THIRD DIVISION

[G.R. NO. 156304, April 18, 2007]

ANACLETO R. MENESES, ET AL. V. SECRETARY OF AGRARIAN REFORM, ET AL.

SIRS/MESDAMES:

Quoted hereunder, for your information is a resolution of the Third Division of this Court dated 18 APRIL 2007

G.R. No. 156304 - Anacleto R. Meneses, et al. v. Secretary of Agrarian Reform, et al.

RESOLUTION

For resolution are the separate motions for reconsideration filed by the Department of Agrarian Reform (DAR) and the Land Bank of the Philippines (LBP) of the Court's Decision dated October 26, 2006, granting the petition and remanding the case to the Regional Trial Court of Bulacan, Branch 13, for the final determination of just compensation in accordance with Republic Act (R.A.) No. 6657 and based on the value of the land at the time of the payment of just compensation, and not on the effectivity date of Presidential Decree (P.D.) No. 27, which is October 21, 1972.

The DAR does not take exception to the applicability of R.A. No. 6657, but contends that the value of the land should be reckoned from October 21, 1972, and not at the time of the payment of just compensation.

On the other hand, the LBP objects to the Court's decision in setting aside the Court of Appeals (CA) Decision dated May 30, 2002, which is already final and executory, and in applying the R.A. No. 6657 instead of P.D. No. 27.

In granting the petition, the Court set aside the CA Decision dated May 30, 2002 dismissing petitioners' appeal on the premise that the negligence of petitioners' counsel should not prejudice the case, and the interests of substantial justice merit a reversal of the CA Decision. As stated in the *ponencia* -

If the Court sustains the CA Decision, which affirmed the RTC Decision, petitioners will be left holding an empty bag, so to speak. It should be noted that the property subject of this case has already been distributed to the farmer-beneficiaries way back in 1972, and up to now, petitioner will be left without any recourse as regards the resolution of the issues of just compensation since both the RTC and the DARAB already dismissed the separate complaints for just compensation filed before them.

 $x \times x$

The Court also applied the ruling in *Land Bank of the Philippines v. Natividad* (G.R. No. 127198, May 16, 2005), which applied the provisions of R.A. No. 6657 in