent evidence of identity that the notarization required.³⁵ Thus, the CA directed the petitioners-affiants who failed to provide the necessary proof of identity to submit the required proof within 10 days from receipt of its resolution; otherwise, their Petition for Review shall be dismissed.³⁶ In the same Resolution, the CA denied the petitioners' motion to admit because the affidavits of merit attached to the motion also lacked the required proof of identity from the affiants.³⁷

la

³⁰ *Id*.

³¹ *Id.* at 68.

³² Sps. Salise, et al. v. Salcedo, et al., 787 Phil. 586, 591-592 (2016) [Per J. Brion, Second Division].

³³ *Id*.

³⁴ *Id.* at 592.

³⁵ *Id*.

³⁶ *Id.*

³⁷ *Id.*

On May 25, 2012, the petitioners filed a motion for extension of time of 20 days or until June 15, 2012, within which to submit a new verification and certification of non-forum shopping.³⁸

On June 7, 2012, the petitioners filed their compliance with motion for reconsideration (to the denial of their motion to admit) with the CA.³⁹

In a Resolution, dated July 12, 2012, the CA denied the petitioners' compliance with motion for reconsideration because: (1) the filing thereof was seven days late considering that the petitioners received its May 4, 2012 Resolution on May 16, 2012, and had only 10 days, or until May 31, 2012, within which to file their compliance; and (2) the signatures on the new verification and certification showed "some variations" with those found in the verification and certification previously submitted by the petitioners. 40

Consequently, the CA dismissed outright the petitioners' Petition for Review, prompting the petitioners to file a Petition for Review on *Certiorari* before this Court, mainly praying for the liberal application of the Rules of Procedure to their case.⁴¹ The petitioners contend that the CA erred in dismissing their Petition for Review purely on technical grounds, without consideration of the substantive issues raised in their Petition.⁴²

The Court's ruling in G.R. No. 202830

On June 20, 2016, the Court granted the petitioners' Petition for Review on *Certiorari*:⁴³

WHEREFORE, premises considered, we hereby GRANT the present petition for review on *certiorari* and REVERSE and SET ASIDE the [R]esolutions[,] dated May 4, 2012, and July 12, 2012, of the Court of Appeals, Cagayan de Oro City, in CA-G.R. SP No. 04425-MIN.

The CA is ordered to admit the Compliance[,] dated June 7, 2012, filed by the petitioners, reinstate the petitioners' Petition for Review, and to decide with dispatch the present case on its merits.

SO ORDERED. (Emphasis in the original)

The Court held that considering the circumstances of the case and the substantive issues brought forth by the petitioners, the application of the rules

³⁸ *Id.* at 593.

³⁹ *Id*.

⁴⁰ *Id*.

⁴¹ *Id.*

⁴² *Id.*

⁴³ *Id.* at 598.

of procedure should be applied liberally as rules of procedure are not ends in themselves, but instruments crafted to serve the cause of justice.⁴⁴

Hence, the case was remanded to the CA for the reinstatement of the petitioner's Petition for Review.⁴⁵

Resumption of proceedings in CA-G.R. SP No. 04425-MIN

Upon reinstatement of the petitioner's Petition in CA-G.R. SP No. 04425-MIN, and after due proceedings, the CA rendered a Decision, dated March 23, 2018, granting the petitioners' appeal and remanding the case to the DARAB.⁴⁶

The CA held that the DARAB Central Office erred when it dismissed the petitioners' Urgent Motion for lack of jurisdiction.⁴⁷ Moreover, the CA disagreed with the DARAB's finding that the petitioners' motion was, in effect, a petition for *certiorari* under Rule 65 of the Rules of Court over which the DARAB has no jurisdiction as the DARAB should have simply treated the same as an appeal.⁴⁸

A motion for reconsideration was filed by Gacula, but it was denied by the CA. Eventually, the case was remanded to the DARAB.

The Ruling of the DARAB

On February 28, 2020, the DARAB rendered a Decision granting the petitioners' appeal from the November 27, 2003 Order of Adjudicator Salcedo, the dispositive portion of which reads:

WHEREFORE, the Appeal is GRANTED. The Order[,] dated 27 November 2003 issued by RARAD Abeto A. Salcedo, Jr. is hereby REVERSED and SET ASIDE. A NEW ONE is entered as follows:

- 1. **QUASHING** the writ of execution issued [on] [December 1,] 2003.
- 2. **DECLARING** PE CLOA No. 054876 and TCT No. T-184 as valid and still subsisting.

⁴⁴ *Id.*

⁴⁵ Rollo, p. 65.

⁴⁶ *Id.*

⁴⁷ *Id.* at 117.

⁴⁸ Id

- 3. **DIRECTING** the Register of Deeds for Cagayan de Oro to refrain from cancelling PE CLOA No. 0054876 and TCT No. T-184 issued in favor petitioner-appellants.
- 4. **ORDERING** the DARAB Sheriff to cease and desist for enforcing the writ of execution issued on [December 1,] 2003.

No costs.

SO ORDERED. ⁴⁹ (Emphasis in the original)

The DARAB found, among others, that the December 1, 1999 Order of DAR Secretary Navarro, exempting the subject land from CARP coverage, became final and executory with the subsequent issuance of the October 15, 2001 Order of Finality rendered by DARAB Director Samson.⁵⁰ However, Adjudicator Salcedo's implementation of this Order should have adhered to the specific conditions outlined in the November 27, 2003 Order, devoid of any arbitrary execution.⁵¹

In the November 27, 2003 Order of Adjudicator Salcedo, the DARAB found that a requirement, i.e., the determination of qualified tenants/tillers and the payment of disturbance compensation to them, was not fulfilled by Adjudicator Salcedo before cancelling the petitioners' CLOAs.⁵² In fact, no evidence was presented to show compliance with these conditions.⁵³

In addition, the DARAB stressed that in the process of executing the November 27, 2003 Order of Adjudicator Salcedo, the latter cancelled the CLOAs issued to petitioners despite the fact that his Order originated from the Application for Exemption, not the Petition for Cancellation of CLOAs filed by Gacula.⁵⁴ Even though Gacula filed a Petition for Cancellation, the same was eventually dismissed by PARAD Monsanto, thus necessitating a new petition to directly challenge the CLOAs of the petitioners.⁵⁵

In conclusion, the DARAB deemed Adjudicator Salcedo's November 27, 2003 Order void, lacking legal binding effect.⁵⁶

Aggrieved, Gacula filed a Petition for Review⁵⁷ under Rule 43 of the Rules of Court with the CA, seeking to reverse the February 28, 2020 Decision and the November 18, 2020 Resolution of the DARAB.

K

⁴⁹ *Id.* at 121–122.

⁵⁰ *Id.* at 119

⁵¹ *Id.*

⁵² *Id.* at 120.

⁵³ *Id.*

⁵⁴ *Id.* at 121.

⁵⁵ *Id.*

⁵⁶ Id

⁵⁷ *Id.* at 63.

The Ruling of the CA

On October 29, 2021, the CA reversed the Decision⁵⁸ of the DARAB, the dispositive portion of which reads:

FOR THESE REASONS, the petition of PARTLY GRANTED. The assailed Decision rendered on [February 28, 2020] by the DEPARTMENT OF AGRARIAN REFORM ADJUDICATION BOARD [(DARAB)] in DARAB Case No. 20083, and its Resolution[,] dated [November 18, 2020], are hereby SET ASIDE. The DARAB is ORDERED to remand the records of this case to the Office of the DAR Secretary for proper disposition in accordance with this Decision.

SO ORDERED. 59 (Emphasis in the original)

The CA held, among others, that the DARAB Decision reversed only the November 27, 2003 Order of Adjudicator Salcedo, not the December 1, 1999 Order of Secretary Navarro, which declared the subject land exempt from CARP coverage, 60 which became final in an Order of Finality issued on October 15, 2001. Due to the petitioners' failure to exhaust administrative remedies, such as appealing DAR Secretary Navarro's December 1, 1999 Order to the Office of the President (**OP**), the December 1, 1999 Order of DAR Secretary Navarro, which declared the subject land exempt from CARP coverage, became final. 61

Given that CLOAs were already issued to petitioners, the CA referred the case back to the Office of the Secretary of DAR for the initiation of a separate proceeding to establish that the subject land falls under excluded areas defined by CARP, warranting the cancellation of petitioners' CLOAs.⁶²

In its Resolution,⁶³ dated May 10, 2023, the CA denied the petitioners' Motion for Reconsideration⁶⁴ for being filed beyond the reglementary period, and for not raising new and substantial matters warranting the reversal or modification of the CA Decision.⁶⁵

The petitioners filed the present Petition for Review on *Certiorari* under Rule 45 of the Rules of Court.

J.

⁵⁸ *Id.* at 61–76.

⁵⁹ *Id.* at 75.

⁶⁰ *Id.* at 70.

⁶¹ Id. at 71.

⁶² *Id.* at 75.

⁶³ *Id.* at 78.

⁶⁴ Id. at 81–96.

⁶⁵ *Id.* at 79.

The Issue

Did the CA commit any reversible error in reversing the findings of the Decision, dated February 28, 2020 of the DARAB?

The Ruling of the Court

The Court denies the Petition for failing to show that the CA committed a reversible error.

Before discussing the substantive issues, the Court shall first discuss the procedural issues.

The petitioners filed their Motion for Reconsideration of the CA Decision within the 15-day reglementary period

The CA, in its Resolution,⁶⁶ dated May 10, 2023, denied the petitioners' Motion for Reconsideration⁶⁷ for being filed beyond the reglementary period. The CA stated that the petitioners had until February 23, 2022 within which to file their motion for reconsideration, but the same was only filed on February 28, 2022, as shown on the date of mailing stamped by the post office on the envelope.⁶⁸

The Court does not agree with the CA that the petitioners belatedly filed their Motion for Reconsideration of the CA's Decision.

Rule VII, Section 1 of the 2009 Internal Rules of the Court of Appeals (**CA Internal Rules**) states that a party may file a motion for reconsideration of the CA Decision within 15 days from notice thereof:⁶⁹

SECTION 1. Entry of Judgment. — Unless a motion for reconsideration or new trial is filed or an appeal taken to the Supreme Court, judgments and final resolutions of the Court shall be entered upon expiration of [15] days from notice to the parties.

fr

⁶⁶ *Id.* at. 78.

⁶⁷ *Id.* at 81–96.

⁶⁸ *Id.* at 79.

⁶⁹ Administrative Matter No. 09-11-11-CA (2009), 2009 Internal Rules of the Court of Appeals, Rule VII, sec. 1

In relation thereto, Rule 13, Section 16 of the Rules of Court provides the necessary proof of filing of a pleading or any other court submission via registered mail:

[...] shall be proven by the registry receipt and by the affidavit of the person who mailed it, containing a full statement of the date and place of deposit of the mail in the post office in a sealed envelope addressed to the court, with postage fully prepaid, and with instructions to the postmaster to return the mail to the sender after ten (10) calendar days if not delivered.⁷⁰ (Emphasis supplied)

Further, in Mariano v. G.V. Florida Transport, 71 the Court held that:

[When] the existence of a pleading filed by registered mail is at issue, proof of such filing consists of: (1) the registry receipt issued by the mailing office; and (2) an affidavit of the person mailing the pleading containing a full statement of the date, place, and manner of service.⁷²

In the present case, the petitioners' Motion for Reconsideration sufficiently complied with the requirements of the CA Internal Rules and Rules of Court as registry receipts (**RR**) were issued by the mailing office, and the affidavit of the person mailing the Motion was attached to petitioners' Motion for Reconsideration.

RRs were issued by the mailing office, i.e., RR No. 42636722622322 to the CA, RR No. 42636721222322 to the DARAB, and RR No. 42636720922322 to Atty. Jose P. Villanueva⁷³ showing that the Motion for Reconsideration of the petitioners was timely filed within 15 days from the petitioners' receipt of the CA Decision on February 8, 2022, ⁷⁴ specifically on February 23, 2022. Moreover, the Motion for Reconsideration contained the Affidavit of Filing and Service of Ms. Emelyn Gabreza (**Ms. Gabreza**), the person who mailed the Motion for Reconsideration, which shows that Ms. Gabreza filed and served, through registered mail, the petitioners' Motion for Reconsideration on February 23, 2022. ⁷⁵

Technicalities should not be permitted to stand in the way of equitably and completely resolving the rights and obligations of the parties.⁷⁶ This Court

fr

RULES OF COURT, Rule 13, sec. 16.

⁷¹ 885 Phil. 686 (2020) [Per J. Lopez, First Division].

⁷² *Id.* at 695.

⁷³ Rollo, p. 96.

⁷⁴ *Id.* at 81.

⁷⁵ Id at 96

⁷⁶ Panaga v. Court of Appeals, 534 Phil. 809, 816 (2006) [Per J. Carpio Morales, Third Division].

reiterates that where the ends of substantial justice would be better served, the application of technical rules of procedure may be relaxed.⁷⁷

Petitioners failed to exhaust administrative remedies available to them, i.e., filing a motion for reconsideration or an appeal with the OP

The Court has consistently declared that the doctrine of exhaustion of administrative remedies is a cornerstone of our judicial system. 78 The thrust of the rule is that courts must allow administrative agencies to carry out their functions and discharge their responsibilities within the specialized areas of their respective competence.⁷⁹ The rationale for this doctrine is obvious. It entails lesser expenses and provides for the speedier resolution of controversies.80 Comity and convenience also impel courts of justice to shy away from a dispute until the system of administrative redress has been completed.81

In Republic v. Lacap,82 the Court highlighted the importance of exhaustion of administrative remedies and doctrine of primary jurisdiction:

The general rule is that before a party may seek the intervention of the court, [they] should first avail of all the means afforded [them] by administrative processes. The issues which administrative agencies are authorized to decide should not be summarily taken from them and submitted to a court without first giving such administrative agency the opportunity to dispose of the same after due deliberation.

Corollary to the doctrine of exhaustion of administrative remedies is the doctrine of primary jurisdiction; that is, courts cannot or will not determine a controversy involving a question which is within the jurisdiction of the administrative tribunal prior to the resolution of that question by the administrative tribunal, where the question demands the exercise of sound administrative discretion requiring the special knowledge, experience and services of the administrative tribunal to determine technical and intricate matters of fact. 83 (Citations omitted)

Garcia v. PAL, Inc., 498 Phil. 808, 824 (2005) [Per J. Callejo, Sr., Second Division], citing Tres Reyes v. Maxim's Tea House, 446 Phil. 388 (2003) [Per J. Quisumbing, Second Division].

Addition Hills Mandaluyong Civic & Social Organization, Inc. v. Megaworld Properties & Holdings, Inc., 686 Phil. 76, 81 (2012) [Per J. Leonardo-De Castro, First Division].

Id.

⁸² 546 Phil. 87 (2007) [Per J. Austria-Martinez, Third Division].

Id. at 96-97.

Nonetheless, the doctrine of exhaustion of administrative remedies is subject to exceptions:

- (a) where there is *estoppel* on the part of the party invoking the doctrine;
- (b) where the challenged administrative act is patently illegal, amounting to lack of jurisdiction;
- (c) where there is unreasonable delay or official inaction that will irretrievably prejudice the complainant;
- (d) where the amount involved is relatively so small as to make the rule impractical and oppressive;
- (e) where the question involved is purely legal and will ultimately have to be decided by the courts of justice;
- (f) where judicial intervention is urgent;
- (g) where the application of the doctrine may cause great and irreparable damage;
- (h) where the controverted acts violate due process;
- (i) where the issue of non-exhaustion of administrative remedies has been rendered moot;
- (j) where there is no other plain, speedy and adequate remedy;
- (k) where strong public interest is involved; and
- (1) in quo warranto proceedings.84

In *Geronimo v. Spouses Calderon*,⁸⁵ the Court held that courts will not interfere in matters which are addressed to the sound discretion of the government agency entrusted with the regulation of activities coming under the special and technical training and knowledge of such agency. Administrative agencies are given wide latitude in the evaluation of evidence and in the exercise of their adjudicative functions, latitude which includes the authority to take judicial notice of facts within their special competence.⁸⁶

86 Id. at 885.

h

⁸⁴ See Ejera v. Merto, 725 Phil. 180, 203 (2014) [Per J. Bersamin, First Division].

⁸⁵ 749 Phil. 871 (2014) [Per J. Villarama, Jr., Third Division].

Here, the petitioners failed to show that the case falls under any of the exceptions as they only argued that the December 1, 1999 Order of DAR Secretary Navarro is not immutable.⁸⁷

In Land Car, Inc. v. Bachelor Express Inc., 88 the Court ruled that the doctrine of exhaustion of administrative remedies empowers the [Office of the President] to review any determination or disposition of a department head. In fact, the doctrine requires an administrative decision to first be appealed to the administrative superiors up to the highest level before it may be elevated to a court of justice for review. 89 Thus, if a remedy within the administrative machinery can still be had by giving the administrative officer concerned every opportunity to decide on the matter that comes within his jurisdiction, then such remedy should be priorly exhausted before the court's judicial power is invoked. 90

Section 32 of DAR Administrative Order No. 06, Series of 2000 provides the rule on the filing of a motion for reconsideration:⁹¹

SECTION 32. Motion for Reconsideration. — Only one [] motion for reconsideration of the order or decision of the Secretary shall be allowed. If a motion for reconsideration is denied, the movant shall have the right to perfect his appeal with the Office of the President (OP) pursuant to OP Administrative Order No. 18 dated February 12, 1987.

In relation thereto, Section 32 of Administrative Order No. 03, series of 2017 provides the rule on filing an appeal with the OP:⁹²

Section 32. Appeal. Appeals from the decision of the Secretary may be taken to the [Office of the President] within [15] days from receipt thereof. The filing of an appeal within the proper period does not stay execution of the subject decision.

To recall, on December 1, 1999, DAR Secretary Navarro reversed DAR Secretary Morales's March 4, 1999 Order and upheld DAR Secretary Garilao's January 14, 1998 Order, which declared the subject land exempt from the coverage of CARP. Eventually, an Order of Finality was issued by DARAB Director Samson rendering the December 1, 1999 Order of Secretary Navarro as final.

The petitioners failed to exhaust all the remedies available to them as early as 1999, such as the filing of a motion for reconsideration and appealing

⁸⁷ *Rollo*, p. 14.

⁴⁶² Phil. 796 2003) [Per J. Vitug, Third Division].

⁸⁹ *Id.* at 802.

⁹⁰ Id

⁹¹ ADMINISTRATIVE ORDER No. 06, s. of 2000, sec. 32.

⁹² ADMINISTRATIVE ORDER NO. 03 (2017), sec. 32.

with the OP, when DAR Secretary Navarro upheld Secretary Garilao's January 14, 1998 Order, which declared the subject land exempt from the coverage of CARP. At that point, the petitioners already lost their chance to question DAR Secretary Navarro's Order.

Aside from their failure to observe the doctrine of exhaustion of administrative remedies, the petitioners also showed a blatant disregard for procedural rules, which must not be countenanced. This is in furtherance of the well-settled rule that "the right to appeal is not a natural right or a part of due process; it is merely a statutory privilege, and may be exercised only in the manner and in accordance with the provisions of law." To exercise a procedural right, such as the right to file a motion for reconsideration or an appeal, a party must strictly adhere to prescribed procedural requirements, otherwise, they risk forfeiting that right.

In *Integrated Credit and Corporate Services, Co. v. Labrador*, ⁹⁴ the Supreme Court emphasized that time and again procedural rules, which are designed to facilitate the adjudication of cases, should be treated with utmost respect and due regard. The requirement is in accordance with the Bill of Rights inscribed in the Constitution which guarantees that "all persons shall have a right to the speedy disposition of their cases before all judicial, *quasi-judicial* and administrative bodies."

Similarly, in *Mapagay v. People*,⁹⁶ the Supreme Court held that procedural rules are not to be ignored because their infringement may injure a party's substantive rights. Like all rules, they must be observed except only for the most convincing reasons, i.e., to relieve a party of an injustice not commensurate with the extent of his thoughtlessness in not complying with the prescribed procedure.⁹⁷

Given that the petitioners clearly disregarded the procedural opportunities available to them, i.e., by filing a motion for reconsideration and an appeal before the OP, and in the absence of any compelling justification to disregard the December 1, 1999 Order of DAR Secretary Navarro, the same should be deemed as final. After all, administrative agencies have the foremost duty to uphold their own rules to establish order and promote the speedy disposition of cases.

The records of the case are remanded to the Office of the DAR Secretary for proper disposition

97 *Id.* at 99.

⁹³ Curammeng v. People, 799 Phil. 575, 581 (2016) [Per J. Perlas-Bernabe, First Division].

⁹⁴ G.R. No. 233127, July 10, 2023 [Per C.J. Gesmundo, First Division].

⁹⁵ Fortich v. Corona, 359 Phil. 210 (1998) [Per J. Martinez, Second Division].

⁶¹³ Phil. 91 (2009) [Per J. Chico-Nazario, Third Division].

Republic Act No. 6657, or the Comprehensive Agrarian Reform Law (CARL), provides that the agrarian reform program shall cover all public and private agricultural lands, including other lands of the public domain suitable for agriculture, regardless of tenurial arrangement and commodity produced. Thus, before a parcel of land can be deemed covered by the CARP, a determination of the land's classification as either an agricultural or non-agricultural land, e.g., industrial, residential, commercial, etc., and, as a consequence, whether the said land falls under agrarian reform exemption must first be preliminarily threshed out before the DAR, particularly, before the DAR Secretary. 99

DAR Administrative Order No. 6, Series of 1994 vests the DAR Secretary the authority to grant or deny the issuance of exemption clearances on the basis of Section 3(c) of CARL, as amended, and Department of Justice Opinion No. 44, Series of 1990.¹⁰⁰ Verily, issues of exclusion or exemption are well within the competence and jurisdiction of the DAR Secretary.¹⁰¹ Moreover, considering his technical expertise on the matter, courts cannot simply brush aside his pronouncements regarding the status of the land in dispute, i.e., as to whether it falls under the CARP coverage.

As this Court held in the case of *Department of Agrarian Reform v. Oroville Development Corp.*: 102

We cannot simply brush aside the DAR's pronouncements regarding the status of the subject property as not exempt from CARP coverage considering that the DAR has unquestionable technical expertise on these matters. Factual findings of administrative agencies are generally accorded respect and even finality by this Court, if such findings are supported by substantial evidence, a situation that obtains in this case. The factual findings of the Secretary of Agrarian Reform who, by reason of his official position, has acquired expertise in specific matters within his jurisdiction, deserve full respect and, without justifiable reason, ought not to be altered, modified or reversed. [103] (Emphasis supplied)

Hence, DAR Secretary Navarro declared the subject land exempt from the coverage of CARP. Nonetheless, while the DAR Secretary has the competence and jurisdiction over Gacula's Application for Exemption of the subject land under the CARP, as expressed in DOJ Opinion No. 44, Series of 1990, this Court agrees with the CA that a separate case should nonetheless be filed by Gacula before the DAR for purposes of the cancellation of

Republic Act No. 6657 (1988), Comprehensive Agrarian Reform Law of 1988, sec. 4.

¹⁰³ *Id.* at 58.

h

Garcia v. Santos Ventura Hocorma Foundation, Inc., 920 Phil. 512, 520 (2021) [Per J. Hernando, Second Division], citing Farmer-Beneficiaries Belonging to the Samahang Magbubukid ng Bagumbong, Jalajala, Rizal v. Heirs of Maronilla, 858 Phil. 308, 328–329 (2019) [Per J. Perlas-Bernabe, Second Division].

¹⁰⁰ Id.

¹⁰¹ *Id*

¹⁰² 548 Phil. 51 (2007) [Per J. Tinga, Second Division].

petitioners' CLOAs.¹⁰⁴ Recall that Gacula had earlier withdrawn his Petition for Cancellation.

In *Lucero v. Delfino*, ¹⁰⁵ citing *Daez v. Court of Appeals*, ¹⁰⁶ the Supreme Court held that CLOAs may be forfeited if they were issued in violation of agrarian reform laws:

The issuance of EPs or CLOAs to beneficiaries does not absolutely bar the landowner from retaining the area covered thereby. Under Administrative Order No. 2, series of 1994, an EP or CLOA may be cancelled if the land covered is later found to be part of the landowner's retained area.

A certificate of title accumulates in one document a comprehensive statement of the status of the fee held by the owner of a parcel of land. As such, it is a mere evidence of ownership and it does not constitute the title to the land itself. It cannot confer title where no title has been acquired by any of the means provided by law.

Thus, we had, in the past, sustained the nullification of a certificate of title issued pursuant to a homestead patent because the land covered was not part of the public domain and as a result, the government had no authority to issue such patent in the first place. Fraud in the issuance of the patent, is also a ground for impugning the validity of a certificate of title. In other words, the invalidity of the patent or title is sufficient basis for nullifying the certificate of title since the latter is merely an evidence of the former. ¹⁰⁷ (Emphasis in the original)

Evidently, CLOAs issued in contravention of agrarian reform laws do not enjoy the protection of indefeasibility of title, contrary to the petitioners' position.¹⁰⁸

In this regard, Farmer-Beneficiaries Belonging to the Samahang Magbubukid ng Bagumbong, Jalajala, Rizal v. Heirs of Maronilla¹⁰⁹ is instructive:

Notably, while the DAR Secretary has competence and jurisdiction over respondents' application for CARP exemption as expressed in DOJ Opinion No. 44, Series of 1990, it must be pointed out that a separate case should nonetheless still be filed by respondents (also before the DAR) for the purpose of cancelling the EP and CLOA titles of the affected tenants. This is because "[a]grarian reform beneficiaries or identified beneficiaries, or their heirs in case of death, and/or their associations are indispensable parties in petitions for cancellation" of the EPs/CLOAs, or other title issued

Farmer-Beneficiaries Belonging to the Samahang Magbubukid ng Bagumbong, Jalajala, Rizal v. Heirs of Maronilla, 858 Phil. 308 (2019) [Per J. Perlas-Bernabe, Second Division].



¹⁰⁴ Rollo, p. 73

⁹¹¹ Phil. 281 [Per J. Gaerlan, Second Division].

¹⁰⁶ 382 Phil. 742 (2000) [Per J. De Leon, Jr., Second Division].

¹⁰⁷ Lucero v. Delfino, id. at 299.

¹⁰⁸ *Rollo*, p. 5.

to them under any agrarian reform program. 110 (Emphasis supplied; citations omitted)

In this case, what attained finality was the December 1, 1999 Order of DAR Secretary Navarro, which declared the subject land exempt from the coverage of CARP. Moreover, the Petition for Cancellation filed by Gacula was eventually dismissed by PARAD Monsanto, and Gacula eventually filed a motion to withdraw it. As such, a separate proceeding to directly challenge the petitioners' CLOAs is necessary for Gacula to implead petitioners-beneficiaries and establish that the lands awarded to them were within the excluded areas per CARP.

Lastly, in compliance with the November 27, 2003 Order of Adjudicator Salcedo, the determination of qualified tenants/tillers from the petitioners and the payment of disturbance compensation to them must be fulfilled by the Office of the DAR Secretary given that an agricultural lessee is entitled to security of tenure and acquires the right to continue working on the landholding until such leasehold relation is extinguished, and he/she is validly dispossessed thereof for cause, among others, the reclassification of the land into residential, commercial, industrial or some other urban purposes is upheld in a final and executory [c]ourt judgment, thereby entitling [them] to disturbance compensation.¹¹¹ In addition, the usufructuary rights of the affected petitioners over their awarded lands shall not be diminished pending the cancellation of their CLOA in the proper proceedings.¹¹²

ACCORDINGLY, the Petition for Review on *Certiorari* filed by the heirs of spouses Adriano Salise and Natividad Pagudar, represented by Ranilo Salise, heirs of spouses Teodoro Virtudazo and Necitas Salise, represented by Edison Virtudazo, Jerome Diolanto, heirs of spouses Eulalio Damasing, Sr. and Potenciana Labial, represented by Eulalio Damasing, Jr., heirs of Francisco Babayson and Simplicia Babayson, represented by Niel M. Caduan, spouses Rufino Butihin and Cecilia Gagno, heirs of Epetacio Pamisa, Sr. and Vegilia Virtudazo, represented by Danilo Pamisa, Franklin Pamisa, Sr., heirs of Delfin Saarenas, represented by Jaylon L. Ramos, Louis Philip L. Ramos, Felipe Virtudazo, Jr., heirs of Angel Barbosa and Florencia Salise, represented by Sarah B. Prigo, Felix Wabe, Serapen Surigao, heirs of Reynaldo Salucot, represented by Maximo S. Salucot, Jr., Larry Pamisa, represented by Franklin B. Pamisa, Jr., Hegenio Paug, Marcelo Manique and Celia Carbon, heirs of Enrique Carbon and Erlinda Somo, represented by Guillermo P. Carbon, Maximo Borres, heirs of Wilfredo Juanillo and Minda Villarmia, represented by Minda Juanillo, Felix Requilme and Cerina Salvo, and the heirs of spouses Hilario Bacabis and Retificacion Dablo, represented by Cynthia Marian Adoracion B. Mana-a is **DENIED**. The Decision, dated October 29, 2021, and the Resolution, dated May 10, 2023, of the Court of

R

¹¹⁰ Id. at 332.

¹¹¹ Id. at 347.

¹¹² *Id.*

Appeals in CA-G.R. SP No. 167330 are **AFFIRMED** with **MODIFICATION** in that the issuance of the Exemption Clearance from Comprehensive Agrarian Reform Program Coverage for the subject lands is subject to the payment of disturbance compensation set by the Secretary of the Department of Agrarian Reform in accordance with existing DAR administrative rules.

Meanwhile, the matter of determining whether or not CLOA Nos. 0005-4876, issued to the petitioners, should be cancelled is **REFERRED** to the Office of the Department of Agrarian Reform Secretary for proper disposition, subject to the filing of a petition for cancellation in accordance with Department of Agrarian Reform Administrative Order No. 13-90 and existing Department of Agrarian Reform administrative rules.

SO ORDERED.

MARIA FILOMENA D. SINGH

Associate Justice

WE CONCUR:

ALFREDO BENJAMIN S. CAGUIOA

Associate Justice

On Official Business **HENRI JEAN PAUL B. INTING**

Associate Justice

SAMUEL H. GAERLAN
Associate Justice

JAPAR B. DIMAAMPAO
Associate Justice

ATTESTATION

I attest 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.

ALFREDO BENJAMIN S. CAGUIOA

Associate Justice Chairperson, Third Division

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution and the Division Chairperson's Attestation, 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.

ALEXANDER G. GESMUNDO