

## SECOND DIVISION

[ G.R. No. 198751, August 19, 2015 ]

**FLOR CAÑAS-MANUEL, PETITIONER, VS. ANDRES D. EGANO,  
RESPONDENT.**

### DECISION

**BRION, J.:**

We resolve the present petition for review on *certiorari*<sup>[1]</sup> assailing the February 18, 2011 Decision<sup>[2]</sup> and August 31, 2011 Resolution<sup>[3]</sup> of the Court of Appeals (CA) Cebu City, in CA-G.R. SP No. 03230.

#### **Factual Antecedents**

In 2004, respondent Andres D. Egano, together with his spouse Tarcelita, filed with the Department of Agrarian Reform Regional Office (DARRO), Region VIII, Tacloban City, a "*Petition for Nullification of Coverage and Disqualification of Farmer-Beneficiary*." They contested the issuance of Certificate of Land Ownership Award (CLOA) to and identification as farmer-beneficiaries of petitioner Flor Cañas-Manuel and her sister, Salome D. Cañas, of Lot 3595, Csd. 726-D situated in *Barangay* Palarao, Leyte, Leyte. He alleged that CLOA No. 00091138 was mistakenly issued to the petitioner and Salome because a portion (an area of 3,655.50 sq.ms. more or less) of the land covered by the said CLOA was previously sold to him by the petitioner's father, Celedonio Cañas.<sup>[4]</sup> Also, he alleged that the petitioner and Salome were not qualified as farmer-beneficiaries because they were not the actual tillers of the subject portion of land.

In an Order<sup>[5]</sup> dated October 28, 2004, DAR Regional Director Tiburcio A. Morales, Jr. found merit in the respondent's petition and issued the following:

"WHEREFORE, premises considered, the Petition for Nullification of Coverage under CARP of the portion of lot 3595, situated in Brgy. Palarao, Leyte, Leyte, and Disqualification of its identified Farmer-Beneficiary filed by petitioners (*referring to the respondent and his wife*) is hereby GRANTED and Order is hereby issued;

1. DECLARING the award in favor of Flor Cañas Manuel and Salome Dellerá Cañas of the farmlot embraced by CLOA No. 00091138 null and void ab initio;
2. DIRECTING the Operations Division of DARPO, Leyte, to conduct delineation survey to determine the specific area actually owned and cultivated by the herein petitioners and coordinate with the Bureau of Lands for the correction of the name of farmer-beneficiary in its approved subdivision plan;

3. ORDERING the MARO, DAR Municipal Office of Leyte, Leyte, to identify and document petitioners as the rightful farmer beneficiaries of such portion, subject of this petition;

4. **ORDERING the Petitioners to coordinate with the Legal Division of DARPO, Leyte to file the proper petition with the Adjudication Board for the Cancellation of CLOA No. 00091138.**"<sup>[6]</sup> (emphasis supplied)

The petitioner moved to reconsider Dir. Morales's order but her motion was denied.<sup>[7]</sup>

The October 28, 2004 order of Dir. Morales later became final and executory as no appeal was filed within the remainder of the fifteen (15)-day filing period.<sup>[8]</sup>

Pursuant to Dir. Morales's order to coordinate his case with the Legal Division of the Department of Agrarian Reform Provincial Office (*DARPO*) Leyte, the respondent, on January 24, 2005, filed a "Petition for Cancellation of CLOA No. 00091138" with the Department of Agrarian Reform Adjudication Board (*DARAB*)-Region VIII. This was docketed as DARAB Case No. R-0800-0042-05.

In a decision<sup>[9]</sup> dated February 16, 2006, Provincial Agrarian Reform Adjudicator (PARAD) Wilfredo M. Navarra ordered the cancellation of CLOA No. 00091138 and its corresponding Original Certificate of Title (OCT) No. 3324 based on Dir. Morales's October 28, 2004 order. The petitioner moved to reconsider PARAD Navarra's decision but her motion was denied in a resolution<sup>[10]</sup> dated May 8, 2006. The petitioner filed an appeal with the DARAB Central Office in Diliman, Quezon City. This was docketed as DARAB Case No. 14579.

In a decision<sup>[11]</sup> dated May 29, 2007, the DARAB dismissed the petitioner's appeal, in this wise:

"The appeal is without merit. **The cancellation of CLOA No. 00091138 under Original Certificate of Title No. 3324 was an offshoot of the Decision dated October 28, 2004, rendered by the Regional Director of Region VIII**, in the case entitled "In Re: Petition for Nullification of Coverage and Disqualification of Farmer-Beneficiary," filed by petitioner (*referring to the present respondent*). As correctly stated by the Adjudicator a quo: Thus, the declaration of Dir. Tiburcio A. Morales, Jr., regarding the disqualification of Flor Manuel Cañas and Salome D. Cañas as farmer-beneficiaries, is an exercise of an authority of the DAR Secretary that has been delegated to him. **The cancellation of the subject CLOA is a necessary consequence of that declaration which binds this office, being an adjunct of the DAR. xxx And in the meantime that the off-mentioned Order of Dir. Tiburcio Morales, has not been vacated or ordered vacated by an appropriate authority, it is incumbent upon this Office to honor the same.**"<sup>[12]</sup> (emphases supplied)

The DARAB, likewise, denied the petitioner's motion for reconsideration in a resolution<sup>[13]</sup> dated October 9, 2007. The petitioner appealed her case to the CA through a Petition for Review filed under Rule 43 of the Rules of Court.

In the decision now assailed before this Court,<sup>[14]</sup> the CA affirmed *in toto* the DARAB's decision in DARAB Case No. 14579, stating that:

"As correctly enunciated by DAR Provincial Adjudicator Wilfredo M. Navarra, the objections of herein petitioner to the cancellation of the subject CLOA as the same is a violation of their right to due process, the illegality of the sale of the land, the irregularity of the certificate of finality, etc., cannot be entertained by the DARAB because these are questions related to the administrative implementation of agrarian laws which are beyond the DARAB's jurisdiction. **DARAB has no appellate jurisdiction over acts of DAR Regional Directors, thus, petitioners (sic) should have addressed their concerns to the DAR Secretary.**  
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xxx xxx xxx

xxx it is clear that the DARAB did not err in ruling against herein petitioner as it has no authority to grant the reliefs she has prayed for. Moreover, it cannot be argued that Section 1(f) of the Rules vests the DARAB with jurisdiction over cases involving the issuance of Certificates of Land Transfer (CLT) and the administrative correction thereof, as **it has been ruled that for the DARAB to exercise jurisdiction in such cases, there must be an agrarian dispute between the landowner and the tenant which is not so in the instant case.**"<sup>[15]</sup> (emphases supplied and citations omitted)

In its August 31, 2011 resolution, the CA denied the motion for reconsideration filed by the petitioner; hence, the petitioner's filing of the present petition for review on *certiorari* with this Court.

### **The Petition**

The petitioner assails the CA's decision for denying his petition for review based on purely technical reasons and ignoring the crucial, substantive issues she presented in her appeal. She contends that the CA committed reversible error when it ruled that the October 28, 2004 order of Dir. Morales could no longer be disturbed, and argues that the said order cannot attain finality because it is illegal, null and void.

The petitioner claims: that, in May 1985, she was identified as a qualified farmer-beneficiary of a 3,895 sq.m.-farm lot in Brgy. Palarao, Leyte, Leyte, originally owned by her parents Celedonio and Floriana Cañas, and designated as **Lot No. 3592, Cad. 726-D**; that, on November 17, 1986, the lot's Survey Plan was approved after a survey conducted on the property in December 1985; that, on May 31, 1993, she was issued a **Certificate of Land Ownership Award No. 00091138 and Original Certificate of Title (OCT) No. OC- 3324**, embodied in one (1) document that was registered with the Register of Deeds, Province of Leyte, on June 30, 1993; and that she had been cultivating the land and paying the taxes due on the property ever since.<sup>[16]</sup> Thus, the petitioner firmly insists that the October 28, 2004 order of

Dir. Morales, which was adopted by the DARAB (Region VIII and Central Offices) and later sustained by the CA, was erroneous and patently illegal for the reasons outlined below:

*Procedurally*, the filing of the respondent's petition for nullification of coverage (and disqualification of farmer-beneficiary) with the DARRO was already barred by prescription as it was filed after the lapse of eleven (11) years since the registration of CLOA No. 00091138 with the Register of Deeds. The respondent's petition too, was a prohibited collateral attack on her title over the subject property.

*On substantive issues*, the subject portion of land purportedly sold by the petitioner's father to the respondent is not the actual lot referred to in the petitioner's CLOA. CLOA No. 00091138 issued to the petitioner covered Lot No. 3592, and not Lot No. 3595 as claimed by the respondent.

Also, Dir. Morales exceeded his authority when he ruled that the respondent had validly acquired ownership over the subject portion of Lot No. 3595 from the petitioner's parents, as the authority to rule on the issue of the lot's ownership rests with the courts of law.

Lastly, even assuming that the alleged sale between the respondent and the petitioner's father had actually transpired, the sale of the subject portion of Lot No. 3595 to the respondent was a prohibited act under Section 73(e)<sup>[17]</sup> of Republic Act (R.A.) No. 6657<sup>[18]</sup> and, thus, cannot serve as the basis for the petitioner's disqualification as farmer-beneficiary and for the cancellation of CLOA No. 00091138 and OCT No. OC-3324 issued to the petitioner.

The petitioner further contends that even the filing of the respondent's petition for cancellation of the CLOA with the DARAB was also time-barred and that said petition, likewise, constituted a prohibited collateral attack to her certificate of title.

In a resolution<sup>[19]</sup> dated November 14, 2011, this Court required the respondent to file his comment.

In his comment,<sup>[20]</sup> the respondent counter-argues that the present petition for review on *certiorari* suffers a procedural infirmity that warrants its outright dismissal. He claims that the petitioner failed to furnish him copies of the annexes mentioned in his petition, particularly pertaining to copies of the October 28, 2004 order of Dir. Morales, and the decisions of PARAD Navarra and the DARAB Central Office.<sup>[21]</sup> He posits that the October 28, 2004 order of Dir. Morales is a legal and binding order, which had already become final and executory and thus could no longer be reviewed.

The petitioner, in his reply<sup>[22]</sup> to the respondent's comment, denies that the respondent was not furnished copies of the annexes of her petition. She alleges that, in any case, the annexes to the present petition were the same attachments to her petition for review with the C A, of which the respondent was previously furnished copies.

## **OUR RULING**

We find **MERIT** in the petition.

While a Rule 45 petition must generally be confined to questions of law, we shall resolve the present petition, which substantially raises questions of fact as we find *glaring procedural and substantive errors* committed and overlooked by the DARAB and the CA in this case. Thus, we find it imperative to review the facts of the case and the proceedings before the DARAB, including those before the DARRO.

We recall that the respondent's petition before the DARRO was denominated as a "petition for nullification of coverage (from the CARP) and disqualification as farmer-beneficiary" of the petitioner and her sister Salome over Lot No. 3595, csd. 726-D, and included, in the respondent's prayer for reliefs, the cancellation of CLOA No. 00091138 for being null and void.<sup>[23]</sup>

In his October 28, 2004 order, Dir. Morales granted the respondent's petition and declared CLOA No. 00091138 null and void because:

"From the foregoing, petitioners (*referring to the respondent and his wife*), acquired ownership over the 3,655.50 sq.m. portion of lot 3595 from Sps. Celedonio and Floriana Cañas, by virtue of a Deed of Absolute Sale. Field verification revealed that since February 6, 1993, petitioners took possession of such contested portion, introduced some permanent improvements thereon, and personally cultivated the same up to the present. This fact substantially support petitioners claim that the identification of Flor Cañas Manuel and Salome Dellerca Cañas, as farmer beneficiaries of the aforesaid portion was erroneous, since they were not the actual cultivator (sic) of the same. Neither were said FB's be considered as rightful claimants and owners of said portion, because the same was sold to the herein petitioners by their deceased parents, xxx"<sup>[24]</sup>

**But, instead of ordering the cancellation of CLOA No. 00091138, Dir. Morales ordered the respondent to coordinate with the DARPO-Leyte Legal Division for the filing of the "proper petition" for cancellation with the Adjudication Board.**

On January 24, 2005, almost three (3) months after Dir. Morales's order was issued, the respondent filed a petition to cancel CLOA No. 00091138 with the DARAB Region VIII. The petition was referred to and decided upon by PARAD Wilfredo M. Navarra.

In the proceedings before the PARAD, the petitioner filed objections to the cancellation of her CLOA, and raised issues such as the denial of her right to due process, the illegality of the sale between her father and the respondent, among others. However, the petitioner's objections were not addressed because, according to PARAD Navarra, "these are questions related to the *administrative implementation of agrarian laws* which are beyond the DARAB's jurisdiction."<sup>[25]</sup>

**Thus, following the orders of Dir. Morales, PARAD Navarra cancelled CLOA No. 00091138 and OCT No. 3324.** The petitioner appealed to the DARAB Central Office, which sustained the PARAD's order of cancellation.