

## SECOND DIVISION

[ G.R. No. 178622, November 12, 2012 ]

**LUCIANO LADANO,<sup>[1]</sup> PETITIONER, VS. FELINO NERI, EDWIN SOTO, ADAN ESPANOLA,<sup>[2]</sup> AND ERNESTO BLANCO, RESPONDENTS.**

### D E C I S I O N

**DEL CASTILLO, J.:**

A person who is not an agricultural tenant cannot claim the right to security of tenure under the Code of Agrarian Reforms of the Philippines<sup>[3]</sup> or Republic Act (RA) No. 3844, as amended.<sup>[4]</sup> Moreover, he cannot pursue his complaint before the Department of Agrarian Reform Adjudication Board (DARAB) whose jurisdiction lies over agrarian disputes between parties in a tenancy relationship.<sup>[5]</sup>

Before the Court is a Petition for Review on *Certiorari*,<sup>[6]</sup> assailing the February 14, 2007 Decision<sup>[7]</sup> of the Court of Appeals (CA) in CA-G.R. SP No.

93819, as well as its May 9, 2007 Resolution,<sup>[8]</sup> which denied reconsideration of its Decision. The *fallo* of the assailed Decision reads:

**WHEREFORE**, premises considered, the July 6, 2005 Decision of the Department of Agrarian Reform Adjudication Board, in DARAB Case No. 13172, is hereby **REVERSED and SET ASIDE** and a new one entered **DISMISSING** the April 1, 2004 complaint filed by respondent Luciano Ladano.

**SO ORDERED.**<sup>[9]</sup>

### ***Factual Antecedents***

This case originated from a Complaint<sup>[10]</sup> filed by petitioner Luciano Ladano (Ladano) before the DARAB Provincial Adjudicator against respondents Felino Neri (Neri), Edwin Soto, Adan Espanola and Ernesto Blanco. Ladano alleged that on May 7, 2003, the respondents forcibly entered the two-hectare land, located in Manalite I, *Barangay* Sta. Cruz, Antipolo City, which he and his family have been peaceably occupying and cultivating since 1970. The said respondents informed him that the property belongs to Neri and that he should vacate the same immediately. Not too long afterwards, the respondents fenced the property and destroyed some of the trees and *kawayan* planted thereon. Ladano prayed that he be declared the rightful "occupant/tiller" of the property, with the right to security of tenure thereon. In the alternative that the judgment is in the respondents' favor, he prayed that the

respondents compensate him for the improvements that he introduced in the property.

Respondents countered that Ladano's Complaint should be dismissed for lack of merit.<sup>[11]</sup> He is not entitled to the reliefs he sought because he does not have, as he did not even allege having, a leasehold arrangement with Neri, the supposed owner of the land he is occupying.<sup>[12]</sup>

Instead of arguing that he has a right to remain on the property as its *bona fide* tenant, Ladano maintained that he has been its possessor in good faith for more than 30 years. He believed then that the property was part of the "public land and [was] open to anybody."<sup>[13]</sup> As a possessor and builder in good faith, he cannot be removed from the subject property without being compensated for the improvements that he had introduced.<sup>[14]</sup> He prayed for an award of P100,000.00 as disturbance compensation.<sup>[15]</sup>

#### *Decision of the Provincial Adjudicator*

On June 23, 2004, the Provincial Adjudicator dismissed Ladano's Complaint.<sup>[16]</sup> She determined that the two-hectare property, while agricultural, is not covered by RA No. 6657, as amended,<sup>[17]</sup> which only covers agricultural properties beyond five hectares.<sup>[18]</sup> Presidential Decree No. 27, as amended,<sup>[19]</sup> does not apply either because the property was not planted with rice and corn. Neither is it covered by other agrarian tenancy laws because Ladano had not presented any evidence of his tenancy relationship with the landowner.<sup>[20]</sup> The Provincial Adjudicator disposed of the case as follows:

**WHEREFORE**, in view therefrom, **JUDGMENT** is hereby rendered DISMISSING the instant complaint for lack of merit.

**SO ORDERED.**<sup>[21]</sup>

Ladano appealed to the DARAB Central Office (DARAB).<sup>[22]</sup> He questioned Neri's title to the property and Neri's right to eject him therefrom. He maintained that, for more than 30 years, he believed that the land was part of the public domain because no one disturbed his possession thereof. He continued cultivating and possessing the same in good faith. Under Article 1678 of the Civil Code,<sup>[23]</sup> Ladano averred that he is entitled to be compensated for the improvements that he introduced.<sup>[24]</sup>

#### *DARAB Decision*

The DARAB determined that the only issue to be resolved is whether Ladano is a tenant on the subject landholding.<sup>[25]</sup> If he is a tenant, he is entitled to security of tenure and cannot be removed from the property.<sup>[26]</sup>

The DARAB held that Ladano's 30-year occupation and cultivation of the land could

not have possibly escaped the landowner's notice. Since the landowner must have known about, and acquiesced to, Ladano's actions, an implied tenancy is deemed to exist between them.<sup>[27]</sup> The landowner, who denied the existence of a tenancy relationship, has the burden of proving that the occupant of the land is a mere intruder thereon.<sup>[28]</sup> In the instant case, respondents failed to discharge such burden. The *fallo* of the DARAB Decision<sup>[29]</sup> reads:

WHEREFORE, premises considered, the Decision dated June 23, 2004 rendered by the Honorable Adjudicator a quo is hereby REVERSED and SET ASIDE. A NEW JUDGMENT is hereby rendered:

1. Declaring x x x Luciano Ladaño a bonafide tenant on the subject landholding;
2. Ordering [respondents] to respect [Ladano's] peaceful possession [of] the subject landholding;
3. Directing the Municipal Agrarian Reform Officer (MARO) of Brg. St[a]. Cruz, Antipolo City to assist the parties in the execution of an Agricultural Leasehold Contract in accordance with the provisions of Republic Act No. 3844, as amended.

No pronouncement as to costs.

**SO ORDERED.**<sup>[30]</sup>

Respondents filed a Motion for Reconsideration.<sup>[31]</sup> They assailed the DARAB's finding of a tenancy relationship as having no factual basis. Ladano himself never claimed sharing his harvests with, or paying rentals to, the landowner. Without such an arrangement, no tenancy relationship can exist between them<sup>[32]</sup> and Ladano cannot claim rights under the agrarian laws.<sup>[33]</sup>

The DARAB denied reconsideration on March 17, 2006.<sup>[34]</sup>

Respondents appealed to the appellate court.<sup>[35]</sup>

### ***Ruling of the Court of Appeals***

The appellate court reversed the DARAB Decision and dismissed Ladano's Complaint.<sup>[36]</sup>

Contrary to the DARAB's ruling, the CA held that the burden lies on the person who is asserting the existence of a tenancy relationship to prove that all the elements necessary for its existence are present. These requisites are: "(a) the parties [must be] landowner and tenant; (b) the subject matter is agricultural land; (c) there is consent by the landowner; (d) the purpose is agricultural production; (e) there is personal cultivation by the tenant; and (f) there is sharing of harvests between the [landowner and the tenant]."<sup>[37]</sup>

The CA concluded that there is no evidence supporting the DARAB's conclusion that a tenancy relationship exists between Ladano and Neri.<sup>[38]</sup> In fact, Ladano himself admitted that he entered and tilled the subject property without the knowledge and consent of the landowner. Such admission negates the requisites of consent and of an agreement to share harvests.<sup>[39]</sup>

The CA also faulted the DARAB for considering Ladano's lengthy occupation of the land as an indication of the existence of a leasehold relationship. A person's tillage of another's landholding, without anything else, will not raise the presumption of an agricultural tenancy.<sup>[40]</sup>

In seeking a reconsideration<sup>[41]</sup> of the CA Decision Ladano alleged, for the first time, that he indeed shared a portion of his harvest with the landowner's caretaker.<sup>[42]</sup> He prayed that the CA reverse itself and that the DARAB Decision be reinstated *in toto*.<sup>[43]</sup>

The CA denied<sup>[44]</sup> Ladano's motion, hence the latter filed this Petition.

#### *Proceedings before this Court*

Petitioner filed a Motion for Urgent Issuance of [Temporary Restraining Order] TRO<sup>[45]</sup> before the Court. He alleged that, despite the pendency of his appeal, respondents bulldozed the subject land and destroyed petitioner's trees.<sup>[46]</sup> Since respondents did not deny petitioner's factual allegations,<sup>[47]</sup> the Court granted petitioner's motion and issued a TRO on February 18, 2009.<sup>[48]</sup> The TRO enjoined the respondents from immediately implementing the appellate court's Decision and removing petitioner from the subject property until further orders from the Court.<sup>[49]</sup>

On July 20, 2009, petitioner filed an Urgent Motion To Cite Private Respondents Felino Neri and Edwin Soto in Contempt of Court.<sup>[50]</sup> He alleged that these respondents defied the Court's TRO by bulldozing the subject property on July 10, 2009. He had the incident blotted with the Office of the Barangay Captain and with Precinct 2 of the Philippine National Police in Antipolo City.<sup>[51]</sup> He attached pictures of bulldozed earth to his motion.<sup>[52]</sup>

Respondents denied the allegations. They maintained that the pictures attached to petitioner's motion were taken way back in 2003 and were not truthful representations of the current state of the subject property.<sup>[53]</sup>

### **Issues**

- (1) Whether respondents are guilty of indirect contempt;
- (2) Whether the CA erred in giving due course to respondents' appeal; and
- (3) Whether petitioner is an agricultural tenant on the subject property.

### **Our Ruling**

*Anent the issue of citing respondents in contempt of court*

A charge for indirect contempt, such as disobedience to a court's lawful order,<sup>[54]</sup> is initiated either *motu proprio* by order of or a formal charge by the offended court, or by a verified petition with supporting particulars and certified true copies of documents or papers involved therein, and upon full compliance with the requirements for filing initiatory pleadings for civil actions in the court concerned.<sup>[55]</sup> It cannot be initiated by a mere motion,<sup>[56]</sup> such as the one that petitioner filed.

Further, petitioner failed to substantiate his allegation that respondents violated the TRO. The entries in the *barangay* and police blotters attached to his motion carry little weight or probative value as they are not conclusive evidence of the truth thereof but merely of the fact that these entries were made.<sup>[57]</sup> The pictures depicting bulldozing activities likewise contained no indication that they were taken after the Court's issuance of the restraining order. Simply, the Court has no way of gauging the veracity of petitioner's factual allegations. On the basis of the foregoing, the Court resolves to deny petitioner's motion.

*Procedural aspects; improper verification and incomplete payment of docket fees before the CA*

Petitioner assails the CA for giving due course to respondents' appeal despite the latter's failure to pay the complete docket fees when they filed their motion for extension of time to file a petition for review and to properly verify their petition for review. These omissions were allegedly sufficient grounds for the dismissal of the petition.<sup>[58]</sup>

The Court finds the allegations of procedural missteps unfounded. It appears from the CA *rollo* that the respondents paid the complete docket fees on the day that they filed their motion for extension of time to file a petition for review on March 28, 2006.<sup>[59]</sup> There was also a proper verification of the petition for review. Contrary to petitioner's allegation that the verification was based on "knowledge and belief,"<sup>[60]</sup> which is violative of Section 4, Rule 7 of the Rules of Court, the verification actually stated that it was based on "own personal knowledge,"<sup>[61]</sup> which complied with the requirements of the said provision.

*The CA Decision correctly ruled that there is no tenancy relationship between the parties*

Ladano faults the CA for ruling that there was no tenancy relationship between himself and landowner Neri. He avers that they have an implied tenancy arrangement as shown by his delivery of the landowner's agricultural share to the latter's caretaker. Such actual sharing of harvest creates a tenancy relationship despite the absence of a written leasehold contract. The same has been pronounced in *Santos v. Vda. De Cerdenola*,<sup>[62]</sup> which states that an implied contract of tenancy is created if the landowner, represented by his overseer, permits the tilling of the land by another for a period of six (6) years.

The Court notes petitioner's sudden change of thesis in the case. He insisted in his