

Republic of the Philippines Supreme Court Manila

SECOND DIVISION

HEIRS OF VALERIANO C. DELA CORTA, SR., namely: PEDRO C. DELA CORTA, VALERIANO C. DELA CORTA, JR. ROBERTO **C**. DELA CORTA, TEMOTEO C. DELA CORTA, EMMA C. DELA CORTA, ANITA **C**. DELA CORTA, ADELAIDA D. **OTERO**, and **ALEJANDRA COSE DELA CORTA for herself**, all represented by PEDRO C. DELA CORTA,

G.R. No. 226863

Present:

PERLAS-BERNABE, S.A.J., Chairperson, REYES, A., JR., HERNANDO, INTING, and LOPEZ,^{*} JJ.

Petitioners,

- versus -

REBECCA	ALAG-PITOGO,		
represented	by	OSCAR	Promulgated:
PITOGO,	k	Respondent.	19 FFB 2020
X			x
		and subscript strangers and sold states	

DECISION

INTING, J.:

Before the Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court assailing the Decision² dated August 27, 2015 and Resolution³ dated July 20, 2016 issued by the Court of Appeals

^{*} Designated additional Member per Raffle dated February 12, 2020 in lieu of Associate Justice Edgardo L. Delos Santos (now a member of the Court).

Rollo, pp. 83-108.

² Id. at 8-17; penned by Associate Justice Edgardo L. Delos Santos (now a member of the Court), with Associate Justices Renato C. Francisco and Edward B. Contreras, concurring.

³ *Id.* at 35-36.

(CA) in CA-G.R. SP No. 08322. The assailed Decision affirmed the Decision⁴ dated May 8, 2013 of the Department of Agrarian Reform Adjudication Board (DARAB) in DARAB Case No. 16922 (Reg. Case No. R-0800-0017-09), while the assailed Resolution denied the subsequent Motion for Reconsideration of the Heirs of Valeriano C. Dela Corta,⁵ Sr. (Valeriano), namely, Pedro C. Dela Corta (Pedro), Valeriano C. Dela Corta, Emma C. Dela Corta, Anita C. Dela Corta, Adelaida D. Otero, and Alejandra Cose Dela Corta for herself, all represented by Pedro, (petitioners).⁶

The Antecedents

The present controversy involves Lot No. 50, BSD-08-000105 (OLT)⁷ (subject lot), a portion of Lot 11421, Cad. 256, which is located at Brgy. Curva, Ormoc City, Leyte.⁸ The subject lot, with an area of 29,010 square meters, was originally registered to Agapito Pongos.⁹

Pursuant to Presidential Decree No. (PD) 27,¹⁰ the subject lot was awarded to the late Valeriano on December 19, 1974 through a certificate of land transfer (Emancipation Patent No. 443564).¹¹ Before Transfer Certificate of Title No. (TCT) 3247¹² was finally issued in Valeriano's favor on February 5, 1998, he died on June 12, 1989.¹³

On October 2, 2006, Rebecca Alag-Pitogo (respondent) filed before the Department of Agrarian Reform (DAR)-Region VIII (DAR-Region VIII) a petition for reallocation of the subject lot on the ground that the subject lot was erroneously awarded to Valeriano.¹⁴ Respondent

⁴ Id. at 219-228; penned by Member Jim G. Coleto, with Members Gerundio C. Madueño, Alex G. Almario and Ma. Patricia Rualo-Bello, concurring; Chairman Virgilio R. Delos Reyes and Members Anthony N. Paruñgao and Mary Frances Pesayo-Aquino did not take part.

⁵ Sometimes spelled as De la Corta/de la Corta.

⁶ *Id.* at 18-34.

 ⁷ Id. at 155-156.
⁸ Id. at 9.

[°] Id. 2

⁹ *Id.*

¹⁰ "Decreeing the Emancipation of Tenants from the Bondage of the Soil, Transferring to Them the Ownership of the Land They Till and Providing the Instruments and Mechanism Therefor" dated October 21, 1972.

Rollo, p. 155.

¹² *Id.* at 155-156.

¹³ See Certificate of Death of Valeriano De la Corta, Sr.; *id.* at 218.

¹⁴ *Id.* at 124.

mainly argued that in a case docketed as CAR Case No. 1726, Branch 12, Regional Trial Court (RTC), Ormoc City rendered a decision disqualifying Valeriano as a farmer beneficiary of the subject lot.¹⁵ Allegedly, this RTC decision declared that the subject lot was erroneously awarded to Valeriano, thereby installing Guillerma Alag (Guillerma), respondent's mother, and Carlos Sabino as the qualified farmer beneficiaries of the 1.1000-hectare and 1.8000-hectare portions thereof, respectively.¹⁶ Due to old age and failing health, Guillerma allegedly executed an affidavit of waiver of her rights over the 1.1000-hectare portion of the subject lot in favor of respondent.¹⁷

On August 9, 2007, the DAR-Region VIII issued an $Order^{18}$ granting respondent's petition for reallocation, *viz*.:

WHEREFORE, in the light of the foregoing considerations, order is hereby issued:

- CONFIRMING the qualifications of the petitioner as qualified farmer beneficiary and GRANTING the REALLOCATION of the farmlot having an area of 1[.]1000 hectares particularly designated as Lot No. 50, covered by EP No. 443564 with TCT No. 3247, located at Brgy. Curva, Ormoc city, in favor of Rebecca Alag Pitogo;
- DIRECTING the petitioner to coordinate with the Legal Assistance Division of DARPO, Tolosa, Leyte in filing of the proper petition for cancellation of EP No. 443564 with TCT No. 3247, issued in the name of Valeriano de la Corta.
- 3) DIRECTING CARPO Operations of DARPO, Leyte and the MARO of Ormoc, to cause the necessary corrections by its records and to document the reallocation of the subject farmlot in favor of Rebecca A. Pitogo, in preparation for the generation of a new CLOA/FP.

SO ORDERED.¹⁹

¹⁹ *Id.* at 184-185.

¹⁵ Id.

¹⁶ Id.

¹⁷ Id.

¹⁸ *Id.* at 183-185; penned by Regional Director Homer P. Tobias, CESO IV.

Aggrieved, Pedro, one of the heirs of Valeriano, filed a Motion for Reconsideration.²⁰ He claimed that he had been in the peaceful possession and cultivation of the subject lot since the death of Valeriano, and that respondent had neither been installed in it nor cultivated it.²¹ However, the motion was denied on February 12, 2008.²² The DAR-Region VIII's Decision became final and a Certificate of Finality²³ was consequently issued on October 22, 2008.

On March 11, 2009, respondent filed before the DARAB a Petition²⁴ for cancellation of Valeriano's Emancipation Patent No. 443564. Pedro thereafter filed an answer with a motion to dismiss, alleging therein that respondent's petition for cancellation is not yet proper for judicial determination considering that the Order dated August 9, 2007 is the subject of his appeal before the Office of the DAR Secretary.²⁵

On October 5, 2009, DARAB Regional Adjudicator Wilfredo M. Navarra (DARAB Regional Adjudicator) rendered a Decision²⁶ disposing as follows:

WHEREFORE, under the foregoing premises, judgment is hereby rendered:

1. Ordering the cancellation of E.P. No. 443564 under TCT No. 3247 in the name of Valeriano dela Corta.

2. Directing the DAR Operation Division to generate a new title in favor of Rebecca Alag Pitogo as qualified farmer beneficiary of lot No. 50 with an area of 1.1000 hectares situated at Brgy. Curva, Ormoc City.

3. Ordering the Private Respondent to surrender the aforementioned Emancipation Patent to the MARO of Ormoc City or to the Register of Deeds of Ormoc City.

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²⁰ *Id.* at 186-189.

²¹ *Id.* at 187.

²² See Decision dated October 5 2009; *id.* at 201-216 at 202-203.

²³ *Id.* at 217.

²⁴ *Id.* at 177-182.

²⁵ *Id.* at 204.

²⁶ *Id.* at 201-216.

4. Declaring TCT No. 3247 with EP No. 00443564 lost in the event the herein Respondent failed to surrender the same to the said MARO as Register of Deeds.

SO ORDERED.27

The DARAB Regional Adjudicator ruled that Pedro's appeal before the DAR Secretary did not produce any legal effect as it was taken long after the Order granting the reallocation was rendered.²⁸ He further ruled that the Certificate of Finality²⁹ issued by the DAR Regional Director cannot be disregarded.³⁰

Undaunted, Pedro appealed to the DARAB Central Office. However, the DARAB Central Office dismissed Pedro's appeal for lack of merit in its Decision³¹ dated May 8, 2013. It also affirmed *in toto* the Decision³² dated October 5, 2009 of the DARAB Regional Adjudicator. Pedro filed a Motion for Reconsideration,³³ but it was denied in the DARAB Central Office's Resolution³⁴ dated March 10, 2014.

Dissatisfied, petitioners filed with the CA a Petition for Review under Rule 43 with Preliminary Injunction.³⁵ Before the CA, the following issues were resolved:

- 1. Whether or not the 09 August 2007 Order of DAR, Region VIII was maliciously rendered considering, allegedly, that herein respondent's petition for reallocation was based on misrperesentations [*sic*] and fabricated evidence;
- 2. Whether or not the 05 October 2009 Decision of the Regional Adjudicator was null and void for failure to implead the petitioners herein being real parties-in-interest; and
- 3. Whether or not the aforementioned 05 October 2009 Decision was erroneously affirmed in the herein assailed 08 May 2013 Decision.³⁶

³³ Id at 229-236.

²⁷ *Id.* at 216.

²⁸ Id. at 215.

²⁹ *Id.* at 217.

 $^{^{30}}$ Id. at 215.

³¹ Id. at 219-228.

³² *Id.* at 201-216.

³⁴ *Id.* at 237-238.

³⁵ *Id.* at 110-120.

³⁶ *Id.* at 12.

On August 27, 2015, the CA rendered the herein assailed Decision, the dispositive portion of which reads:

WHEREFORE, premises considered, the instant appeal is hereby DENIED. The assailed 08 May 2013 decision of DARAB, Central Office is hereby AFFIRMED.

SO ORDERED.37

The CA noted that before respondent filed a petition for reallocation, there was already a decision rendered by Branch 12, RTC, Ormoc City in CAR Case No. 1726 disqualifying Valeriano as a farmer beneficiary of the subject lot and awarding the 1.1000-hectare portion thereof to Guillerma.³⁸ Hence, the CA declared that the reallocation prayed for was from Guillerma to respondent, *not* from Valeriano to respondent.

The CA also held that the qualifications of respondent to be a farmer beneficiary of the 1.1000-hectare portion of the subject lot were duly confirmed by no less than the DAR-Region VIII.³⁹ Moreover, the CA noted that the granting of the reallocation was based on an investigation, which found that the 1.1000-hectare portion of the subject lot was cultivated by Guillerma from 1986 until 1989 and, thereafter, by respondent; and that the Municipal Agrarian Reform Office of Ormoc as well as the Provincial Agrarian Reform Office, Leyte had recommended the reallocation of the subject lot to respondent.⁴⁰

Above all, the CA emphasized that the Order dated August 9, 2007 of the DAR-Region VIII confirming the qualifications of respondent and granting her petition for reallocation had already attained finality.⁴¹

With regard to the contention that the Decision dated October 5, 2009 of the Regional Adjudicator was null and void for failure to

³⁷ *Id.* at 16.

³⁸ *Id.* at 13.

³⁹ *Id.*

⁴⁰ *Id.* at 13-14.

⁴¹ *Id.* at 14.

implead the other heirs of Valeriano who were impleaded as Pedro's copetitioners, the CA held:

A review of the records of the case reveals that petitioner Pedro Dela Corta herein intervened and alleged that he is **one of the** heirs of the late Valeriano dela Corta. It thus puzzles this Court why, at that point, DARAB did not order the inclusions of the other heirs should there be absence of authority from them in favor of petitioner Pedro dela Corta. Nevertheless, the Court finds that the petitioners herein are not indispensable parties.

As defined, an indispensable party is one who has such an interest in the controversy or subject matter that a final adjudication cannot be made, in his absence, without injuring or affecting that interest. Given the facts of the case, it is the considered opinion of the Court that the petitioners are not "indispensable parties" as they now claim.

To reiterate, Valeriano dela Corta **had already been disqualified** by the Regional Trial Court, Branch 12, Ormoc City in **CAR Case No. 1726**; and, said findings became final and therefore binding to the parties thereto who happens [sic] to be the predecessors-in-interest of the present parties. Necessarily, the issues raised therein may not be litigated anew. x x x

By virtue of the said decision of the Regional Trial Court, Branch 12, Ormoc City in CAR Case No. 1726, Valeriano dela Corta lost any interest or right he may have over the subject farmlot. He thus had no right, so to speak, over the subject farmlot when the petition for cancellation of his emancipation patent was filed. And, so are his heirs (the petitioners herein) who only derived their alleged rights or interests over the subject farmlot from him (Valeriano dela Corta). The spring simply cannot rise higher than its source.⁴² (Emphasis in the original; citations omitted.)

Petitioners' Motion for Reconsideration⁴³ was denied in the CA's assailed Resolution⁴⁴ dated July 20, 2016.

Hence, the present petition.

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⁴² *Id.* at 15-16.

⁴³ *Id.* at 18-34.

⁴⁴ Id. at 35-36.

Petitioners contend that the DAR-Region VIII's Order dated August 9, 2007, the DARAB Regional Adjudicator's Decision dated October 5, 2009, and the DARAB Central Office's Decision dated May 8, 2013 are all null and void due to lack of jurisdiction and total disregard of the constitutional right to due process.⁴⁵ Hence, petitioners argue that the CA erred in denying their appeal and affirming the Decision of the DARAB Central Office.⁴⁶

The Court's Ruling

The petition has no merit.

Prefatorily, considering that the findings of the DAR-Region VIII, the DARAB Regional Adjudicator, and the DARAB Central Office are similar in all material respects, these should not be disturbed, more so in this case where the CA sustained such findings. "[T]he factual findings of administrative agencies and officials that have acquired expertise in the performance of their official duties and in the exercise of their primary jurisdiction are generally accorded not only respect but, at times, even finality if such findings are supported by substantial evidence."⁴⁷ Such factual findings, especially when affirmed by the CA, are binding on the Court.⁴⁸

In the present petition, Pedro contends that the DAR-Region VIII's Order dated August 9, 2007 is absolutely null and void on three grounds: 1) violation of Section 2, Rule 3 of the Rules of Court for failure to implead real parties-in-interest or indispensable parties, *i.e.*, the registered owners of Lot No. 50; 2) violation of the constitutional requirement of due process; and 3) lack of jurisdiction over the persons of the registered landowners and over the subject matter, *i.e.*, Lot No. 50.⁴⁹

The Court is not persuaded.

⁴⁵ *Id.* at 95.

⁴⁶ Id.

⁴⁷ NGEI Multi-Purpose Cooperative, Inc., et al. v. Filipinas Palmoil Plantation, Inc., et al., 697 Phil. 433, 443 (2012), citing Rep. of the Phils. v. Salvador N. Lopez Agri-Business Corp., 654 Phil. 44, 59 (2011).

⁴⁸ *Id.* at 444.

⁴⁹ *Rollo*, p. 97.

An examination of the records of the case reveals the fact that Valeriano's disqualification as a farmer beneficiary of the subject lot was never contested. It is notable that no copy of the decision of Branch 12, RTC, Ormoc City, allegedly disqualifying Valeriano as a farmer beneficiary of the subject lot and installing Guillerma as the qualified beneficiary with respect to the 1.1000-hectare portion thereof, can be found in the records of the instant case. Likewise, neither petitioners nor respondent attached a copy thereof in their respective pleadings before the Court.

Upon scrutiny of the records, it appears that a Certification⁵⁰ dated October 18, 2006 was issued in relation to CAR Case No. 1726 before Branch 12, RTC, Ormoc City by Atty. Edwin James B. Fabriga, OIC-Clerk of Court, stating that the records of the case are no longer among the existing and available records on file; and it is believed that the case records "have been permanently and irretrievably lost due to the flash flood brought about by typhoon 'Uring' that hit Ormoc City in November 1991." Be that as it may, the Court notes the CA's observation that the RTC Decision was mentioned in the DAR-Region VIII's Order dated August 9, 2007 and remained an uncontroverted fact.⁵¹

It also appears from the record that a petition for *certiorari* docketed as CA-G.R. SP No. 19145 was filed before the CA by the heirs of Valeriano, including Pedro, assailing a Joint Order⁵² issued by Branch 12, RTC, Ormoc City in the same CAR Case No. 1726 for contempt on account of disobedience of a final order and in Civil Case No. 2864-0 for quieting of title.⁵³ As to the contempt case docketed as CAR Case No. 1726, the petitioners before the CA contended that therein respondent Judge gravely abused his discretion in issuing the assailed Joint Order, which found Pedro, among others, not guilty of contempt but directed Pedro and Roberto to vacate the subject lot in view of the final and executory decision on the forfeiture of Valeriano's right over the subject lot.⁵⁴ In its Decision⁵⁵ dated April 30, 1993, the CA granted the petition

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⁵⁰ Id. at 170.

⁵¹ *Id.* at 13.

⁵² Not attached to the *rollo*.

⁵³ See Decision dated April 30, 1999; *rollo*, pp. 172-175.

⁵⁴ Id.

⁵⁵ *Id.* at 172-175.

for *certiorari* and thus ordered the deletion of the portion of the RTC's Joint Order directing Pedro, among others, to vacate the subject lot.⁵⁶

From a thorough reading of the Decision dated April 30, 1993, it can be gleaned that what the CA overturned was merely the RTC's order to vacate the subject lot as this involved the issue of possession and ownership thereof which was not resolved in the aforesaid final judgment disqualifying Valeriano as a farmer beneficiary of the subject lot. Notably, the fact of Valeriano's disqualification remained undisputed.

In view of the foregoing circumstances, considering that the final judgment of Valeriano's disqualification as a farmer beneficiary was never questioned, it was logical for the CA to rule that, at the time respondent filed a petition for reallocation with the DAR-Region VIII, Valeriano and his heirs were not indispensable parties in the case. Moreover, the contentions of petitioners that they were deprived of due process and that the DARAB lacked jurisdiction over the persons of the registered landowners and over the subject matter, *i.e.*, Lot No. 50, fail.

Rule 3, Section 7 of the Rules of Court provides:

SEC. 7. *Compulsory joinder of indispensable parties.* - Parties in interest without whom no final determination can be had of an action shall be joined either as plaintiffs or defendants.

Indispensable parties are parties whose legal presence in the proceeding is so necessary that "the action cannot be finally determined" without them because their interests in the matter and in the relief "are so bound up with that of the other parties."⁵⁷ Thus:

An indispensable party is a party who has such an interest in the controversy or subject matter that a final adjudication cannot be made, in his absence, without injuring or affecting that interest, a party who has not only an interest in the subject matter of the controversy, but also has an interest of such nature that a final decree cannot be made without affecting his interest or leaving the controversy in such a condition that its final determination may be wholly inconsistent with equity and good conscience. It has also been

⁵⁶ *Id.* at 175.

⁵⁷ Sps. Aboitiz v. Sps. Po, 810 Phil. 123, 165 (2017), citing Lozano v. Ballesteros, 273 Phil. 43, 54 (1991).

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considered that an indispensable party is a person in whose absence there cannot be a determination between the parties already before the court which is effective, complete, or equitable. Further, an indispensable party is one who must be included in an action before it may properly go forward.

A person is not an indispensable party, however, if his interest in the controversy or subject matter is separable from the interest of the other parties, so that it will not necessarily be directly or injuriously affected by a decree which does complete justice between them. Also, a person is not an indispensable party if his presence would merely permit complete relief between him and those already parties to the action, or if he has no interest in the subject matter of the action. It is not a sufficient reason to declare a person to be an indispensable party that his presence will avoid multiple litigation.⁵⁸

Applying the foregoing definition, the Court finds that Valeriano and his heirs were not indispensable parties as they no longer stood to be directly benefited or injured by the judgment in the petition for reallocation filed by respondent. Valeriano and his heirs ceased to have an interest in the subject lot after the issuance of the final judgment disqualifying Valeriano as a farmer beneficiary thereof. Thus, contrary to petitioners' contention, the failure to implead Valeriano or his heirs (*i.e.*, herein petitioners) did not deprive the DAR-Region VIII, the DARAB Regional Adjudicator, and the DARAB Central Office of jurisdiction over the cases filed before them.

Notably, Pedro, while invoking lack of jurisdiction and nonobservance of due process, had admitted having received in behalf of Valeriano a copy of the DAR-Region VIII's Order dated August 9, 2007; in fact, he had intervened in the case by subsequently filing a Motion for Reconsideration⁵⁹ of the Order. Significantly, the Regional Director duly heard Pedro's motion but ruled to deny it for lack of merit, having found "no material and substantial evidence to warrant the reversal or modification of the assailed Order x x x."⁶⁰

Due process, in its classic formulation, means that any person having interest to the thing in litigation, or the outcome of the judgment,

⁵⁸ Regner v. Logarta, 562 Phil. 862, 875-876. (2007), citing Arcelona v. Court of Appeals, 345 Phil. 250, 269-270 (1997).

⁵⁹ *Rollo*, pp. 186-188.

⁶⁰ Id. at 203.

must be notified and given an opportunity to defend that interest.61 Conforming to the constitutional guarantee of due process of law is the principle that a person cannot be prejudiced by a ruling rendered in an action or proceeding in which he was not made a party.62

The Court has ruled that the essence of due process is simply an opportunity to be heard or, as applied to administrative proceedings, an opportunity to explain one's side or an opportunity to seek reconsideration of the action or ruling complained of.⁶³ In this case, even assuming that Pedro was an indispensable party, he cannot claim denial of due process for the simple reason that he had the opportunity to question the judgment of the DARAB-Region VIII.

On the contrary, it is noteworthy that the qualifications of respondent as a farmer beneficiary of the subject lot were confirmed and the reallocation she prayed for was granted in the DAR-Region VIII's Order dated August 9, 2007. Since Pedro failed to timely file an appeal from the DAR-Region VIII's Resolution⁶⁴ dated February 12, 2008 denying his motion for reconsideration of the Order dated August 9, 2007, a Certificate of Finality⁶⁵ was issued on October 22, 2008.

It is settled that when a decision has acquired finality, it becomes immutable and unalterable.66 Public policy also dictates that when a judgment becomes final, executory, and unappealable, the prevailing party should not be denied the fruits of his or her victory through any form of subterfuge which may be devised by the losing party.67 "Unjustified delay in the enforcement of a judgment sets at naught the role of courts in disposing justiciable controversies with finality."68

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⁶¹ Frias v. Alcayde, G.R. No. 194262, February 28, 2018, 856 SCRA 514, citing Borlongan v. Banco de Oro, 808 Phil. 505, 517 (2017).

⁶² Green Acres Holdings, Inc. v. Cabral. et al., 710 Phil. 235, 250 (2013), citing Dare Adventure Farm Corp. v. Court of Appeals, et al., 695 Phil. 681, 690 (2012).

⁶³ Danan v. Court of Appeals, 510 Phil. 596, 610 (2005), citing CMP Federal Security Agency v. NLRC, et al., 362 Phil. 439, 451 (1999).

Not attached to the rollo but mentioned in the DARAB Regional Adjudicator's Decision dated October 5, 2009; see rollo, pp. 201-216 at 202-203.

⁶⁵ *Id.* at 217.

⁶⁶ Id. at 203. ⁶⁷ Id.

⁶⁸ Mauleon v. Porter, 739 Phil. 203, 214 (2014), citing Ocampo v. Vda. De Fernandez, 552 Phil. 166, 187 (2007).

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WHEREFORE, the Petition for Review on *Certiorari* is **DENIED**. The Decision dated August 27, 2015 and Resolution dated July 20, 2016 of the Court of Appeals in CA-G.R. SP No. 08322 are **AFFIRMED**.

SO ORDERED.

HENRI SEAN PAUL B. INTING Associate Justice

WE CONCUR:

ESTELA M. PERLAS-BERNABE Senior Associate Justice

Chairperson

ANDRES BA REYES, JR. Associate Justice

Parenter.

RAMON PAUL L. HERNANDO Associate Justice

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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.

> ESTELA M. PERLAS-BERNABE Senior Associate Justice Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, 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.

> DIOSDADO M. PERALTA Chief Justice